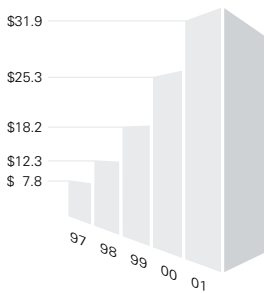
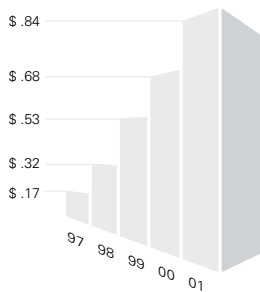




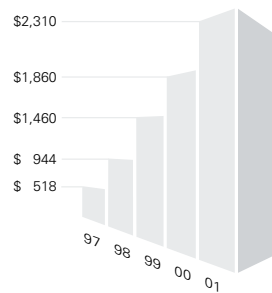
FISCAL 2001 IN REVIEW



NET REVENUE
(in billions)



DILUTED EARNINGS PER SHARE



NET INCOME
(in millions)

(in millions, except per-share and ROIC data)

Fiscal-Year Ended

OPERATING RESULTS	Feb. 2, 2001	Jan. 28, 2000	Change
Net revenue	\$31,888	\$25,265	26%
Gross margin	\$ 6,443	\$ 5,218	23%
Operating income	\$ 2,769	\$ 2,457	13%
Net income	\$ 2,310	\$ 1,860	24%
Income per common share			
Basic	\$ 0.89	\$ 0.73	22%
Diluted	\$ 0.84	\$ 0.68	24%
Weighted average shares			
Basic	2,582	2,534	
Diluted	2,746	2,726	
Working capital	\$ 2,948	\$ 2,489	
Total assets	\$13,435	\$11,471	
Long-term debt	\$ 509	\$ 508	
Total stockholders' equity	\$ 5,622	\$ 5,308	
Return on invested capital	355%	243%	

Feb. 2, 2001, data exclude charges related to job reductions, facilities consolidation and the cumulative effect of an accounting change.

Jan. 28, 2000, data exclude a charge for purchased in-process research and development.

Share and per-share information has been restated to reflect 2-for-1 split of the common stock in March 1999.

TO OUR CUSTOMERS, STOCKHOLDERS, SUPPLIERS AND EMPLOYEES

Dell ended fiscal 2001 in characteristic fashion: growing faster than the overall industry in every product category, customer segment and geographic region, and doing so more profitably than any other computer-systems company.

Familiar, too, was continuation of a long-term trend in customer preference for industry-standard computing products. We think that inclination, which now extends deeply into enterprise-class systems, is a clear vote against the cost and complexity of products based on proprietary technology. And it helps account for our consistent industry-leading performance, and optimism for Dell's future.

Last year, we strengthened our industry position en route to becoming No. 1 in global market share for the first time early this year. We shipped our one-millionth PowerEdge server, grew at three times the rate of the server market leader and ranked No. 2 in this strategically important category. And we achieved No. 1 in workstations less than three years after introducing our first Dell Precision products.

Sales of server and storage systems, workstations, notebook computers, services and peripheral products now represent more than half of Dell's revenue and about two-thirds of our profit.

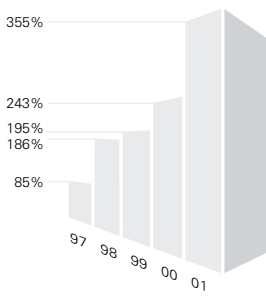
But the past year was not typical, for Dell or the industry. Information-technology spending by business and institutional customers following the Y2K slowdown never fully rebounded. Then, industry growth dropped sharply as the broader U.S. economy weakened in the fourth quarter.



KEVIN B. ROLLINS
President
Chief Operating Officer

MICHAEL S. DELL
Chairman of the Board
Chief Executive Officer

JAMES T. VANDERSLICE
President
Chief Operating Officer



**RETURN ON
INVESTED CAPITAL**

In a challenging environment, Dell provided a measure of consistency. Our fiscal 2001 unit shipments, revenue, net profit, earnings per share and cash flow—while lower than our original expectations—once again established company records. We ended the year with a renewed commitment to the crisp execution that further distinguishes Dell from competitors.

However, as proud as we are of our operating results, they don't describe *why* more and more customers choose to do business with Dell. That explanation begins with our one-to-one relationships and determination to provide the best possible customer experience.

Our relentless drive for efficiency gives us the industry's lowest cost structure, and allows us to continuously redefine price-for-performance. There are no middlemen to pay. Because we only build systems *after* they've been ordered, inventory is kept to a minimum, and reductions in component costs can be passed to customers quickly. In fact, we ended last year with a record-low five days of inventory.

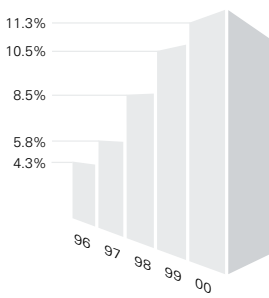
The competitive advantages of our direct business model are particularly compelling in challenging times. Customers trying to get the most from their budgets more clearly understand the benefits of buying direct from Dell: great prices on the latest relevant technology, outstanding reliability and superb services.

Customers last year ranked Dell No.1 in service and customer satisfaction in virtually every leading industry survey. Dell received the "Reader's Choice" award for service and reliability from *PC Magazine* for the ninth consecutive year, was the only manufacturer given an "outstanding" rating in a poll of more than 30,000 *PC World* readers and led Technology Business Research's customer-satisfaction rating for the third straight year.

We know, too, that customers—not technology companies—can best determine which products and services are relevant and deliver value. Some companies in our industry continue to selfishly advocate more expensive, proprietary platforms. But customers know better.

At Dell, we help customers understand current and emerging technology, listen to their needs, then provide what they want more rapidly and cost-effectively than our competitors.

Those customers are choosing servers and storage products running the Microsoft Windows and Linux operating systems in ever-greater numbers for their lower price, flexibility, scalability and reliability. As a result, analysts suggest that relative global spending on proprietary servers and storage products has reached a plateau, and may already be declining.



**OVERALL
GLOBAL MARKET SHARE**
(calendar year, per industry analysts)

By delivering the best combination of innovation and value, Dell is a primary beneficiary of the movement to open standards. In fact, no company in our industry has responded to and profited from that trend more effectively than Dell.

The market for notebook computers grew at more than twice the rate of desktop systems last year, and our shipments of Inspiron and Latitude notebooks rose more than 50 percent. The advent of wireless broadband networking and Internet technology—including our Dell TrueMobile product—combined with fast and inexpensive centralized storage, will continue to drive this shift toward mobile computing.

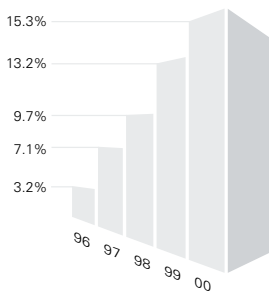
Dell's share of the worldwide server market last year was even larger than our portion of the notebook- and desktop-computer categories, and expanded by nearly two full points. More than one in five servers sold in the U.S. last year were Dell PowerEdge systems. Our most rapid server growth was in higher-end eight-processor systems. Dell's sales of PowerVault storage products ended the year at a \$1.4 billion annual run rate, and industry analysts already rank us No. 2 in the emerging worldwide market for storage-area networks, or SAN.

Dell Technology Consulting shares our wide-ranging enterprise-computing experience with customers. DTC services include testing, designing, installing, improving and providing training for network- and Internet-infrastructure needs. Our disciplined approach helps us tailor industry-standard solutions to the specific requirements of organizations both large and small.

The credibility of our extensive Premier Services, particularly those helping customers harness the power of the Internet, is well earned. Dell has been characterized as the prototype company for the Internet Age. Sales through www.dell.com represented about one-half of the company's \$32 billion in revenue at the end of last year; the \$16 billion annual run rate would rank No. 122 on the Fortune 500 list of companies.

Our use of Web-based tools to benefit customers—and, in turn, Dell—extends well beyond online sales. More than half of our customers already use Internet-enabled support, and we are working to provide additional such tools through the Web. For example, our Resolution Assistant service is allowing Dell to remotely diagnose and solve customer issues more quickly, more accurately and at lower cost.

Web efficiencies are enhancing every part of our own business, too. Nowhere is that more true than in our global supply chain, most of which is now managed online. Suppliers accounting for 90 percent of Dell's purchasing get a real-time view to customer demand, and we have more precise information about what components are being produced, how they are being shipped and when they will be available.



**SERVER
GLOBAL MARKET SHARE**
(calendar year, per industry analysts)

The results are predictable: less inventory, higher quality and lower costs for Dell and for our suppliers.

These and other best practices are being used in our operations around the world. We continue to see that the way we do business is applicable and embraced by customers in all markets, and we're methodically expanding our global presence, including in critical national markets such as China, Brazil and India.

We remain very bullish on the long-term prospects for our global industry. The demand for increased productivity from faster, more robust computing technology will persist for the foreseeable future, periodic economic and industry softness notwithstanding.

We're even more confident about the opportunities for our customer-focused business, especially given the growing preference for mobile computing, industry-standard servers and storage products, and related services. In the midst of constant, sometimes complex technological change, Dell's approach remains elegantly simple: selling computer systems and services directly to customers efficiently and cost effectively.

The primary objective of our global colleagues is similarly straightforward: to make computing, and doing business with Dell, as easy as possible. Evidence shows that customers—from consumers to the largest corporations with mission-critical enterprise requirements—find our uncomplicated approach increasingly persuasive.

We think the obvious conclusion is that our business model is best suited to understanding and meeting the needs of those customers. To widening our competitive advantage in all economic seasons. And to creating the greatest long-term value for our customers, investors, employees and other Dell stakeholders. Never a company to rest on past accomplishments, our intent is to show those as truths time and time again.

MICHAEL S. DELL Chairman of the Board and Chief Executive Officer

KEVIN B. ROLLINS President and Chief Operating Officer

JAMES T. VANDERSLICE President and Chief Operating Officer

May 2001

NAVY AND MARINE CORPS INTRANET PROGRAM

CHALLENGE The U.S. Navy and Marine Corps are known the world over for their combat readiness. Adding advantage to more than 360,000 skilled sailors and Marines dispersed throughout 300 bases in the United States, Iceland and Cuba, among others, is difficult.

SOLUTION Dell, in partnership with Electronic Data Systems Corp. and the Information Strike Force team, is providing the technology and personnel to build a world-class intranet for the U.S. Department of the Navy, capable of handling everything from administrative tasks to ammunition supply. It is the largest federal information-technology contract in history with a potential value of more than \$6.9 billion. Dell is providing notebooks, desktops, servers, storage and services so that all servicemen and women

can share information. The company is supplying 66 server installations with approximately 2,500 PowerEdge servers each, and enough PowerVault storage products to hold up to 2,000 terabytes of information. Together, Dell's expertise and systems are delivering the highest levels of flexibility, reliability and performance—like the sailors and Marines they serve.



PRODUCTS Optiplex desktops, Latitude notebooks, PowerEdge and PowerApp servers, PowerVault storage

PREMIER SERVICES Enterprise Consulting, Deployment, Support



**PROVIDING INTERNET ACCESS TO 65,000 STUDENTS
IN 144 BUILDINGS IS TOUGH.**

COLUMBUS PUBLIC SCHOOLS

CHALLENGE Columbus (Ohio) Public Schools are in the sophomore year of their largest computing assignment ever—a major outsourcing of the district’s instructional technology. The urban district of 65,000 students and 8,000 faculty and staff members, spread across 144 buildings, selected Dell to manage the three-year, \$30 million project.

SOLUTION Dell’s speed and ability to provide a comprehensive solution made the grade. In less than three months, Dell installed 225 PowerEdge servers and 13,400 OptiPlex desktop computers—all with custom factory integration of the district’s



DELL MAKES IT EASY.

software applications—providing pupils, teachers and others with access to the Internet, educational programs and other learning resources. Dell also established a 21-person on-site support team, along with a dedicated help desk at the company's headquarters in Central Texas. The responsiveness earned Dell extra credit in the form of an additional \$600,000 worth of on-site support services.



PRODUCTS PowerEdge servers, OptiPlex desktops

PREMIER SERVICES Enterprise Consulting, Deployment, Support



CENTRALIZING, CATALOGING AND TRACKING TWO MILLION WORKS OF ART AT THE LARGEST MUSEUM IN THE WESTERN HEMISPHERE IS TOUGH.

THE METROPOLITAN MUSEUM OF ART

CHALLENGE Claude Monet's "Water Lilies" and an Antonio Stradivari violin are among the more than two million reasons why The Metropolitan Museum of Art is one of the most respected institutions of its kind in the world. The Met, located in New York's Central Park, hosts more than five million visitors annually with a collection ranging from prehistoric works to Pablo Picasso paintings. When The Met recognized it needed to update and centralize an antiquated server and storage system for the two-million-square-foot facility, officials turned to Dell, known for producing technological masterpieces of its own.

SOLUTION Fundamental to the museum's operations is the ability to catalog, access



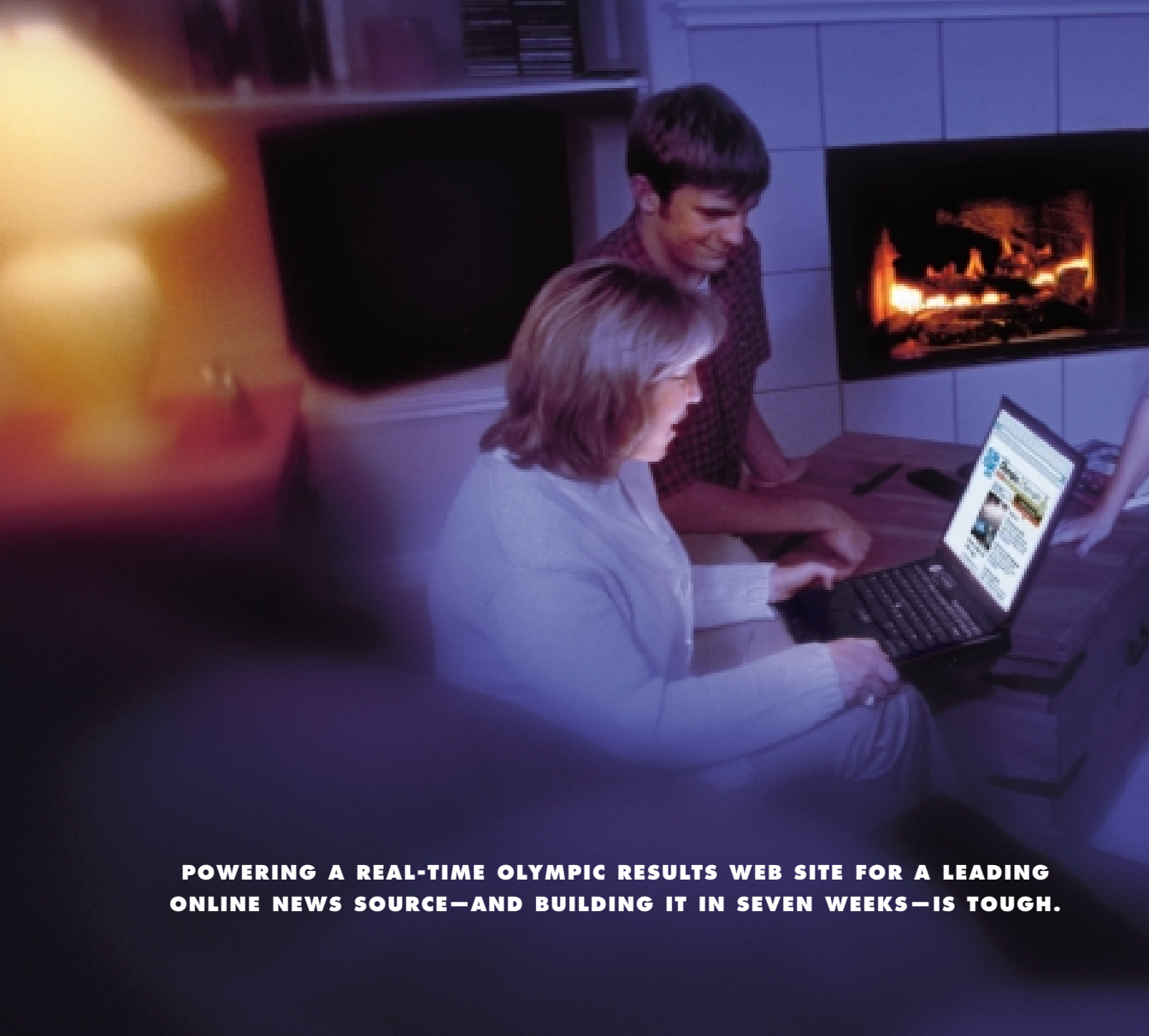
DELL MAKES IT EASY.

and track 400 gigabytes of information about an art collection spanning 5,000 years. With reliable, scalable PowerEdge servers and PowerVault storage systems, Dell delivered a comprehensive solution that will enable The Met to manage its collection and digitally preserve all of its extraordinary, priceless works.



PRODUCTS PowerEdge servers, PowerVault storage

PREMIER SERVICES Enterprise Consulting, Deployment, Premier Dell.com, Support



POWERING A REAL-TIME OLYMPIC RESULTS WEB SITE FOR A LEADING ONLINE NEWS SOURCE—AND BUILDING IT IN SEVEN WEEKS—IS TOUGH.

USATODAY.COM

CHALLENGE USATODAY.com is one of the top news and information Web sites with more than 25 million monthly visitors. Updated 24 hours a day, it delivers breaking national and international news including the latest in money, sports, life, technology and weather. For the Summer Games of the 27th Olympiad in Sydney, Australia, USATODAY.com wanted to provide readers with dynamic, accurate and consistently available results of more than 10,000 athletes competing in 28 different sports. The company asked Dell to help build a Web site infrastructure that could post 15,000 results within minutes of event completion, and handle up to 14 million page requests per day from Olympic fans around the globe.



DELL MAKES IT EASY.

SOLUTION Dell planned and installed a network of powerful, scalable, cost-effective PowerEdge servers and PowerVault storage products in seven weeks. Together, USATODAY.com and Dell delivered a world-record performance.



PRODUCTS PowerEdge servers, PowerVault storage

PREMIER SERVICES Enterprise Consulting



**HELPING ONE OF THE WORLD'S LARGEST INSURANCE COMPANIES
MANAGE RISK FOR 60 MILLION CLIENTS WORLDWIDE IS TOUGH.**

ALLIANZ

CHALLENGE Allianz, founded 110 years ago in Germany, is one of the world's leading insurance companies, providing portfolio management and insurance for property, casualty, life and health to 60 million clients via an international network of subsidiaries. The Munich-based company's 118,000 employees value innovation, efficiency and quality. When it recognized that global standards for purchasing computer systems would help protect its information-technology investments, Allianz looked for a supplier whose traits matched its own. The insurer found them in Dell, which now covers employees located in 700 global subsidiaries.

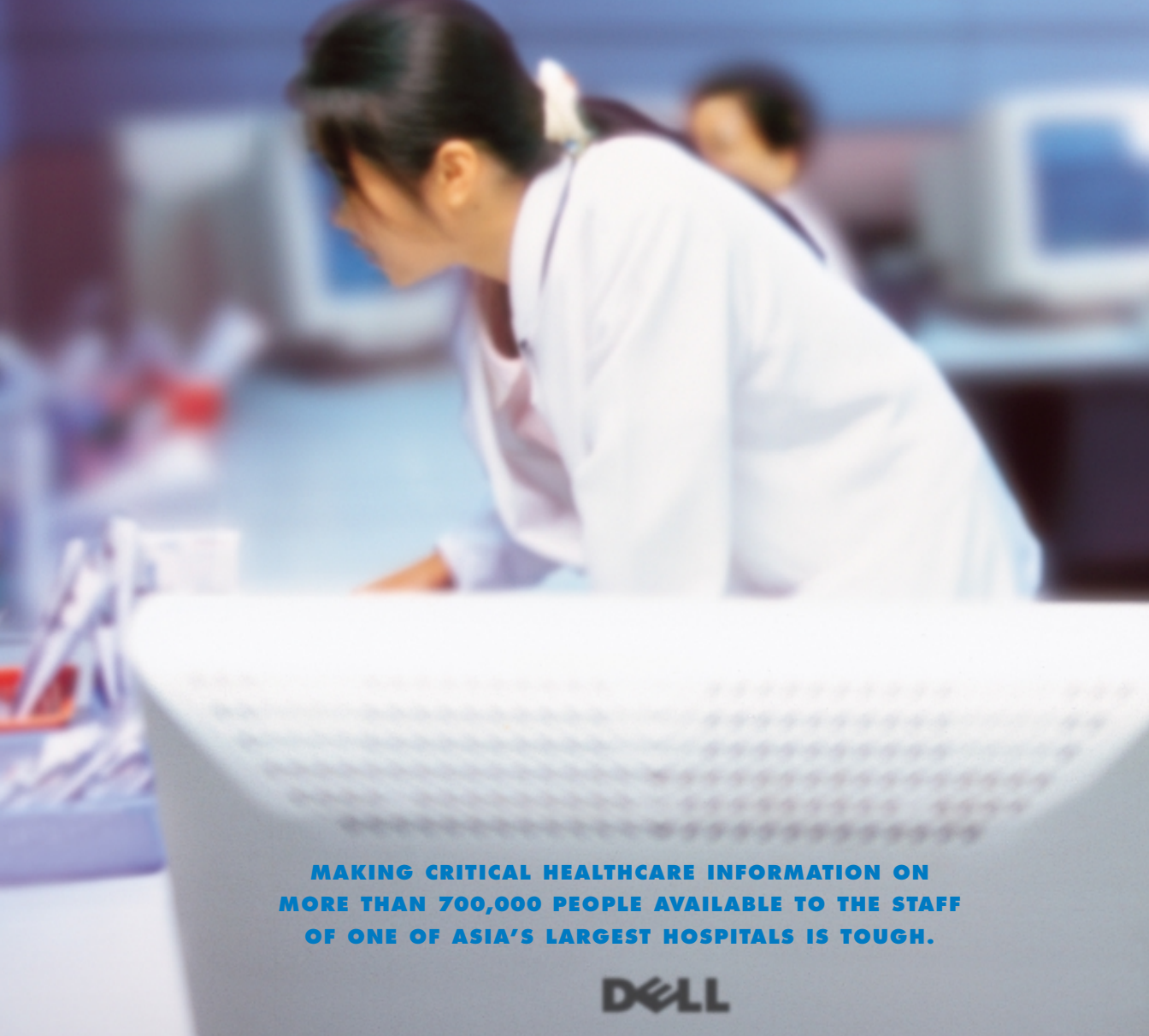
DELL MAKES IT EASY.

SOLUTION Buying direct from Dell enables Allianz to acquire custom-configured computer systems as they are needed, and have them delivered and serviced anywhere in the world. That helps assure Allianz of optimum management of its own assets.



PRODUCTS OptiPlex desktops, Latitude notebooks

PREMIER SERVICES Premier Dell.com, Deployment



MAKING CRITICAL HEALTHCARE INFORMATION ON MORE THAN 700,000 PEOPLE AVAILABLE TO THE STAFF OF ONE OF ASIA'S LARGEST HOSPITALS IS TOUGH.

DELL

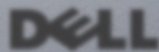
BUMRUNGRAD HOSPITAL

CHALLENGE Information systems downtime in any business costs money. Downtime for Thailand's Bumrungrad Hospital can cost lives. Located in Central Bangkok, the hospital is one of the largest medical facilities in Asia, caring for more than 700,000 people annually. Information technology serves as Bumrungrad's central nervous system, supporting everything from admissions to the issuing of prescriptions in English, Thai, Japanese, Chinese or any other language. When systems administrators diagnosed too many failures and high maintenance costs with their previous systems, which were based on proprietary computing technology, the hospital looked for a cure.

SOLUTION Officials found the care they needed in Global Care Solutions' Hospital2000 system. Dell met the hospital's system requirements by installing clusters of PowerEdge



DELL MAKES IT EASY.



servers and PowerVault storage systems, and a network of 600 OptiPlex desktops—all based on reliable, scalable and cost-effective industry-standard technology. The solution has given Bumrungrad's IT infrastructure a clean bill of health. Patient waiting times have been reduced and hospital staff now has dependable access to critical information.



PRODUCTS PowerEdge servers, PowerVault storage, OptiPlex desktops

PREMIER SERVICES Support



**STANDARDIZING GLOBAL COMPUTER ACQUISITION FOR A COMPANY
MAKING EVERYTHING FROM JET ENGINES TO LIGHT BULBS IS TOUGH.**

GENERAL ELECTRIC

CHALLENGE Serving the IT needs of a company whose businesses operate globally requires a service provider that can meet the challenges of General Electric Co.'s four demanding growth initiatives: globalization, services, Six Sigma quality and digitization.

SOLUTION Dell began to rise to the challenge in February 1999 when it developed, in partnership with GE, a simplified process for worldwide acquisition of computer systems loaded with standard GE software. Called the New Computer Acquisition Model, the project reduces system variation and increases information-technology efficiency. Dell's role has been to provide GE with a global standard for fast and efficient ordering and delivery of high-quality "plug-and-play" computer platforms, custom pricing based on a regional



DELL MAKES IT EASY.

“market basket” model and worldwide availability of next-day, on-site warranty services. Now in the program’s third year, Dell serves GE in 33 of its key countries with hundreds of thousands of Dell computers installed across all of its business units, and is helping to improve the efficiency, manageability and reliability of client computing.



PRODUCTS OptiPlex desktops, Latitude notebooks

PREMIER SERVICES Support, Deployment

(in millions, except per-share data)

Fiscal-Year Ended

OPERATING RESULTS	Feb. 2, 2001	Jan. 28, 2000	Jan. 29, 1999	Feb. 1, 1998	Feb. 2, 1997
Net revenue	\$31,888	\$25,265	\$18,243	\$12,327	\$ 7,759
Gross margin	\$ 6,443	\$ 5,218	\$ 4,106	\$ 2,722	\$ 1,666
Income before extraordinary loss	\$ 2,310	\$ 1,860	\$ 1,460	\$ 944	\$ 531
Income before extraordinary loss per common share					
Basic	\$ 0.89	\$ 0.73	\$ 0.58	\$ 0.36	\$ 0.19
Diluted	\$ 0.84	\$ 0.68	\$ 0.53	\$ 0.32	\$ 0.17
Operating income	\$ 2,769	\$ 2,457	\$ 2,046	\$ 1,316	\$ 714
Net income	\$ 2,310	\$ 1,860	\$ 1,460	\$ 944	\$ 518

PERCENT OF NET REVENUE	Feb. 2, 2001	Jan. 28, 2000	Jan. 29, 1999	Feb. 1, 1998	Feb. 2, 1997
Operating income	8.7%	9.8%	11.2%	10.7%	9.2%
Net income	7.2%	7.4%	8.0%	7.7%	6.7%
Income tax rate	30.0%	29.7%	30.0%	31.0%	29.0%
Net revenue, by region					
Americas	72%	71%	68%	69%	68%
Europe, Middle East, Africa	20%	22%	26%	24%	26%
Asia-Pacific and Japan	8%	7%	6%	7%	6%
System net revenue, by product line					
Desktops	52%	58%	64%	71%	78%
Enterprise	19%	17%	13%	9%	4%
Portables	29%	25%	23%	20%	18%

Feb. 2, 2001, data exclude charges related to job reductions, facilities consolidation and the cumulative effect of an accounting change.

Jan. 28, 2000, data exclude a charge for purchased in-process research and development.

Share and per-share information has been restated to reflect 2-for-1 splits of the common stock in December 1996, July 1997, March and September 1998 and March 1999.

Certain prior-year amounts related to cash and investments have been reclassified to conform to the fiscal 2000 presentation.

System net revenue, by product line, includes worldwide service revenue.

(in millions)

Fiscal-Year Ended

FINANCIAL POSITION	Feb. 2, 2001	Jan. 28, 2000	Jan. 29, 1999	Feb. 1, 1998	Feb. 2, 1997
Total current assets	\$ 9,491	\$ 7,681	\$ 5,807	\$ 3,455	\$ 2,549
Property, plant and equipment, net	\$ 996	\$ 765	\$ 523	\$ 342	\$ 235
Working capital	\$ 2,948	\$ 2,489	\$ 2,112	\$ 758	\$ 891
Total assets	\$13,435	\$11,471	\$ 6,877	\$ 4,268	\$ 2,993
Total current liabilities	\$ 6,543	\$ 5,192	\$ 3,695	\$ 2,697	\$ 1,658
Long-term debt	\$ 509	\$ 508	\$ 512	\$ 17	\$ 18
Stockholders' equity	\$ 5,622	\$ 5,308	\$ 2,321	\$ 1,293	\$ 806
Total liabilities and stockholders' equity	\$13,435	\$11,471	\$ 6,877	\$ 4,268	\$ 2,993

KEY RATIOS	Feb. 2, 2001	Jan. 28, 2000	Jan. 29, 1999	Feb. 1, 1998	Feb. 2, 1997
Current ratio	1.45	1.48	1.57	1.28	1.54
Quick ratio	1.27	1.30	1.28	1.07	1.24
Days of supply in inventory	5	6	6	7	13
Days of sales in accounts receivable	32	34	36	36	37
Days in accounts payable	58	58	54	51	54
Return on invested capital	355%	243%	195%	186%	85%

OTHER DATA	Feb. 2, 2001	Jan. 28, 2000	Jan. 29, 1999	Feb. 1, 1998	Feb. 2, 1997
Employees (year-end)	40,000	36,500	24,400	16,200	10,350
Average total revenue per unit	\$ 2,050	\$ 2,250	\$ 2,350	\$ 2,600	\$ 2,700
Shares issued and outstanding (year-end, in millions)	2,603	2,575	2,543	2,574	2,768
Weighted average shares outstanding (in millions)					
Basic	2,582	2,534	2,531	2,631	2,838
Diluted	2,746	2,726	2,772	2,952	3,126
Closing stock price (NASDAQ: DELL)	\$ 25.19	\$ 37.25	\$ 50.00	\$ 12.43	\$ 4.13
Market capitalization (in millions)	\$65,563	\$95,928	\$127,150	\$31,995	\$11,430

SENIOR OFFICERS

Michael S. Dell

Chairman of the Board
and Chief Executive Officer

Kevin B. Rollins

President
and Chief Operating Officer

James T. Vanderslice

President
and Chief Operating Officer

William Amelio

Senior Vice President,
Relationship Group

Paul D. Bell

Senior Vice President,
Europe, Middle East and Africa,
and Home and
Small Business Group

Jeffrey W. Clarke

Vice President,
Relationship Product Group

Martin G. Garvin

Vice President,
Worldwide Procurement

Thomas B. Green

Senior Vice President,
Law and Administration,
and Secretary

John S. Hamlin

Vice President,
U.S. Consumer Business

Russell L. Holt

Vice President,
Storage Systems Group

Michael D. Lambert

Senior Vice President,
Enterprise Systems Group

Joseph A. Marengi

Senior Vice President,
Relationship Group

Paul D. McKinnon

Senior Vice President,
Human Resources

John K. Medica

Vice President,
Transactional Product Group

Randall D. Mott

Senior Vice President
and Chief Information Officer

Frank L. Muehleman

Senior Vice President,
U.S. Small and Medium
Business Group

Glenn E. Neland

Vice President,
Worldwide Procurement

W. Scott O'Hare

Vice President,
U.S. Small and Medium
Business Group

Rosendo G. Parra

Senior Vice President,
Home and
Small Business Group

Lawrence A. Pentland

Vice President,
Americas International

Charles H. Saunders

Senior Vice President,
Asia-Pacific/Japan

James M. Schneider

Senior Vice President
and Chief Financial Officer

Brian C. Wood

Vice President,
U.S. Public Sector

BOARD OF DIRECTORS

Michael S. Dell

Chairman of the Board
and Chief Executive Officer

Donald J. Carty

Chairman of the Board,
President and
Chief Executive Officer,
AMR Corporation
and American Airlines Inc.
Committees: Audit

William H. Gray III

President
and Chief Executive Officer,
United Negro College Fund
Audit, Nominating

Michael H. Jordan

Former Chairman of the Board
and Chief Executive Officer,
CBS Corporation
Compensation, Finance

Judy C. Lewent

Executive Vice President
and Chief Financial Officer,
Merck & Co., Inc.
Finance

Thomas W. Luce III

Of Counsel
Hughes & Luce LLP
Audit

Klaus S. Luft

Owner and President,
MATCH – Market Access
for Technology Services GmbH,
and Vice Chairman/
International Advisor,
Goldman Sachs Europe Limited
Compensation

Alex J. Mandl

Chairman of the Board
and Chief Executive Officer,
Teligent
Finance

Michael A. Miles

Former Chairman of the Board
and Chief Executive Officer,
Phillip Morris Companies Inc.
Compensation, Nominating

Samuel A. Nunn

Former U.S. Senator
and Senior Partner,
King & Spalding
Audit, Nominating

Mary Alice Taylor

Former Chairman of the Board
and Chief Executive Officer,
Homegrocer.com
Compensation

Morton L. Topfer

Counselor to the CEO
Finance

INVESTOR DATA

Dell's common stock is traded on The Nasdaq National Market under the symbol "DELL."

The company's stock was initially offered to the public on June 22, 1988, at \$8.50 per share. Following is a roster of subsequent stock splits:

April 1992	3-for-2
October 1995	2-for-1
December 1996	2-for-1
July 1997	2-for-1
March 1998	2-for-1
September 1998	2-for-1
March 1999	2-for-1

Example: One hundred shares of Dell stock at the IPO was equal to 9,600 shares at the end of fiscal 2001.

One hundred dollars invested in Dell at the IPO price was worth \$28,360 at the close of the last fiscal year, Feb. 2, 2001.

Extensive investor information, including Dell's Fiscal 2001 in Review and SEC filings, can be found on the World Wide Web at www.dell.com/investor.

Independent Accountants

PriceWaterhouseCoopers LLP
Austin, Texas

For printed copies of the annual report on Form 10-K (without exhibits) for fiscal-year 2001, or other investor data, contact:

Investor Relations
Dell
One Dell Way
Round Rock, TX 78682-2222
512-728-7800
Investor_Relations_Fulfillment@dell.com
www.dell.com/investor

The company's 2001 annual shareholders meeting will be held at 9 a.m. on Thursday, July 19, at the Austin Convention Center, 500 E. Cesar Chavez St., Austin, Texas.

Information about stock certificates, changing an address, consolidating accounts, transferring ownership or other stock matters can be obtained from:

American Stock Transfer and Trust Company
40 Wall St., 46th Floor
New York, NY 10005
www.amstock.com
800-937-5449

REGIONAL HEADQUARTERS

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512-338-4400, 800-289-3355
Fax: 512-728-3653

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Dell Campus
Bracknell, Berkshire
United Kingdom RG12 1FA
44-1344-812-000
Fax: 44-1344-860-187

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Dell Computer Asia Pte. Ltd.
180 Clemenceau Avenue
#06-01 Haw Par Center
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65-335-3388
Fax: 65-394-3380

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Dell Computer K.K.
Solid Square East Tower 20F
580 Horikawa-cho, Saiwai-ku
Kawasaki, Kanagawa 210-0913
Japan
81-44-556-4300
Fax: 81-44-556-3205

Manufacturing Centers

Dell manufactures its computer systems in six locations: Austin, Texas, and Nashville, Tenn., United States; Eldorado do Sul, Brazil; Limerick, Ireland; Penang, Malaysia; and Xiamen, China.

DELL AND DIVERSITY

At Dell, diversity is an integral part of our culture—our direct model is built on the absence of barriers. Dell works to provide superior, direct customer service to our diverse marketplace; promote transparent opportunity for our customers, employees and suppliers; and ensure that all our partners and communities benefit from Dell's continued success. Diversity in all forms enhances our competitiveness in today's global marketplace, fostering team and individual innovation and creativity. Always a reason behind Dell's success, embracing diversity will continue to be key to our business.

DELL AND THE COMMUNITY

Dell helps communities and youth prepare for opportunities in the digital world through corporate community partnerships, the Dell Foundation and employee volunteerism. During fiscal-year 2001, Dell launched "E-quiping Youth," a comprehensive community program that prepares students to succeed in a technological world. Another Dell initiative, "The Web School," provides Internet-based educational tools for teachers, administrators and students. Related programs include "Know the Net for Teachers," "Classroom Connections," technology access grants and online mentoring and volunteer initiatives.

In Central Texas, Dell supported traditions such as the Martin Luther King celebration, the annual "Trail of Lights" holiday display and arts programs with organizations such as the MEXICARTE Museum. In addition, Dell forged a partnership with the Round Rock Express baseball club, which included the naming of its new stadium, The Dell Diamond. Dell's community investments in Middle Tennessee focused on educating youth and providing technology to schools in need through the PENCIL Foundation and the "E-Schools" project. Additionally, Dell employees contributed thousands of volunteer hours to service and community organizations such as the Juvenile Diabetes Foundation and the March of Dimes. More information about Dell's community activities can be found in "About Dell" at www.dell.com.

DELL AND THE ENVIRONMENT

Dell made additional progress in its environmental stewardship during the past year. The company earned ISO 14001 certification of environmental management systems at its manufacturing operations in Tennessee and Texas in the United States, and in Xiamen, China. These sites join Dell facilities in Ireland, Malaysia and Japan with this certification. Dell again increased its worldwide nonhazardous solid-waste recycling and reuse rate, from 75 to 80 percent. Keep America Beautiful and the National Recycling Coalition honored Dell with its first two national recycling awards.

Expanding on the energy efficient and recyclable designs of its computer products, Dell began a formal "Design for the Environment" process for development of desktop and portable products. This program will integrate environmental responsibility in all stages of the product design and development process. Product end-of-life programs continued to grow last year with the introduction of DellExchange, an online process for trading, auctioning or donating used personal computers. For more information on these and Dell's other environmental activities, visit www.dell.com/environment.

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Statements in this report that relate to future results and events are based on the company's current expectations. Actual results in future periods may differ materially from those currently expected or desired because of a number of risks and uncertainties, including the level of demand for personal computers; the intensity of competition; currency fluctuations; the cost of certain key components; and the company's ability to effectively manage product transitions and material availability, and to effectively manage its operating expenses. Additional discussion of these and other factors affecting the company's business and prospects is contained in the company's periodic filings with the U.S. Securities and Exchange Commission.

PRODUCTS AND SERVICE OFFERINGS



OPTIPLEX desktops and **LATITUDE** notebooks are developed for corporate, government and educational customers who need highly reliable, industry-compatible systems for their networked environments.



DELL PRECISION workstations are ideally suited to run complex applications, such as three-dimensional computer-aided design, digital content creation, software development and financial/economic modeling.



INSPIRON notebooks and **DIMENSION** desktops are designed primarily for individuals and small and medium businesses looking for optimum performance from their system investments. The product lines feature the latest technology on award-winning platforms.



POWEREDGE servers offer the performance, reliability and scalability required to manage critical business and government computing infrastructures. **POWERAPP** appliance servers are designed for easy installation and integration into an Internet or intranet. **POWERVAULT** storage-area-network and network-attached-storage products enable customers to manage their growing data-storage requirements. Together, the three form a powerful portfolio of highly reliable, standards-based systems for a full range of enterprise computing needs.

DELL PREMIER SERVICES offer customers a single point of accountability for a full suite of award-winning computing services ranging from consulting to deployment to support. Dell Premier Enterprise Services are focused on technology optimization and system uptime, and are designed to get Dell server and storage systems up and running quickly with the help of Dell's global force of engineers, technicians and consultants. Dell also offers integration and support services for desktop and mobile computing. Dell's Web-based customer service ranges from robust Premier Support.dell.com for corporate and public sector customers, to online tools for consumers such as Ask Dudley, a natural-language support tool available through the Dell Solution Center and Support.dell.com. Today, 50 percent of Dell's customers use some type of Web-based tool; Dell anticipates this number to be 80 percent by the end of 2001.

Dell provides more than 55,000 competitively priced **SOFTWARE AND PERIPHERAL PRODUCTS** from industry-leading manufacturers that complement the company's systems offerings. Memory upgrades, printers, monitors, software packages and other products are available through DellWare and Dell's online software and accessories store.



WWW.DELL.COM

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