March 2012

Dear Fellow Shareholder,

Cloud computing is transforming the way information technology is architected, deployed and consumed, and EMC has become a leader of this transformation, which holds massive opportunity for our customers and for our business.

We believe market adoption of cloud computing represents a fundamental shift in industry dynamics that will be as far-reaching and impactful over time as the adoption of personal computers was a generation ago.

Simply put, cloud computing is about delivering applications online to users at their desktops, on laptops, tablets or smart phones. This can be done in-house, through an enterprise's "private" cloud, or through third-party, web-based service providers in the "public" cloud.

We expect most large enterprises will prefer a hybrid approach that allows them to access some applications like payroll processing through service providers while retaining control over their most mission-critical applications in their private clouds. To achieve this "hybrid" cloud model, customers look to us for help in transforming their data centers into flexible, scalable pools of virtualized infrastructure that can deliver IT as a Service to business units in a much more agile way, while offering the greatest efficiency, control and choice. Along with VMware and our ecosystem of strategic partners and service providers, we are accelerating our customers' journey to hybrid cloud computing.

Our vision of the future is resonating in the marketplace. In 2011, we achieved another record year of double-digit growth in revenue, profit and free cash flow. Consolidated revenues grew to $20 billion in 2011, an increase of 18 percent over 2010. On a GAAP basis, net income attributable to EMC increased 30 percent year-over-year to $2.5 billion. EMC generated 2011 operating cash flow of $5.7 billion and free cash flow* of $4.4 billion, increases of 25 percent and 29 percent, respectively, over 2010.

Our demonstrated ability to sustain profitable growth year after year has produced a track record matched by few technology companies of our size. From 2007 through 2011, EMC's revenues have grown at a compound annual rate of 11 percent; non-GAAP earnings per share* have grown even faster, at a compound annual rate of 14 percent. We ended 2011 with $10.8 billion in cash and investments, after returning $2 billion to shareholders through stock buybacks last year. We also invested 11 percent of 2011 revenues in research and development to enrich our product portfolio and maintain technology leadership. We continue to manage our cash prudently to meet our objectives of returning value to shareholders while investing for our future.

Although 2011 was a record-breaking year for our financial performance, our stock performance of negative six percent in 2011 (vs. a zero percent return for the S&P 500 index) was disappointing as macroeconomic uncertainty weighed on investors' concerns in the second half of the year. Still, we remain very confident in the market trends and strategy driving our growth.

Since cloud computing is the most significant trend transforming IT today, it is no coincidence that EMC competes in many of the fastest growing market segments in IT. Segments we serve rank at, or near, the top of surveys of enterprise customers' IT spending priorities for 2012: storage, virtualization, information security, and data analytics. This dynamic, along with our solid 2011 performance, puts us squarely on track to achieve the financial objectives we announced early last year: revenue of more than $28 billion in 2014, which represents compound annual revenue growth of at least 13 percent from 2010. We expect earnings per share (on a non-GAAP basis) to grow at a compound annual rate faster than revenues over the same time frame.

VMware, the EMC majority-owned and publicly-traded market leader in virtualization and cloud infrastructure, contributed revenue of $3.8 billion in 2011, an increase of 32 percent from 2010. VMware holds the largest market share by far in one of the hottest software segments in enterprise IT. Our close product and technology integration with VMware is a major differentiator for us among VMware's rapidly expanding installed base of customers.

Last year, we also accelerated the growth of VCE, the Virtual Computing Environment Company, our joint venture with Cisco, which is also supported by investments from VMware and Intel. The order rate for VCE's pre-integrated Vblock® platforms surpassed $800 million on an annualized basis in the fourth quarter of 2011, as more customers standardize on Vblock to virtualize their mission-critical workloads.

In early 2011, we unveiled a large wave of record-breaking storage systems, technologies and new capabilities in what has proven to be our biggest product launch and strongest portfolio in EMC history. Last year, we transformed our storage portfolio and gained market share in the mid-tier and small business segments with our new, award-winning EMC® VNX™ family of unified storage platforms, which has received strong acclaim from customers and partners. We also received industry awards for designing products and sales programs to leverage the strength of distribution partners worldwide. Last year, we added several thousand new channel partners and made indirect sales a powerful contributor to our market share gains.

To enhance our industry-leading, high-end EMC Symmetrix® VMAX™ family of platforms, we introduced innovative software to fully automate the placement of data on the most cost-effective storage tiers. This reduces customers' operating costs while making it easy for them to adopt disruptive, groundbreaking, ultra high-performance Flash technology, establishing a market-leading position for EMC in a new segment that is rich in opportunity. Our largest VMAX customer has installed more than 50 petabytes of VMAX storage, an amount of data that was almost unthinkable for a single enterprise only a few years ago.

"Big Data" represents a new technology frontier and a huge opportunity to transform business and traditional business models. Organizations that learn how to extract value from the vast troves of data inside and outside their businesses will find new ways to differentiate themselves, create value for their customers, and gain competitive advantage—whether in the delivery of personalized medical treatments, the creation of smart grids by electric utilities, or through smarter and more efficient retailing.

Big Data refers to data sets that have grown too large and too varied in formats for conventional IT. A one-size-fits-all approach to data storage is not ideal for today's environments. Big Data requires purpose-built platforms and new methods to analyze and act upon insights gathered from unstructured data (e.g., clickstream data or images) that live outside of traditional relational databases. Our acquisition of Isilon in 2010 helps us to better meet customers' cloud and Big Data needs. Isilon has thrived as part of EMC: its revenue doubled in 2011. Add the capabilities of our EMC Atmos™ cloud storage platform for geographically dispersed data, and we have unparalleled storage infrastructure for Big Data.

Greenplum, another 2010 acquisition that enhances our Big Data capabilities, enables customers to sort through enormous data sets—millions of transactions per day, or hundreds of billions of clicks per month. Last year, we introduced the industry's only unified solution for Big Data analytics. This new platform combines the co-processing of structured and unstructured data with social networking tools that enable data science teams to collaborate in real time. With this next-generation analytics solution, we expect to help more customers find the wealth in their mountains of information.

To sift through Big Data for value also requires new skills. Nearly two-thirds of data science professionals believe demand for their expertise will outpace supply over the next five years. Only one-third are very confident in their company's ability to make business decisions based on new data, according to the largest ever survey of data scientists, conducted by EMC last year. To help develop these skills, last year we hosted the world's first summit dedicated to data scientists and offered new training and certification programs to prepare IT professionals with the knowledge they need for Big Data and cloud computing.

Our Global Services division also provides advisory, professional and operational services to our customers to establish a strategic business rationale for EMC solutions and help them maximize the benefits of cloud and Big Data technologies. Our service excellence, recognized by distinguished awards from the Technology Services Industry Association and validated last year by our all-time-high customer satisfaction scores, is a differentiator in our commitment to maintain customer loyalty and deliver the absolute best total customer experience in our industry.

Customers also seek our help in building trust in cloud computing through data protection and security. We have grown our backup and recovery systems division into an essential part of our business. The combination of Avamar and Data Domain in our portfolio enables us to offer next-generation backup solutions designed specifically for the new data center architectures. Product synergies across EMC and within our backup portfolio are a competitive advantage. To put this in perspective, Data Domain had annual revenues of $274 million in the year before EMC acquired the business in 2009. Data Domain and Avamar combined exited 2011 at an annualized revenue run rate of well over $2 billion.

Organizations also need robust security to head off advanced threats. Our RSA security division rebounded from a widely publicized cyber attack a year ago to grow revenues 13.5 percent year-over-year in 2011, reaching annualized revenue of almost $1 billion in the fourth quarter, RSA's best quarter ever. Security is a top priority of corporate boards and CEOs, and customers are very interested in the RSA® security management and compliance suite. It integrates technology from Archer and NetWitness, acquired in 2010 and 2011, respectively, to present a unique, risk-based, agile and contextual approach to defend against advanced threats. RSA also incorporates realtime analytics of security-related Big Data to identify threats that traditional security measures can leave undetected.

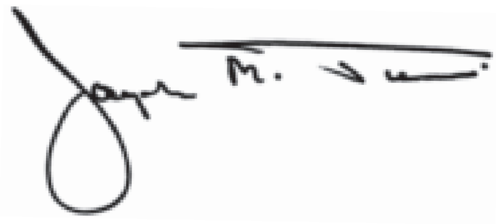
Our acquisition of NetWitness last year extends our track record of integrating companies with innovative technology, world-class talent, and complementary capabilities that fortify our portfolio for customers, enlarge our market opportunity, and accelerate growth. We also continued to expand in the world's fastest growing markets. In 2011, we opened a new Center of Excellence in Chengdu, China, to better serve our global customers. The EMC China Center of Excellence is our seventh such center globally and one of two in the Asia/Pacific region, where we grew 2011 revenues 34 percent year-over-year.

We continued to improve the sustainability and energy efficiency of our operations, products and packaging and achieved Gold LEED certification for our headquarters. We were honored by EMC's 2011 inclusion in the Dow Jones Sustainability Index (DJSI) for North America, which tracks the financial performance of leading sustainability-driven companies. We believe that our use of sustainability benchmarks is not only good for the environment and the world we live in, but also good for our business.

We reached another transformation milestone of sorts last year when we quietly retired the EMC tagline, "Where Information Lives," which had embellished our logo since 2000. Clearly, we have grown beyond the storage company we once were into our customers' go-to partner for virtualized data centers, and a leader in hybrid cloud computing and Big Data.

On a personal note, I am blessed to work with an extremely talented leadership team at EMC, and they have encouraged me to extend my transition timeline. The Board of Directors has requested that I remain Chairman and CEO into 2013, and I have agreed. The Board and I fully expect that my successor will come from within EMC's experienced management ranks. When the time is right, my successor will be named. Until then, we have much work to do, and I am grateful to have the strong support of our Board and our leaders throughout the company as we work to realize the full potential of our business.

In my 12 years with EMC, I have never been more excited about what this great company and our dedicated, hard-working people—now more than 53,000 strong around the world—can and will accomplish in the future.



Joseph M. Tucci
Chairman, President and Chief Executive Officer
EMC Corporation

***Reconciliation of Cash Flow from Operations to Free Cash Flow**
(in thousands)

	Twelve Months Ended	
	December 31, 2011	December 31, 2010
Cash flow from operations	$5,668,815	$4,548,843
Capitalized expenditures	(801,375)	(745,412)
Capitalized software development costs	(442,341)	(362,956)
Free cash flow	$4,425,099	$ 3,440,475

***Reconciliation of Non-GAAP Earnings Per Share Compound Annual Growth Rate ("CAGR")**
(Per Weighted Average Share, Diluted)

	2007	2011	CAGR
EPS	$0.739	$1.098	10.4%
Restructuring and acquisition-related charges	0.015	0.036	
Stock-based compensation expense	0.127	0.263	
Intangible asset amortization	0.061	0.100	
RSA special charge	—	0.025	
Gain on strategic investments	(0.053)	(0.013)	
Special tax benefits	(0.009)	—	
Non-GAAP EPS	$0.879	$1.510	14.5%

This letter 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) the relative and varying rates of product price and component cost declines and the volume and mixture of product and services revenues; (iv) competitive factors, including but not limited to pricing pressures and new product introductions; (v) component and product quality and availability; (vi) fluctuations in VMware, Inc.'s operating results and risks associated with trading of VMware stock; (vii) the transition to new products, the uncertainty of customer acceptance of new product offerings and rapid technological and market change; (viii) risks associated with managing the growth of our business, including risks associated with acquisitions and investments and the challenges and costs of integration, restructuring and achieving anticipated synergies; (ix) the ability to attract and retain highly qualified employees; (x) insufficient, excess or obsolete inventory; (xi) fluctuating currency exchange rates; (xii) threats and other disruptions to our secure data centers or networks; (xiii) our ability to protect our proprietary technology; (xiv) war or acts of terrorism; and (xv) 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 letter.

This document contains non-GAAP financial measures. A reconciliation of these non-GAAP financial measures to GAAP is provided above. Management uses the non-GAAP financial measures to gain an understanding of its comparative operating performance. Management believes that these measures provide useful information in understanding and evaluating EMC's current operating performance and future prospects in the same manner as management does, if investors so choose.

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