

# DATAPOINT:

Dell's pending acquisition  
of Perot Systems Corporation

— [ **SERVICES** ] —  
SOFTWARE  
COMMUNICATIONS

**DecisionPoint International**

[www.DecisionPointINT.com](http://www.DecisionPointINT.com)

Corporate Headquarters

3420 Toringdon Way, Suite 350

Charlotte, NC 28277

Phone: 704.248.1111

# DELL'S PENDING ACQUISITION OF PEROT SYSTEMS CORPORATION

The third quarter of 2009 has seen a return of big technology deals with IBM acquiring SPSS, Adobe buying Omniture, and Dell's announced plans to acquire Perot Systems Corporation. The acquisition broadens Dell's current services offerings, creating a company with \$8 billion in services revenue, and seeks to better position Dell among its more diversified rivals like Hewlett-Packard Co. "This deal significantly expands Dell's enterprise-solutions capabilities and makes Perot Systems' strengths available to even more customers around the world," said Michael Dell, Dell's Chairman and Chief Executive. Dell (NasdaqGS: DELL) signed the definitive agreement on September 20, 2009 to acquire Perot (NYSE: PER) from HWGA, Ltd. and other shareholders for \$3.9 billion in cash. Dell will commence a tender offer for all the outstanding common shares of Perot Systems by no later than October 2, 2009 at an offer price of \$30.49 per share. On completion of the transaction, Perot Systems will operate as a wholly owned subsidiary of Dell. Perot agreed to pay a termination fee of \$130m to Dell if it breaches the agreement. On completion of the transaction, Peter Altabef, Chief Executive Officer of Perot Systems, will lead the division. The deal is subject to the HSR Act, final approval of the Board of Directors of Dell and Perot Systems, approval of the shareholders of Perot Systems, minimum tender of 66 2/3% of the shares determined on a fully-diluted basis, government and regulatory approval and customary closing conditions. The deal is expected to close by January 2010. The transaction is expected to be accretive to Dell's GAAP earnings in its fiscal 2012.

## Transaction Details:

Equity & Enterprise Value Calculations
<b>Equity Value:</b> PER Shares Outstanding <sup>(1)</sup> x \$30.49 = \$3,687.16m
<b>Enterprise Value:</b> Equity Value + Options and Warrants + Net Assumed Debt = \$3,687.0m [Equity Value] + 223.2m [Options and Warrants] + \$(150.0)m [Net Debt] <sup>(2)</sup> = \$3,760.2m

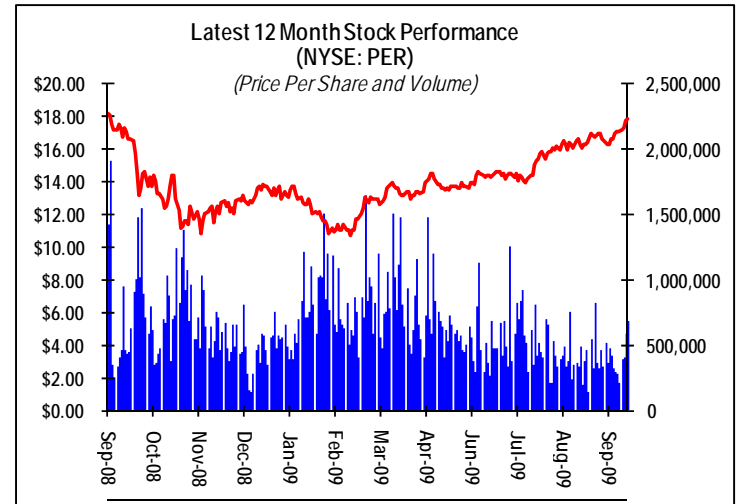
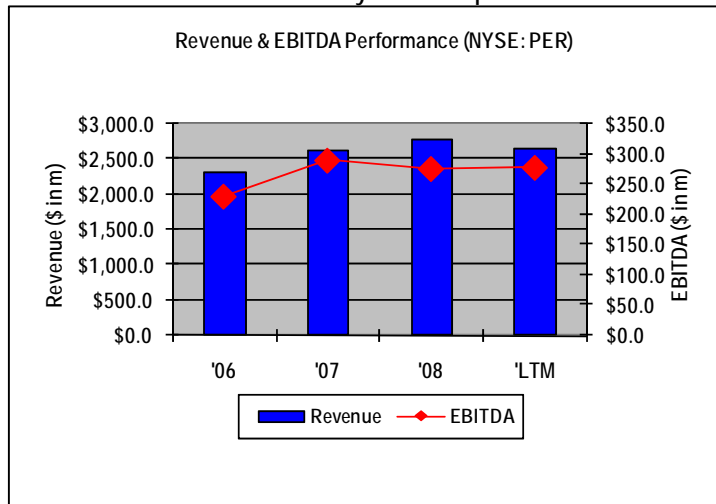
(1) 120,930,000 PER number of shares outstanding as per September 21, 2009.

(2) Based on the 6/30/09 balance sheet of PER, net debt (cash) assumed is approximately \$(150.0)m. See net debt (cash) calculation below.

(3) LTM & LQA operating results as of 6/30/09.

PER Valuation Metrics Based on the Enterprise Value of the Pending Transaction			
Latest Twelve Months <sup>(3)</sup>		Latest Qtr Annualized <sup>(3)</sup>	
Revenue	EBITDA	Revenue	EBITDA
1.4x	13.5x	1.5x	12.5x

## Historical Performance of Perot Systems Corporation:



## Perot Systems Corporation Description:

Perot Systems Corporation, incorporated in 1988, is a worldwide provider of information technology (IT) services and business solutions to a range of customers. The Company offers its customers integrated solutions designed around their specific business objectives, chosen from services, including technology infrastructure services, applications services, business process services and consulting services. The Company provides services, such as Infrastructure services, Applications services, Business process services and Consulting Services. The company serves banking, insurance, healthcare, manufacturing, telecommunications, travel, and energy, as well as government customers in defense and other governmental agencies.

## PER Balance Sheet Adjustment -- Net Debt

From 6/30/09 Balance Sheet (\$ in m)

<b>Plus:</b>	
Current portion of long-term debt, long-term debt:	\$179.0
<b>Total:</b>	<b>\$179.0</b>
<b>Less:</b>	
Cash And Cash Equivalents and Short-term Investments:	\$329.0
<b>Total:</b>	<b>\$329.0</b>
<b>Net Debt (Cash) Assumed:</b>	<b>(\$150.0)</b>

The information contained herein was obtained from public sources and should not be relied upon without independent verification.