

Recommendation: **HOLD** ★★☆☆☆ 12-Month Target Price: **\$34.00** (as of November 01, 2005)**S&P Analyst Research Notes and other Company News****February 22, 2006**

DELL said yesterday it would move its analyst meeting to Sep. from Apr., causing concern co. struggling with plans to revive sales growth: NYT.

February 22, 2006

09:13 am EST... DELL INC (DELL 29.81) GOLDMAN SAYS DELL'S MEETING POSTPONEMENT BUYS IT TIME TO EXECUTE ITS PLAN... Analyst Laura Conigliaro tells salesforce postponement, while bound to create more uncertainty about timing, scope of co.'s changing model, is probably a reality check on how much DELL needs to accomplish before it can feel confident about execution, results...

Expects DELL to take page from its old book, turn more aggressive towards its biz, including lower end, aiming to use its cost advantage for higher unit growth at its new, slightly lower margin level... Would gauge Asian PC cos. to be most at risk given HPQ's focus on different aspect of its PC business model. /BBrodie

February 17, 2006

07:53 am EST... S&P REITERATES HOLD OPINION ON SHARES OF DELL INC. (DELL 31.96***): Jan-Q non-GAAP EPS of \$0.43 vs. \$0.37, is \$0.01 ahead of our estimate. Revenues grew 13%, just above our forecast, with strength in enterprise systems and notebooks. Still, operating income rose just 5%, as gross margin narrowed and was 70 bps shy of our model. DELL guided Apr.-Q revenue growth of roughly 8%, in line with our forecast, but below the double-digit pace it had been garnering. Our FY 07 (Jan.) EPS estimate stays \$1.55. Shares are trading below historical average on a price/sales basis but, given our concerns on decelerating revenue growth, we view as fairly valued. /M.Graham-Hackett

February 17, 2006

Posts \$0.43 vs. \$0.26 Q4 EPS on 13% revenue rise... Sees 6%-9% Q1 revenue rise, \$0.39-\$0.41 EPS, excl. stock option expense... S&P reiterates hold...

February 17, 2006

09:39 am EST... DELL INC (DELL 30.29) DOWN 1.67, POSTS \$0.43 VS. \$0.26 Q4 EPS. BOA CUTS TO NEUTRAL FROM BUY, HAS \$32.50... Analyst Keith Bachman tells salesforce \$0.39-\$0.41 Q1 EPS guidance below estimates... Believes trends will continue: weak op. income growth, margins in consumer biz, slowing US PC unit growth rate, slowing growth rates in enterprise servers due to greater competition, esp. from HPQ... Says watching progress from several initiatives that could make him more bullish again: using PC as real estate to sell/lease to website for software cos, broadening distribution channels to more emerging market exposure, deeper partnership with AMD, strength/timing of Vista launch. /STrombino

February 17, 2006

NEW YORK (Standard & Poor's)--Feb 16, 2006, Dell Inc., announced 4Q EPS of \$0.43 vs. \$0.26 and annual EPS \$1.46 vs. \$1.18.

February 8, 2006

UP 1.69 to 31.38... Sanford Bernstein reportedly upgrades to outperform from market perform.

January 31, 2006

03:16 pm EST... S&P MAINTAINS HOLD RECOMMENDATION ON SHARES OF ALTIRIS INC. (ATRS 19.51***): Ahead of ATRS's report of Q4 results, planned for 2/6, we forecast 1.7% revenue growth, impacted by the declining contribution we expect from partner Hewlett-Packard (HPQ 31.3***). We continue to anticipate that Dell (DELL 29.5****) will account for a rising proportion of ATRS's future revenues. However, we see this increased reliance on one partner raising ATRS's risk profile. Despite recent headcount reductions, we expect expenses to rise faster than revenues, resulting in narrower Q4 operating margins. Our EPS estimates stay \$0.58 and \$0.66, for '05 and '06, respectively. /Z. Bokhari

January 6, 2006

08:45 am EST... S&P REITERATES HOLD OPINION ON SHARES OF DELL INC. (DELL 30.75***): DELL plans to accelerate the vesting of certain of its stock options. The company estimates that, as a result, stock option expenses will be \$0.10 in FY 07 (Jan.); we had projected \$0.20. Thus, we are increasing our FY 07 EPS estimate to \$1.55 from \$1.45. We are not surprised by the move and believe other tech companies with significant exposure to stock option expenses are considering such a program. With shares trading below historical levels on a price/sales basis, in our opinion balanced by uncertainties related to recent EPS misses, we think DELL is fairly valued. /M.Graham-Hackett

December 5, 2005

UP 0.40 to 31.22... Raymond James reportedly upgrades to strong buy from outperform.

November 11, 2005

07:25 am EST... S&P REITERATES HOLD OPINION ON SHARES OF DELL INC. (DELL 29.21***): Q4 Q EPS of \$0.39 vs. \$0.33 matches our lowered estimate. We are disappointed by 1% revenue growth, hurt by 2% drop in sales of desktops, which will account for 37% of DELL total. While the company saw strong growth in notebooks, server storage and services, we are concerned that its Jan-Q revenue guidance suggests decelerating growth. We believe its cost cut plans are critical to FY 07 (Jan.) revenue growth above 10%. DELL is trading below historical average on price/sales, but with uncertainty on sustainable revenue growth, we view its shares as appropriately valued. /M.Graham-Hackett

November 11, 2005

Posts \$0.39 vs. \$0.33 Q3 EPS (non-GAAP) on 11% sales rise... Sees \$0.40-\$0.42 Q4 EPS on revenue of \$14.6B-\$15B... S&P concerned that Jan-Q rev. guidance suggests decelerating growth; keeps hold...