

# Dell, VMware shares rise on spinoff report

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VMware offers a range of software and cloud computing services, competing against rivals such as Amazon and Microsoft for business clients.

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CEO and founder of Dell Technologies, Michael Dell (R, pictured 2019), has been seeking to re-energize the firm, which fell behind when consumers turned to mobile devices instead of PCs

Share rose in Dell Technologies and VMware on Tuesday after a report that the onetime personal computing leader was exploring a sale of its stake in the software and cloud computing firm.

The two firms are traded separately, but Dell—which owns a majority stake in VMware—is considering selling its shares, which could fetch an estimated \$50 billion, the Wall Street Journal reported.

The report said Dell, which has undergone a series of changes in strategy since its success in the PC market in the 1990s and early 2000s, is also considering buying the shares in VMware it does not already own.

Dell shares jumped 18 percent in after-hours trade on the report, with VMware up nine percent.

A deal could help Dell reduce its debt accumulated as part of a reorganization that saw it go public in 2018, five years after a private equity buyout.

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