

## Dell's Expert Arguments Supporting "Widely Divergent" Appraisal Value

The lawyers for Dell Inc. have filed their brief of arguments presented at trial supporting an appraisal of "fair value" at \$12.68 per share:

- [December 31, 2015, \*In Re: Appraisal of Dell, Inc. \(Consol. C. A. No. 9322-VCL\)\*: Respondent Dell Inc.'s ' Post-Trial Opening Brief](#) (71 pages, 661 KB, in [PDF](#) format).

In an example of what Delaware Chancery judges have described as "experts' widely divergent DCF analyses,"<sup>1</sup> the buyer's argued valuation is notably less than the market-priced \$13.75 per share the company's founder-CEO and private equity investors were actually willing to pay for Dell, and is dramatically different from the \$28.61 per share valuation presented by lead counsel for the petitioners representing shareholders demanding appraisal.<sup>2</sup> Questions and comments on how these expert analyses differ from conventional investor analyses of "intrinsic value" – which is the supposed standard for court determination in appraisal cases<sup>3</sup> – will be welcomed.

Counsel for the petitioning appraisal claimants will now have an opportunity to submit a reply brief, after which the court will make its determination of the "fair value" to be paid (with interest accruals) to the shareholders who properly established rights to appraisal.

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<sup>1</sup> See article and reference notes: [January 30, 2015 Reuters: "Hedge funds lose court bid over Ancestry.com deal price"](#); also see "[Valuation Analysis](#)" section of Forum reference website for links to recent decisions reflecting Delaware Chancery Court views of "seemingly motivated analyses by financial advisors" and "widely divergent, litigation-driven expert valuations" as alternatives to actual investor analyses of intrinsic value.

<sup>2</sup> See the previously reported [November 18, 2015, \*In Re: Appraisal of Dell, Inc. \(Consol. C. A. No. 9322-VCL\)\*: Petitioners' Post-Trial Opening Brief](#) (103 pages, 763 KB, in [PDF](#) format).

<sup>3</sup> See [2009, Lawrence A. Hamermesh of Widener University and Michael Wachter of University of Pennsylvania: "Rationalizing Appraisal Standards in Compulsory Buyouts"](#) (49 pages, 316 KB, in [PDF](#) format).