

**VMWARE, INC.**  
Reported by  
**SUTTER BETSY**

**FORM 3**  
(Initial Statement of Beneficial Ownership)

Filed 02/07/11 for the Period Ending 01/27/11

|             |  |
|-------------|--|
| Address     | 3401 HILLVIEW AVENUE<br>PALO ALTO, CA, 94304 |
| Telephone   | (650) 427-5000                               |
| CIK         | 0001124610                                   |
| Symbol      | VMW  |
| SIC Code    | 7372 - Services-Prepackaged Software         |
| Industry    | IT Services & Consulting                     |
| Sector      | Technology                                   |
| Fiscal Year | 01/31  |

## INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |   |  |
|--|---|--|
| 1. Name and Address of Reporting Person *<br><b>SUTTER BETSY</b> | 2. Date of Event Requiring Statement (MM/DD/YYYY)<br><b>1/27/2011</b>   | 3. Issuer Name and Ticker or Trading Symbol<br><b>VMWARE, INC. [VMW]</b>   |
| (Last) (First) (Middle)<br><b>3401 HILLVIEW AVE.</b>             | 4. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><br><input type="checkbox"/> Director <input type="checkbox"/> 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)<br><b>SVP, Human Resources /</b> |  |
| (Street)<br><b>PALO ALTO, CA 94304</b>                           | 5. If Amendment, Date Original Filed (MM/DD/YYYY)   | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><input type="checkbox"/> Form filed by More than One Reporting Person |
| (City) (State) (Zip)   |   |  |

### Table I - Non-Derivative Securities Beneficially Owned

| 1. Title of Security (Instr. 4) | 2. Amount of Securities Beneficially Owned (Instr. 4) | 3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5) | 4. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---------------------------------|---|--|---|
| <b>Class A Common Stock</b>     | <b>88035</b>  | <b>D</b>   |   |

### Table II - Derivative Securities Beneficially Owned ( e.g. , puts, calls, warrants, options, convertible securities)

| 1. Title of Derivate Security (Instr. 4)    | 2. Date Exercisable and Expiration Date (MM/DD/YYYY) |                  | 3. Title and Amount of Securities Underlying Derivative Security (Instr. 4) |                            | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5) | 6. Nature of Indirect Beneficial Ownership (Instr. 5) |
|---|--|------------------|---|----------------------------|--|---|---|
|   | Date Exercisable                                     | Expiration Date  | Title   | Amount or Number of Shares |  |   |   |
| <b>Employee Stock Option (right to buy)</b> | <a href="#">(1)</a>                                  | <b>6/8/2013</b>  | <b>Class A Common Stock</b>   | <b>25001</b>               | <b>\$23.00</b>   | <b>D</b>  |   |
| <b>Employee Stock Option (right to buy)</b> | <a href="#">(2)</a>                                  | <b>6/13/2013</b> | <b>Class A Common Stock</b>   | <b>7292</b>                | <b>\$23.00</b>   | <b>D</b>  |   |
| <b>Employee Stock Option (right to buy)</b> | <a href="#">(3)</a>                                  | <b>6/15/2015</b> | <b>Class A Common Stock</b>   | <b>40000</b>               | <b>\$30.80</b>   | <b>D</b>  |   |

#### Explanation of Responses:

- (1) 4,167 shares subject to this option are fully vested and exercisable. The remaining shares vest in equal monthly installments and become fully vested and exercisable on June 8, 2011.
- (2) 2,083 shares subject to this option are fully vested and excisable. The remaining shares vest in equal monthly installments and become fully vested and exercisable on June 13, 2011.
- (3) 10,833 shares subject to this option are fully vested and excisable. The remaining shares vest in equal monthly installments and become fully vested and exercisable on June 1, 2013.

#### Reporting Owners

| Reporting Owner Name / Address                                     | Relationships |           |                             |       |
|--|---------------|-----------|-----------------------------|-------|
|  | Director      | 10% Owner | Officer                     | Other |
| <b>SUTTER BETSY<br/>3401 HILLVIEW AVE.<br/>PALO ALTO, CA 94304</b> |               |           | <b>SVP, Human Resources</b> |       |

**Signatures**

**Larry Wainblat, attorney-in-fact**

**2/7/2011**

\*\*Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

**POWER OF ATTORNEY**

Know all by these presents, that the undersigned hereby constitutes and appoints each of S. Dawn Smith, Craig D. Norris and Larry R. Wainblat, signing singly, the undersigned's true and lawful attorney-in-fact to:

- (1) execute for and on behalf of the undersigned, in the undersigned's capacity as an officer and/or director of VMware, Inc. (the "Company"), Forms 144 in accordance with Rule 144 of the Securities Act of 1933 and Forms 3, 4 and 5 in accordance with Section 16(a) of the Securities Exchange Act of 1934 and the rules thereunder;
- (2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Form 144, 3, 4 or 5, complete and execute any amendment or amendments thereto, and timely file (whether by mail, electronic transmission or other acceptable means) such form with the United States Securities and Exchange Commission and any stock exchange or similar authority; and
- (3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Rule 144 of the Securities Act of 1933 or Section 16 of the Securities Exchange Act of 1934.

As of the date below, any and all prior Powers of Attorney executed by the undersigned for the capacities specified herein with respect to the Company's securities are hereby revoked and superseded by this Power of Attorney. This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 144, 3, 4 or 5 with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the Company's general counsel. Should a named attorney-in-fact terminate employment with the Company, this Power of Attorney shall be deemed revoked singly with respect to such departing attorney-in-fact and shall remain in full force and effect with respect to the each of the foregoing attorneys-in-fact remaining employed by the Company until terminated pursuant to the preceding sentence.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 4<sup>th</sup> day of February, 2011.

Employee: /s/ Betsy Sutter

Print Name: Betsy Sutter