

VMWARE, INC.

Reported by
GARDE RASHMI

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 08/13/08 for the Period Ending 08/11/08

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|-------------|--|
| Address | 3401 HILLVIEW AVENUE 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 |

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL
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subject to Section 16. Form 4 or
Form 5 obligations may
continue. See Instruction 1(b).

STATEMENT OF CHANGES IN 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 * Garde Rashmi (Last) (First) (Middle) 3401 HILLVIEW AVENUE (Street) PALO ALTO, CA 94304 (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol VMWARE, INC. [VMW] | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) ____ Director _____ 10% Owner <input checked="" type="checkbox"/> X Officer (give title below) _____ Other (specify below) VP and General Counsel |
| 3. Date of Earliest Transaction (MM/DD/YYYY) 8/11/2008 | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> X Form filed by One Reporting Person ____ Form filed by More than One Reporting Person |
| 4. If Amendment, Date Original Filed (MM/DD/YYYY) | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|------------------------------------|----------------|---|------------------------------|---|---|---------------|-----------------|---|---|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Class A Common Stock | 8/11/2008 | | M | | 58333 | A | \$23.00 | 0 | D | |
| Class A Common Stock | 8/11/2008 | | S | | 37533 | D | \$36.30 (1) (3) | 0 | D | |
| Class A Common Stock | 8/11/2008 | | S | | 20800 | D | \$36.91 (2) (3) | 467 (4) | D | |

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

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|-------------------|---|---------------------------------|---|---|-------|--|--------------------|--|----------------------------------|---|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Employee Stock Option (right to buy) | \$23.00 | 8/11/2008 | | M | | | 58333 | 8/8/2008 | 6/8/2013 | Class A Common Stock | 58333 | \$0 | 141667 | D | |

Explanation of Responses:

- (1) Price represents weighted average price for sales reported. The range of prices for the sales reported is \$35.72 through \$36.72.
- (2) Price represents weighted average price for sales reported. The range of prices for the sales reported is \$36.73 through \$37.13.
- (3) The reporting person will provide upon request by the Commission staff, the issuer or a security holder of the issuer, full information regarding the number of shares sold at each separate price.
- (4) Consists of shares acquired under the VMware, Inc. 2007 Employee Stock Purchase Plan in December 2007 and June 2008.

Remarks:

The transactions reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person.

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Garde Rashmi 3401 HILLVIEW AVENUE PALO ALTO, CA 94304 | | | VP and General Counsel | |

Signatures

Larry Wainblat, attorney-in-fact

8/13/2008

—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 4(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 Larry

Wainblat and Michael Yang, 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.

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 foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 5th day of March, 2008.

Employee: /s/ Rashmi Garde

Print Name: Rashmi Garde