

# Dell postpones vote on go-private plan to July 24

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Dell CEO Michael Dell delivers a keynote address on September 22, 2010 in San Francisco, California. Dell postponed a shareholder vote Thursday on its \$24.4 billion go-private plan led by Dell, amid reports that several major investors opposed the deal.

Dell postponed a shareholder vote Thursday on its \$24.4 billion go-private plan led by founder Michael Dell, amid reports that several major investors opposed the deal.

A Dell statement said the shareholder meeting on the plan, which opened briefly in Texas, was delayed until July 24.

"Today's special meeting of stockholders was convened and adjourned to provide additional time to solicit proxies from Dell stockholders," the statement said. "No vote was taken on the proposed transaction prior to the adjournment."

The plan announced in February aimed to give Michael Dell a chance to revive the fortunes of the former number one computer maker without the pressures of a publicly traded firm.

But opponents, galvanized by corporate raider Carl Icahn, have claimed the buyout at \$13.65 dollars a share undervalues the company.

The Wall Street Journal reported Wednesday that holders of at least 30 percent of Dell were set to vote against the buyout. The plan required a majority of the shares excluding an estimated 16 percent held by Michael Dell and his affiliates.

Icahn proposed an alternate plan that would pay \$14 per share for up to 71 percent of Dell stock, and recently sweetened the deal by adding one warrant for every four Dell shares, entitling the holder to one share of Dell at \$20.

But Dell's board and others contend Icahn lacks financing for such a plan and that it would do little to help foster a turnaround.

Icahn is backed by the investment firm Southeastern Asset Management. And another financial firm, T. Rowe Price, has also indicated it would oppose the buyout.

Dell's board contends the company needs to make radical changes to

keep up with a shift to mobile computing.

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