

IMPORTANT U.S. TAX INFORMATION FOR McDATA SPIN-OFF

February ____, 2001

Dear EMC Stockholder:

After market close on February 7, 2001, EMC Corporation distributed a dividend of shares of Class A common stock of McDATA Corporation owned by EMC to holders of record of EMC common stock as of 5 p.m. Eastern time on January 24, 2001 (or, as applicable, their successors in interest). You received approximately .0368069 of a share of McDATA Class A common stock for each share of EMC common stock owned by you (or, as applicable, your predecessor in interest) as of the record date.

No certificates or scrip representing fractional shares were issued. Instead, The Bank of New York, N.A., our distribution agent, aggregated all fractional shares into whole shares and sold them in the open market on behalf of EMC stockholders who otherwise would be entitled to receive fractional shares. The total net proceeds of such sales are being distributed in cash to those EMC stockholders who would otherwise be entitled to receive fractional shares on a pro rata basis.

EMC has received a ruling from the U.S. Internal Revenue Service that an EMC stockholder's receipt of whole shares of McDATA Class A common stock in this distribution is tax-free for U.S. Federal income tax purposes. If you sell your shares of McDATA Class A common stock, you will have taxable gain or loss equal to the difference between your sales proceeds and your tax basis in those shares.

You must first determine the tax basis that you had in your EMC common stock. In order to determine your tax basis in your EMC common stock, you must determine (1) the date on which you acquired your EMC common stock, and (2) the cost of your shares of EMC common stock on that date. Because EMC has declared stock splits in the past, your tax basis in any EMC common stock acquired prior to a stock split must be divided between the shares you held prior to a stock split and the shares you received pursuant to a stock split. In order to assist you in determining your tax basis in your EMC common stock, we are attaching a worksheet (the "EMC Corporation Tax Basis Worksheet") to be completed by you prior to allocating your tax basis between your EMC common stock and your McDATA Class A common stock.

Once you have determined the tax basis that you had in your EMC common stock, you will then have to allocate that tax basis between your EMC common stock and your shares of McDATA Class A common stock based on their relative fair market values on February 8, 2001, the distribution date. One method of valuing your EMC common stock and your McDATA Class A common stock for purposes of allocating tax basis is to use the average of the high and low share prices at which EMC common stock and McDATA Class A common stock traded on the New York Stock Exchange and the NASDAQ National Market, respectively, on February 8, 2001, the distribution date. If you and your tax advisor conclude that this method is appropriate in your case, 97.81% of your pre-distribution tax basis in your EMC shares should be allocated to your EMC shares, and the remaining 2.19% should be allocated to your shares of McDATA Class A common stock (including any fractional share interest).

We urge you to consult your tax advisor to determine the method of allocating tax basis that best meets your particular circumstances. The following sample calculation is based on the average of the high and low share prices at which EMC common stock and McDATA Class A common stock traded on the New York Stock Exchange and the NASDAQ National Market, respectively, on February 8, 2001, the distribution date:

Assume you own 1,000 shares of EMC common stock with a \$30 per share tax basis for a total tax basis of \$30,000, and you received 36 whole shares of McDATA Class A common stock (and cash representing .8069 fractional shares) as a result of the distribution. Your total tax basis in your EMC common stock would be reduced to \$29,343 (97.81% of \$30,000), or \$29.343 per share (\$29,343 divided by 1000 shares). Your total tax basis in your McDATA Class A common stock (including your .8069 fractional share interest) would be \$ 657 (2.19% of \$30,000), or \$17.85 per share \$ 657 divided by 36.8069 shares).

The receipt of cash in lieu of fractional shares will result in the recognition of gain or loss for U.S. federal income tax purposes, measured by the difference between the cash you receive for such fractional shares and your tax basis in such fractional shares (determined under the methodology described above), as described more fully in the Information

Statement dated January 25, 2001, previously mailed to EMC stockholders. You may also obtain a copy of the Information Statement at <http://www.emc.com>.

Even if you do not dispose of any of your EMC common stock or McDATA Class A common stock during the taxable year in which you receive the McDATA Class A common stock, you will still need to perform the calculation described above so that you will know what your tax basis is in your EMC common stock and your McDATA Class A common stock for the future and so that you can determine the amount of gain or loss required to be recognized as a result of your receipt of cash in lieu of fractional shares. For example, using the figures in the sample calculation set forth above, in which the total tax basis in McDATA Class A common stock (including the .8069 fractional share interest) equaled \$657, the tax basis of the .8069 fractional share interest would be approximately \$14.40.

If you acquired shares of EMC common stock on more than one occasion, you will need to perform this calculation separately for each group of shares.

All stockholders who received McDATA Class A common stock should make this tax basis allocation, even if some or all of their EMC common stock was sold after the record date and before the distribution date of McDATA Class A common stock.

You should retain this information to support the determination of your tax basis in your EMC common stock and McDATA Class A common stock. Tax regulations require that you attach to your U.S. Federal income tax return for the year in which the McDATA Class A common stock was received a statement setting forth certain prescribed information about the distribution. In order to assist you in complying with this tax requirement, we are attaching a sample form of statement to be completed by you and filed with your 2001 U.S. Federal income tax return.

The information in this letter represents our understanding of existing U.S. Federal income tax law and does not constitute tax advice. It does not purport to address all tax considerations relating to the distribution or to describe tax consequences that may apply to particular categories of stockholders, such as those who received EMC common stock through the exercise of an option or otherwise as compensation, who are not citizens or residents of the United States, or who are otherwise subject to special treatment under the Internal Revenue Code of 1986, as amended. You should consult your tax advisor as to the particular tax consequences to you of the distribution, including the applicability and effect of any state, local and foreign tax laws.

EMC CORPORATION