

Cloud Computing – Private Cloud

Amplifying Business Value thru IT

Ivo Sladoljev, Territory Manager, Adriatic Region

December, 2010.

Agenda

- **Company Facts**

- **VMware Focus**

Amplifying Business Value thru IT

- **VMware Solution Strategy**

Embracing Open Cloud Computing to Deliver ITaaS

- **The Journey to ITaaS**

Evolutionary Approach to Amplified Business Value

VMware is the Customer Proven Market Leader

■ Company Overview

- > \$2.6 billion trailing 4 qtr revenue
- Over \$2.9 billion in cash
- 28%+ operating margins
- ~8,000 employees worldwide
- 5th largest infrastructure software company in the world

■ Proven in the Trenches

- 190,000+ VMware customers
- 100% of Fortune 100
- 100% of Fortune Global 100
- 97% of Fortune 1000
- 94% of Fortune Global 500



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■ Proven

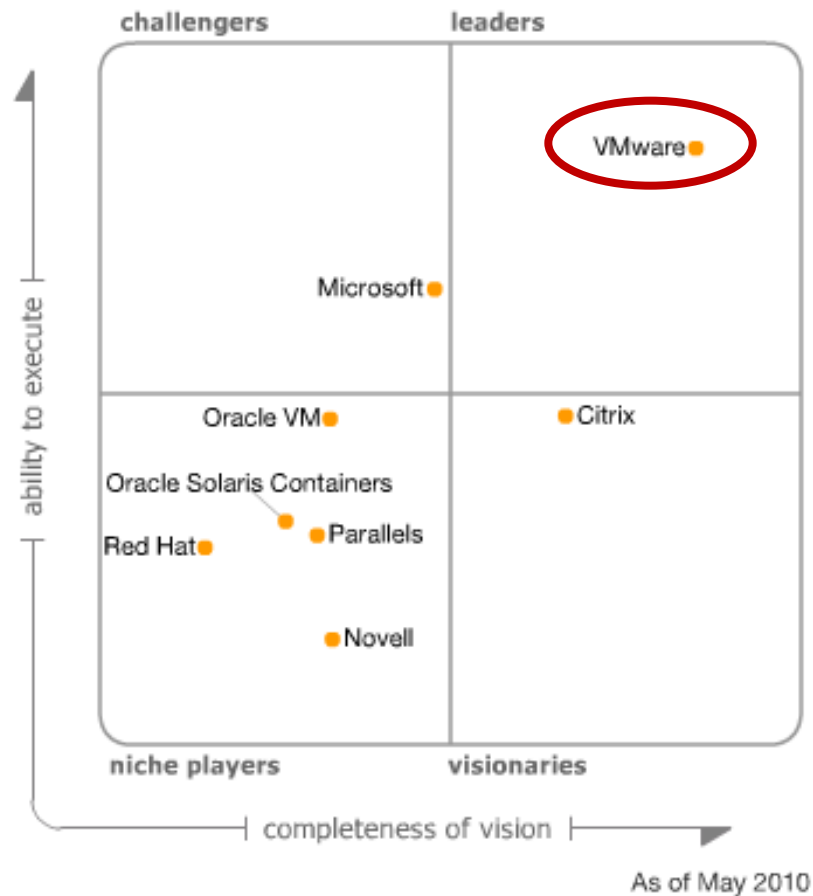
- 190,000+ customers
- 100% of Fortune Global 100
- 100% of Fortune Global 500
- 97% of Fortune 1000
- 94% of Fortune Global 500

84% of all virtualized applications
in the world run on VMware.

Gartner, December 2009



VMware in the Leaders Quadrant for x86 Server Virtualization



Gartner, Inc. Magic Quadrant for x86 Server Virtualization Infrastructure, Thomas J. Bittman, Philip Dawson, George J. Weiss, 26 May 2010.

This Magic Quadrant graphic was published by Gartner, Inc. as part of a larger research note and should be evaluated in the context of the entire report. The Gartner report is available upon request from VMware.

The Magic Quadrant is copyrighted 2010 by Gartner, Inc. and is reused with permission. The Magic Quadrant is a graphical representation of a marketplace at and for a specific time period. It depicts Gartner's analysis of how certain vendors measure against criteria for that marketplace, as defined by Gartner. Gartner does not endorse any vendor, product or service depicted in the Magic Quadrant, and does not advise technology users to select only those vendors placed in the "Leaders" quadrant. The Magic Quadrant is intended solely as a research tool, and is not meant to be a specific guide to action. Gartner disclaims all warranties, express or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

Extensive Global Partner Ecosystem

1,300+ Technology and Consulting Partners



~ 25,000 Channel Partners

Top Distributors, Resellers,
System Vendors and Integrators

51,000 VMware Certified Professionals

2,600+ vCloud Service Provider Partners

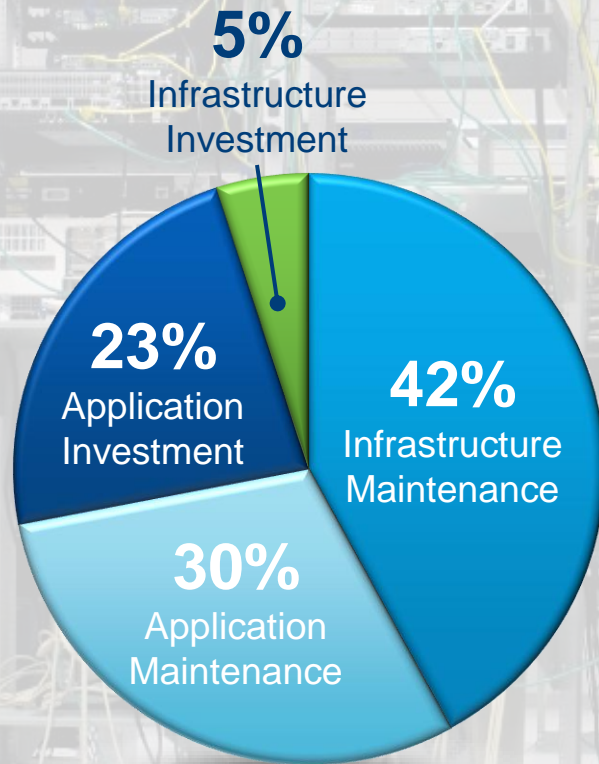


VMware Focus

Amplifying Business Value thru IT

IT is Traditionally Forced to Focus on Non Value-Add Activity

IT Investment



Overwhelming complexity

+

Brittle infrastructure

=

< 30% of IT budgets
goes to innovation and
competitive advantage

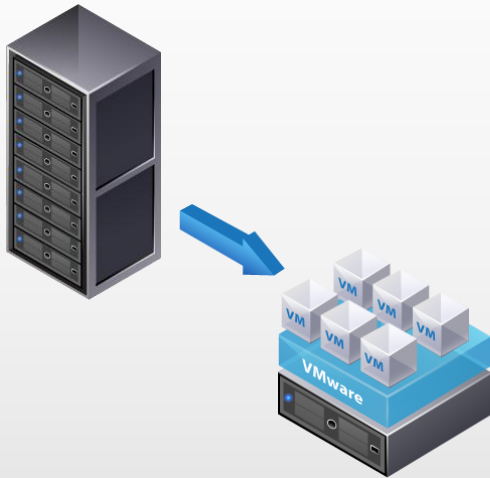
IT Agility Drives Business Value

Source: VMware Fortune 100 Customers

Shifting Focus to Create Opportunity

1. Reduce the Complexity

to simplify operations and maintenance



2. Dramatically Lower Costs

to redirect investment into value-add opportunities



3. Enable Flexible, Agile IT Service Delivery

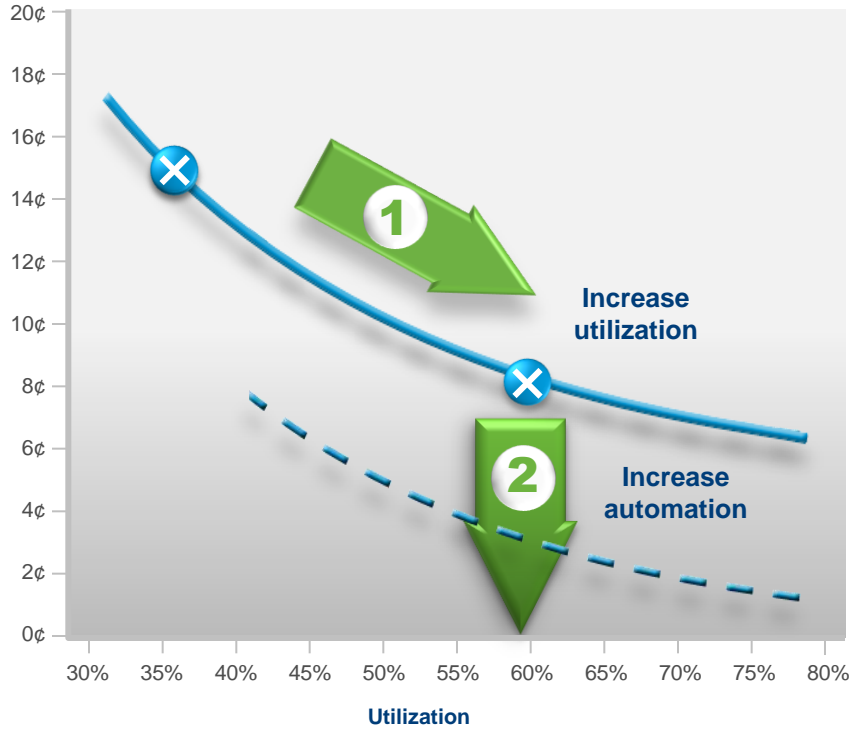
to meet and anticipate the needs of the business



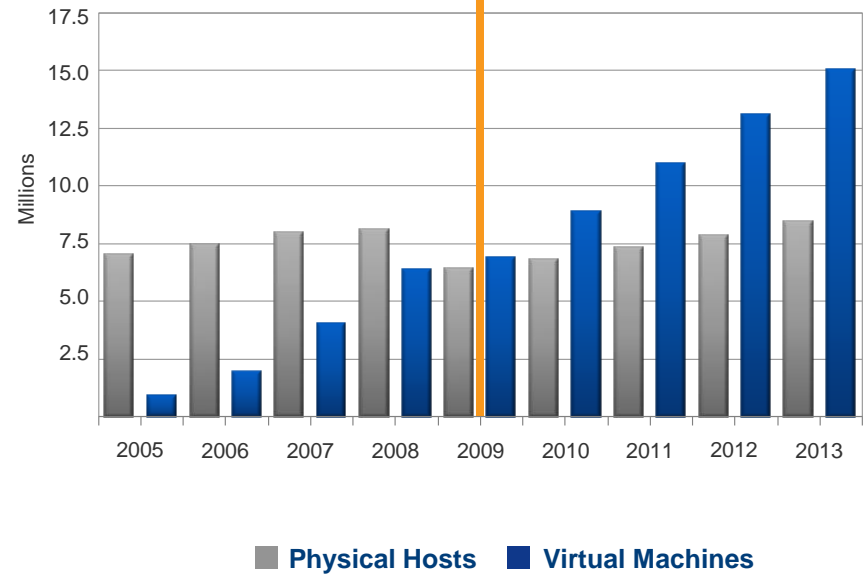
Drive IT Agility to Increase Business Value

Virtualization is Key to This Shift in Focus

Cost per VM hour
(2GB instance)

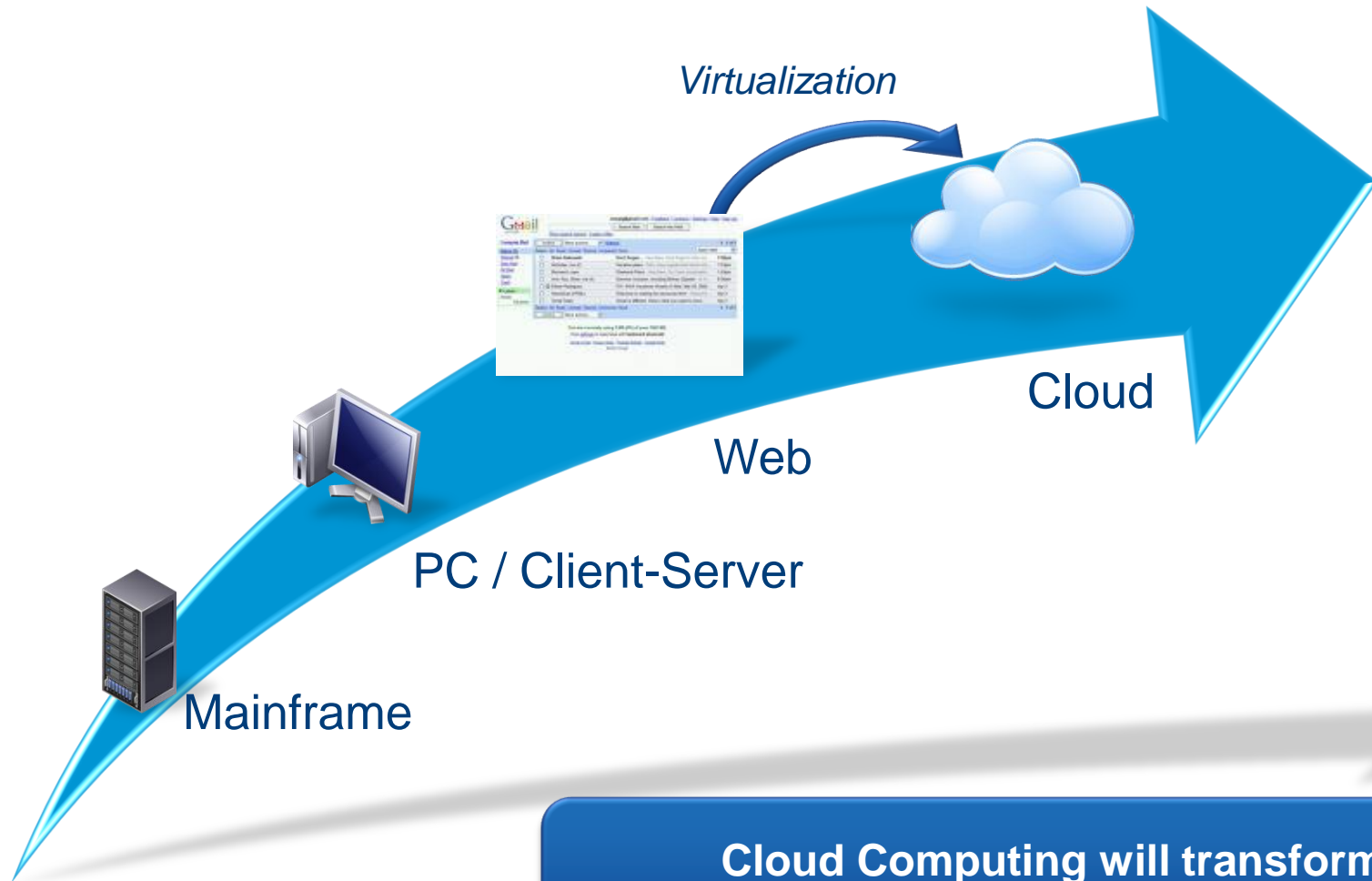


VM Cross Over



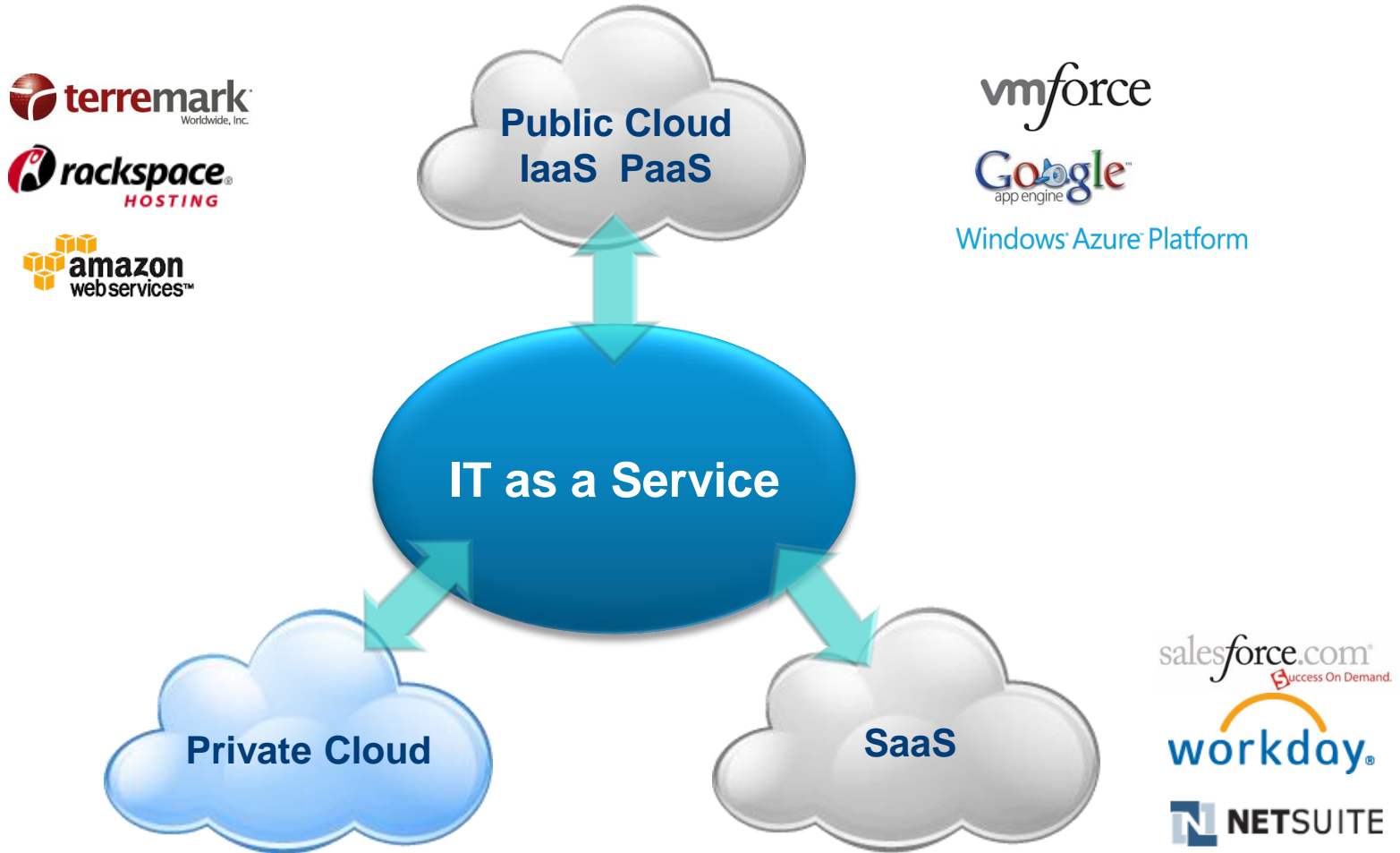
Source: IDC

Virtualization Paves the Way to a New Era in IT



Cloud Computing will transform the delivery and consumption of IT services

What is this *Cloud* Thing?



Cloud Computing is an *approach to computing* that leverages the efficient pooling of on-demand, self-managed virtual infrastructure, consumed as a service.

IT as a Service = **Optimizing IT *production***
for business *consumption*

Instantly Available, Instantly Responsive, Always Reliable

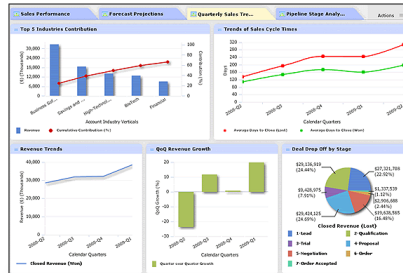
VMware Solution Strategy

Embracing Open Cloud Computing to Deliver ITaaS

The New IT Landscape



Segment	Segment Desc 2	Type	Employs	Balance	Debit	Credit	Ending Balance	Debit	Ending Balance	Credit
1400	Shipping and Freight	LI	0.00	1,188,015.17	0.00	1,188,015.17	0.00			
1405	Telephone Expense	LI	0.00	1,889,446.45	0.00	1,889,446.45	0.00			
7100	Freight	LI	0.00	48,473,587.10	0.00	48,473,587.10	0.00			
7120	Equipment Expense	LI	0.00	1,443,394.72	0.00	1,443,394.72	0.00			
7125	Legal Services	LI	0.00	865,446.10	0.00	865,446.10	0.00			
1440	Julian	LI	0.00	2,540.00	0.00	2,540.00	0.00			
1450	Car Rental	LI	0.00	762.00	0.00	762.00	0.00			
7170	Accommodation	LI	0.00	1,050.00	0.00	1,050.00	0.00			
7180	Travel	LI	0.00	479.00	0.00	479.00	0.00			
7190	Miscellaneous	LI	0.00	22,222.22	0.00	22,222.22	0.00			
7200	Interest Expense	LI	0.00	2,693,533.27	0.00	2,693,533.27	0.00			
7205	Interest Expense - Julian B.	LI	0.00	8,424.00	0.00	8,424.00	0.00			
7210	Current Costs	LI	0.00	0.00	8,814.90	0.00	8,814.90	0.00		
7400	Commodity Costs	LI	0.00	7,142,719.00	0.00	7,142,719.00	0.00			
1046	Unsettled Foreign Ex.	LI	0.00	24,473.56	0.00	24,473.56	0.00			
1050	Manufacturing	LA	93,236,860.00	0.00	0.00	93,236,860.00	0.00			
1055	Manufacturing Cost	LA	0.00	973,300.02	0.00	0.00	973,300.02	0.00		
8000	Other Accounts Pay	LA	0.00	163,900,000.00	0.00	0.00	163,900,000.00	0.00		
8020	Other Accounts Pay	LA	0.00	0.00	22,222.22	0.00	22,222.22	0.00		
8999	INCL	LI	0.00	0.00	22,222.22	0.00	22,222.22	0.00		
				2,790,083,306.87		382,487,025.96	2,407,606,280.91			



Account Name	Account Type	Account Number	Account Address	Account Contact
Global Finance	Global Finance	1000000000	1000000000	1000000000
Global Finance	Global Finance	1000000000	1000000000	1000000000
Global Finance	Global Finance	1000000000	1000000000	1000000000

Existing Apps

New Enterprise Apps

SaaS Apps



Existing Datacenters



Public Cloud Services

Three Core Focus Areas

Re-think End-User Computing

The Challenge for IT:

Modernize Application Development

secure, compliant whole

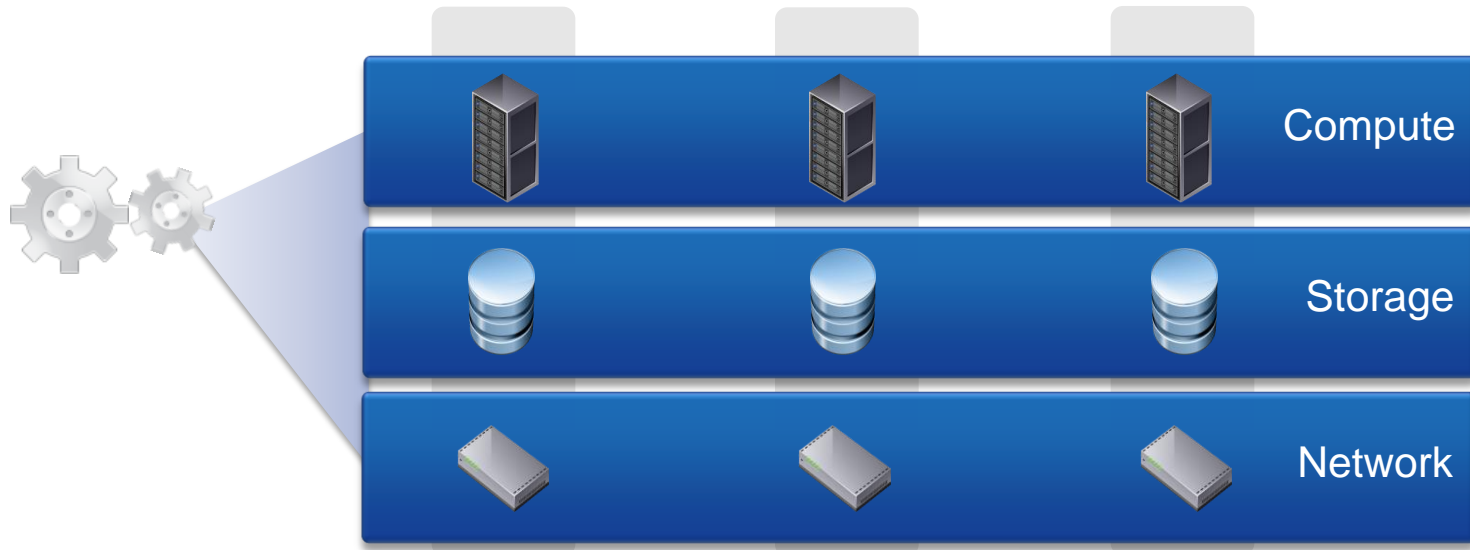
Evolve the Infrastructure

Existing Datacenters

Public Cloud Services

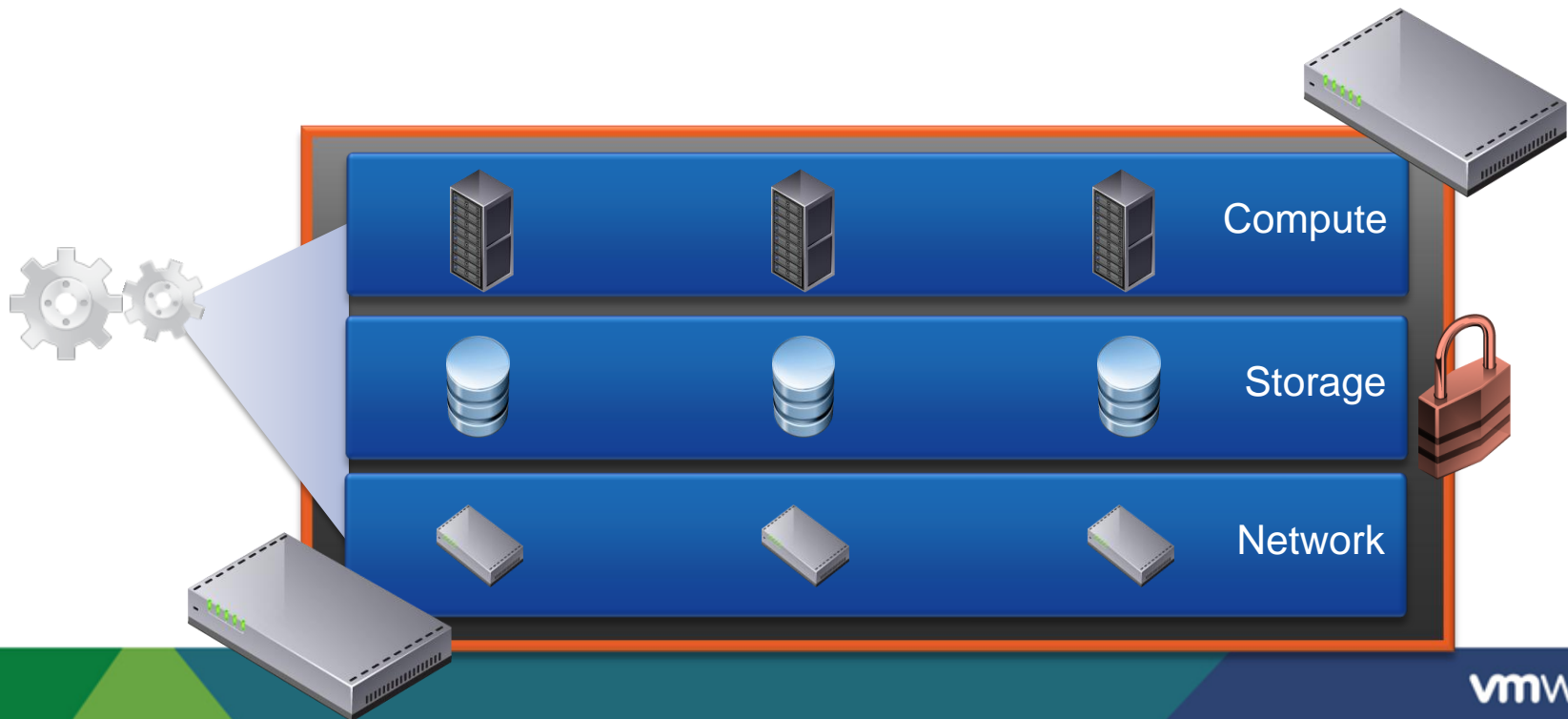
Bring Cloud Architecture to Existing Datacenters

- ✓ *Leverage virtualization to transform physical silos into elastic, virtual capacity*
- ✓ *Increase automation thru built-in policy-driven management*



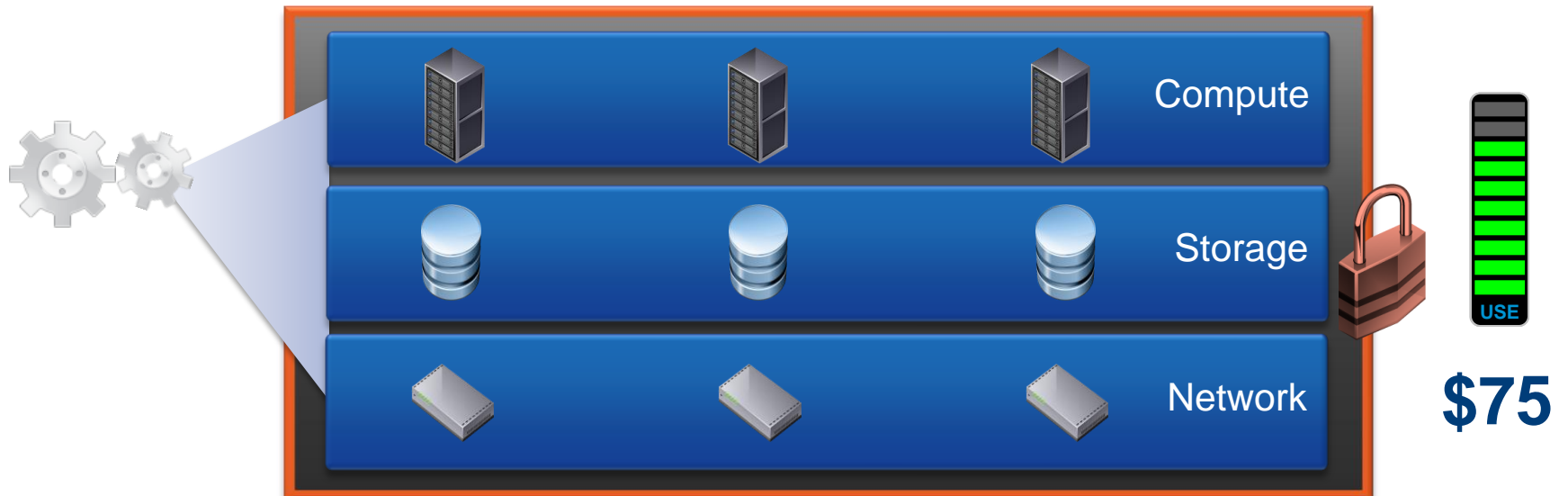
Bring Cloud Architecture to Existing Datacenters

- ✓ *Leverage virtualization to transform physical silos into elastic, virtual capacity*
- ✓ *Increase automation thru built-in policy-driven management*
- ✓ *Move from static, physical security to dynamic, embedded security*

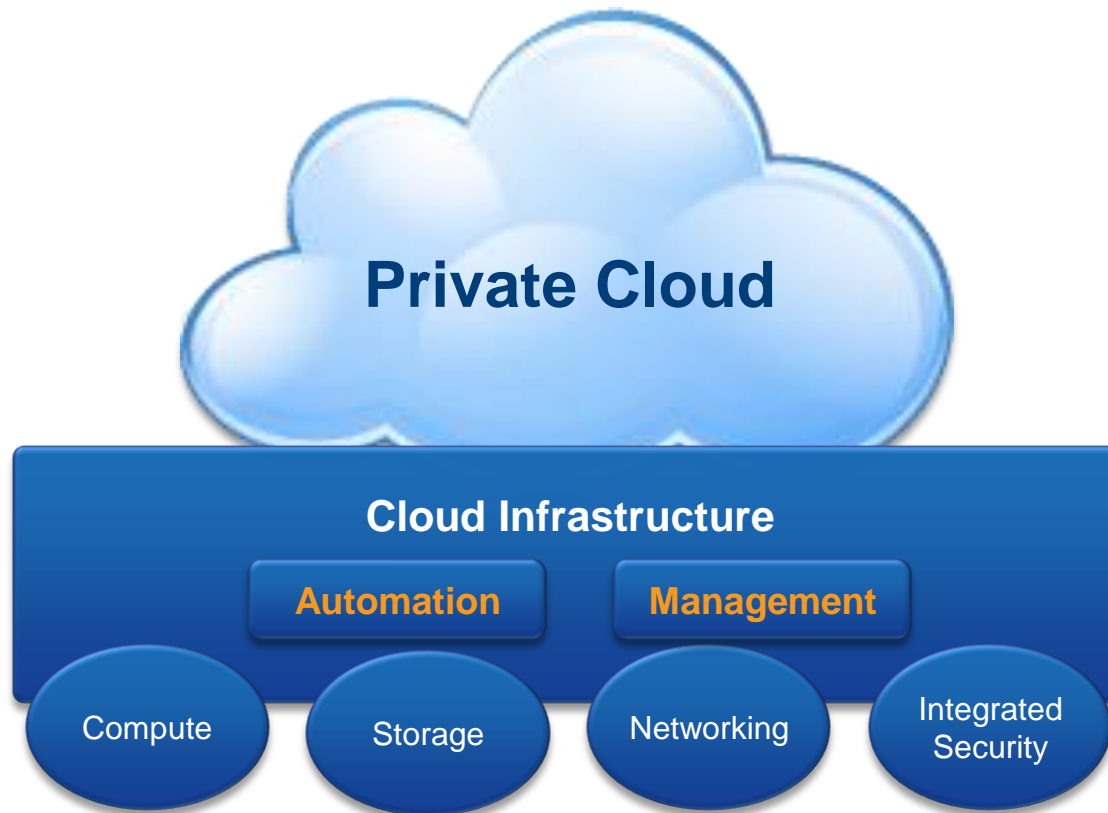


Bring Cloud Architecture to Existing Datacenters

- ✓ Leverage virtualization to transform physical silos into elastic, virtual capacity
- ✓ Increase automation thru built-in policy-driven management
- ✓ Move from static, physical security to dynamic, embedded security
- ✓ Enable secure, self-service to pre-defined IT services, with pay-for-use



Private Cloud = Decreased Costs, Increased Agility



Three Core Focus Areas

Re-think End-User Computing

Modernize Application Development

Cloud Infrastructure & Management

Existing Datacenters

Public Cloud Services

New Applications – New Approach

Modern Frameworks and Tools

Cloud Application Platform

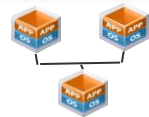
Modern Platform Services

VMware's Cloud Application Platform


spring
Frameworks
and Tools



Rich Web



Integration



Batch



Data Access



Social Media



Cloud APIs

VMware vFabric

**Common
Platform
Services**



Application
Management



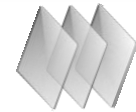
Data
Management



Messaging

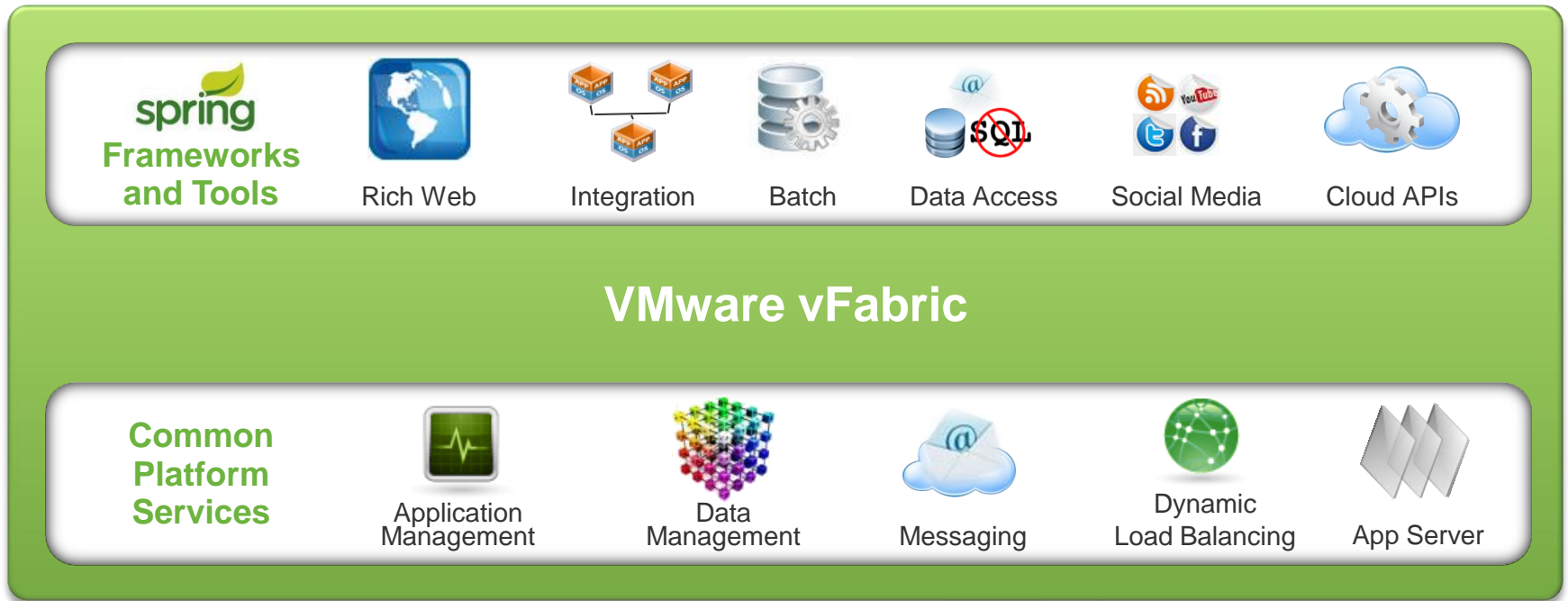


Dynamic
Load Balancing

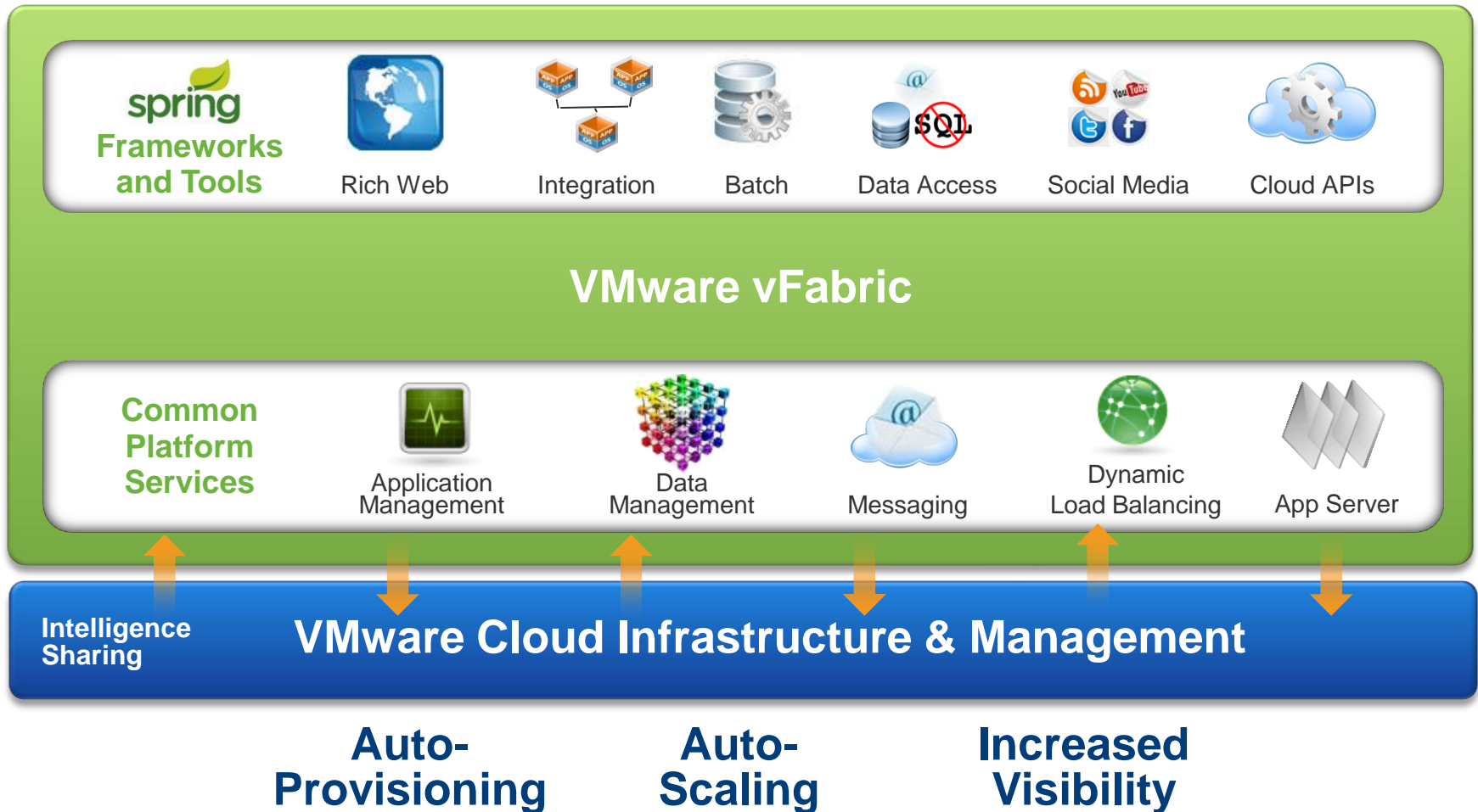


App Server

Portable Across Clouds



Smarter on VMware Clouds



Three Core Focus Areas

Re-think End-User Computing

Cloud Application Platform

Cloud Infrastructure & Management

Existing Datacenters

Public Cloud Services

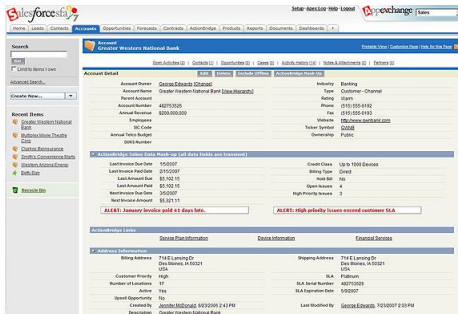
Traditional View of Desktop Computing



VS.



End User Perspective



SaaS Apps

Segment	Segment Desc	Type	Beginning Balance Debit	Beginning Balance Credit	Debit	Credit	Ending Balance Debit	Ending Balance Credit
1400	Clearing and Interest	E	0.00	0.00	1,100,000.00	0.00	1,100,000.00	0.00
1400	Telephone Expenses	E	0.00	0.00	1,000,000.00	0.00	1,000,000.00	0.00
7010	Foreign	E	0.00	0.00	400,000.00	0.00	400,000.00	0.00
7020	Equipment Expense	E	0.00	0.00	1,400,000.00	0.00	1,400,000.00	0.00
7020	Legal Services	E	0.00	0.00	600,000.00	0.00	600,000.00	0.00
7040	Adm	E	0.00	0.00	2,500,000.00	0.00	2,500,000.00	0.00
7050	Car Rental	E	0.00	0.00	700,000.00	0.00	700,000.00	0.00
7070	Accommodation	E	0.00	0.00	1,000,000.00	0.00	1,000,000.00	0.00
7080	Health	E	0.00	0.00	675,000.00	0.00	675,000.00	0.00
7700	Miscellaneous	E	0.00	0.00	22,222.22	0.00	22,222.22	0.00
7010	Interest Income	R	0.00	0.00	0.00	44,147.94	0.00	44,147.94
7020	Interest Expense	E	0.00	0.00	2,000,533.27	0.00	2,000,533.27	0.00
7020	Discount Taken	E	0.00	0.00	0.00	5,562.30	0.00	5,562.30
7030	Currency Gains	E	0.00	0.00	8,814.90	0.00	0.00	8,814.90
7040	Currency Losses	E	0.00	0.00	11,627.63	0.00	11,627.63	0.00
7040	Unrealized Foreign Ex	E	0.00	0.00	24,471.56	0.00	24,471.56	0.00
8100	Manufacturing In	A	912,366.68	0.00	0.00	0.00	912,366.68	0.00
8200	Manufacturing Out	A	0.00	373,300.81	0.00	0.00	0.00	373,300.81
8510	Offset Account 10	E	0.00	0.00	15,375,000.00	0.00	15,375,000.00	0.00
8520	Offset Account 20	A	0.00	143,000,000.00	0.00	0.00	0.00	143,000,000.00
9999	N/A	E	0.00	0.00	22,222.22	0.00	0.00	22,222.22

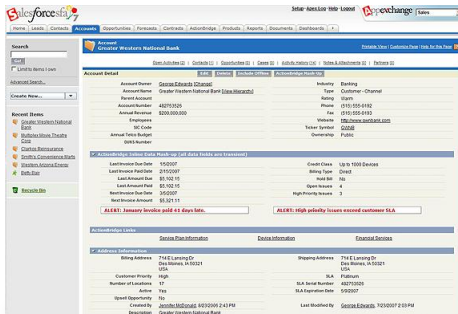
Enterprise Apps



Windows Apps



End-User Computing = User Centricity



SaaS Apps

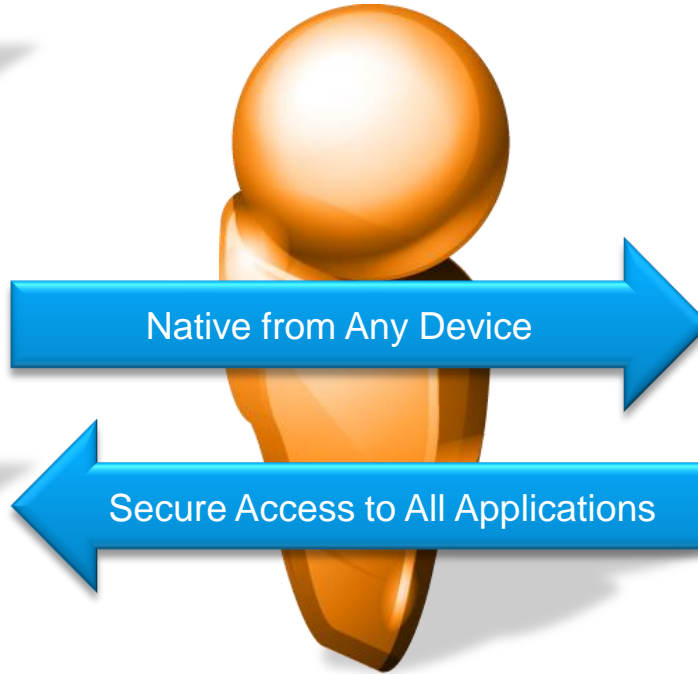
A screenshot of an Enterprise application showing a ledger table. The table has columns for Segment, Segment Desc, Type, Beginning Balance Debit, Ending Balance Credit, Debit, Credit, Ending Balance Debit, and Ending Balance Credit. The data includes various financial entries such as 'Cleaning and Maintenance', 'Telephone Expenses', 'Storage', 'Equipment Expense', 'Legal Services', 'Advis', 'Car Rental', 'Accommodation', 'Hotel', 'Miscellaneous', 'Interest Income', 'Interest Expense', 'Discount Taken', 'Currency Gains', 'Currency Losses', 'Unearned Franchise', 'Manufacturing In', 'Manufacturing O/A', 'Offset Account 10', 'Offset Account 20', and 'N/A'.

Segment	Segment Desc	Type	Beginning Balance Debit	Ending Balance Credit	Debit	Credit	Ending Balance Debit	Ending Balance Credit
T140	Cleaning and Maintenance	E	0.00	0.00	1,100,015.17	0.00	1,100,015.17	0.00
T400	Telephone Expenses	E	0.00	0.00	1,009,645.45	0.00	1,009,645.45	0.00
7010	Storage	E	0.00	0.00	496,473.97	0.00	496,473.97	0.00
7020	Equipment Expense	E	0.00	0.00	3,441,394.72	0.00	3,441,394.72	0.00
7030	Legal Services	E	0.00	0.00	606,406.10	0.00	606,406.10	0.00
7040	Advis	E	0.00	0.00	2,540,000.00	0.00	2,540,000.00	0.00
7050	Car Rental	E	0.00	0.00	768.00	0.00	768.00	0.00
7070	Accommodation	E	0.00	0.00	1,090.00	0.00	1,090.00	0.00
7080	Hotel	E	0.00	0.00	679.00	0.00	679.00	0.00
7740	Miscellaneous	E	0.00	0.00	22,222.22	0.00	22,222.22	0.00
8100	Interest Income	R	0.00	0.00	44,147.94	0.00	44,147.94	0.00
7020	Interest Expense	E	0.00	0.00	2,009,533.27	0.00	2,009,533.27	0.00
7020	Discount Taken	E	0.00	0.00	5,542.30	0.00	5,542.30	0.00
7030	Currency Gains	E	0.00	0.00	8,814.90	0.00	8,814.90	0.00
7040	Currency Losses	E	0.00	0.00	13,627.83	0.00	13,627.83	0.00
2040	Unearned Franchise	E	0.00	0.00	24,471.56	0.00	24,471.56	0.00
8100	Manufacturing In	A	912,366.68	0.00	0.00	0.00	912,366.68	0.00
6100	Manufacturing O/A	A	0.00	973,300.82	0.00	0.00	0.00	973,300.82
8510	Offset Account 10	E	0.00	0.00	15,375,000.00	0.00	15,375,000.00	0.00
6100	Offset Account 20	A	0.00	143,000,000.00	0.00	0.00	0.00	143,000,000.00
9999	N/A	E	0.00	0.00	22,222.22	0.00	22,222.22	0.00
Call/Action			2,726,063,306.97	2,726,063,306.97	302,447,019.90	302,447,019.90	2,852,013,178.95	2,852,013,178.95

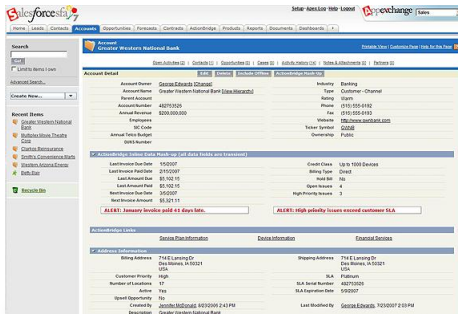
Enterprise Apps



Windows Apps



End-User Computing Emanates from the Cloud



SaaS Apps

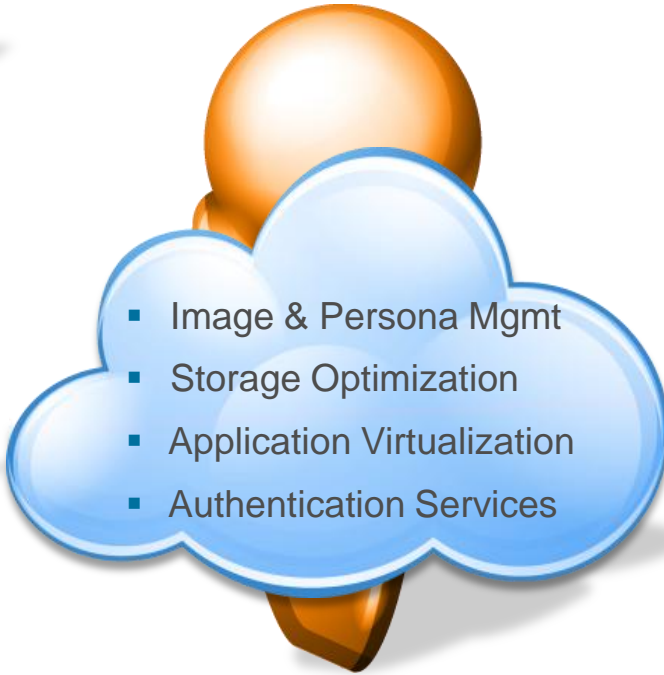
A screenshot of a financial ledger application. The table shows various transactions with columns for Segment, Type, Beginning Balance, Balance Credits, Debits, Credits, Ending Balance, and Ending Credits. The data is as follows:

Segment	Type	Beginning Balance	Balance Credits	Debits	Credits	Ending Balance	Ending Credits
1400	Clearing and Materials	0.00	0.00	1,188,015.17	0.00	1,188,015.17	0.00
1400	Telephone Expenses	0.00	0.00	1,689,545.45	0.00	1,689,545.45	0.00
7010	Freight	0.00	0.00	496,473.97	0.00	496,473.97	0.00
7020	Equipment Expense	0.00	0.00	1,441,394.72	0.00	1,441,394.72	0.00
7020	Legal Services	0.00	0.00	698,406.10	0.00	698,406.10	0.00
1540	Adm.	0.00	0.00	2,540.00	0.00	2,540.00	0.00
7050	Car Rental	0.00	0.00	768.00	0.00	768.00	0.00
7070	Accommodation	0.00	0.00	1,090.00	0.00	1,090.00	0.00
7070	Hotel	0.00	0.00	679.00	0.00	679.00	0.00
7740	Miscellaneous	0.00	0.00	22,222.22	0.00	22,222.22	0.00
8100	Interest Income	0.00	0.00	44,147.84	0.00	44,147.84	0.00
7020	Interest Expense	0.00	0.00	2,609,533.27	0.00	2,609,533.27	0.00
7020	Discount Taken	0.00	0.00	5,542.20	0.00	5,542.20	0.00
7030	Currency Gains	0.00	0.00	8,814.90	0.00	8,814.90	0.00
7040	Currency Losses	0.00	0.00	11,627.63	0.00	11,627.63	0.00
7040	Unrealized Foreign Ex.	0.00	0.00	24,471.56	0.00	24,471.56	0.00
8100	Manufacturing In.	912,366.68	0.00	0.00	0.00	912,366.68	0.00
8100	Manufacturing Out.	0.00	973,300.82	0.00	0.00	973,300.82	0.00
8510	Other Account 10	0.00	0.00	15,375,000.00	0.00	15,375,000.00	0.00
6520	Other Account 20	0.00	143,000,000.00	0.00	0.00	143,000,000.00	0.00
9999	N/A	0.00	0.00	22,222.22	0.00	22,222.22	0.00
Call by Item		6.3		2,726,063,306.97		282,487,019.90	282,487,019.90
				2,726,063,306.97		2,820,311,781.95	2,820,311,781.95

Enterprise Apps



Windows Apps



Three Core Focus Areas

End-User Computing

Cloud Application Platform

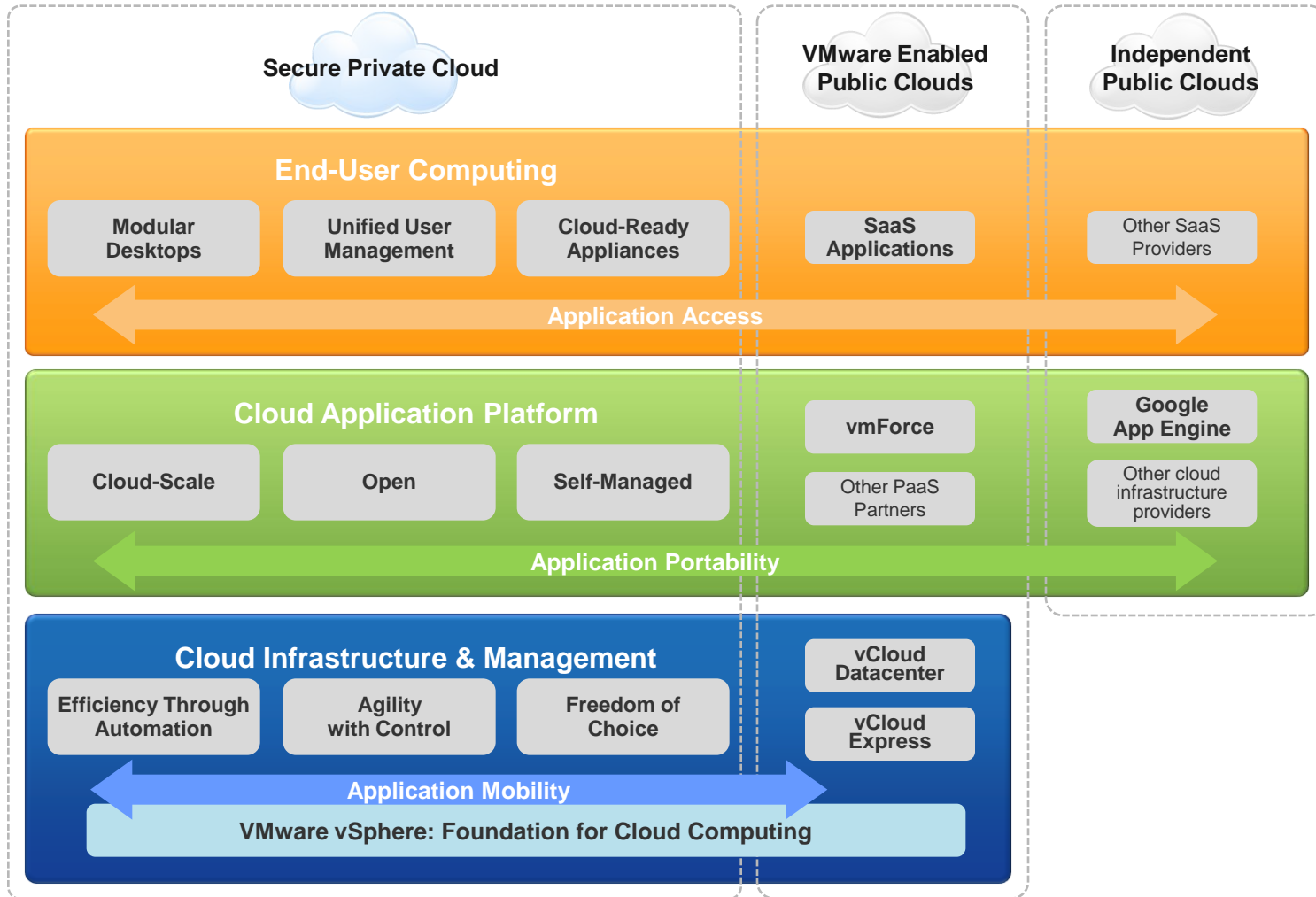
Cloud Infrastructure & Management

Existing Datacenters

Public Cloud Services

VMware Solutions for ITaaS

Secure, Manageable, Cohesive



The Journey to ITaaS

Evolutionary Approach to Amplified Business Value

The Journey to ITaaS

COST EFFICIENCY

IT Production

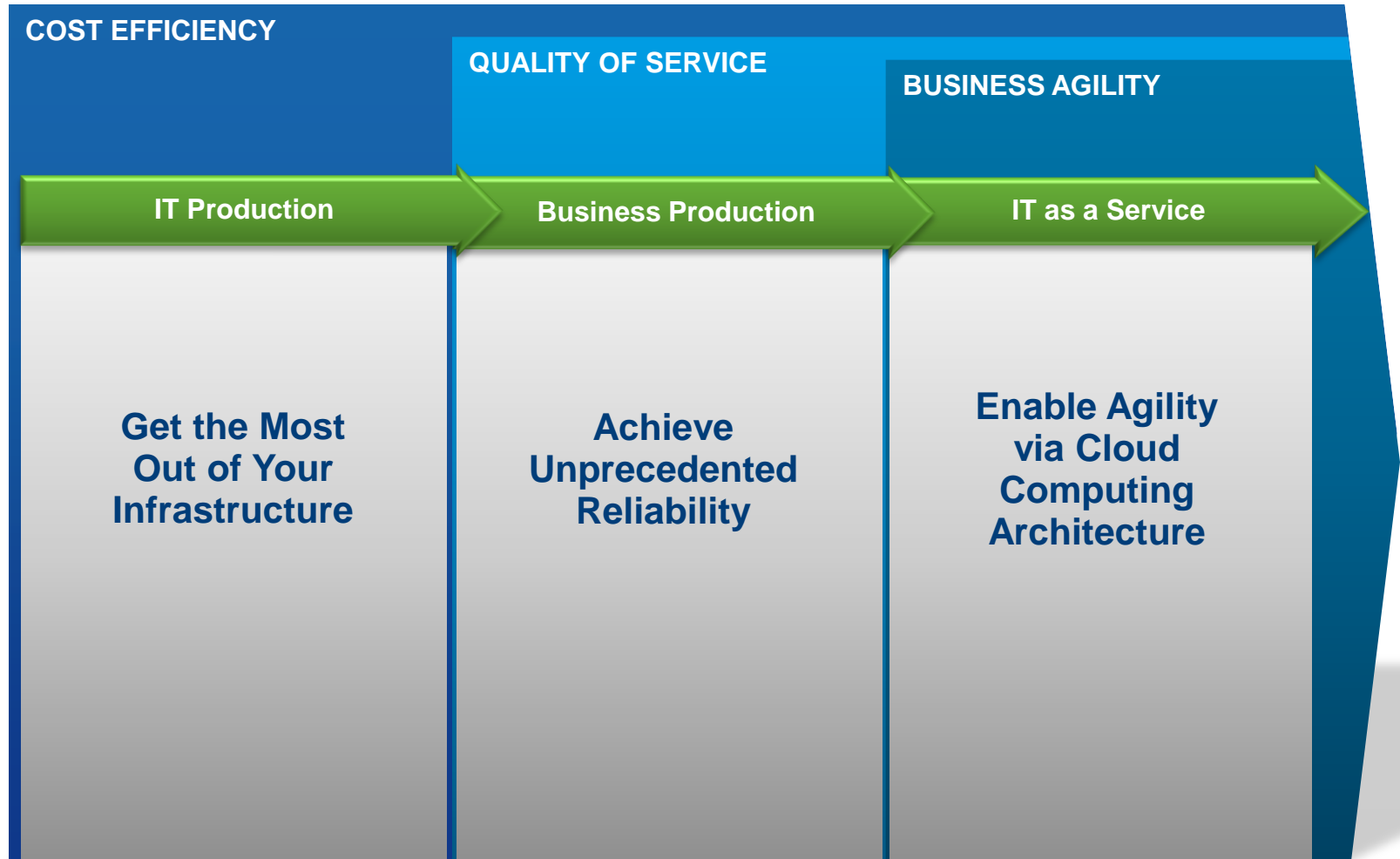


Get the Most
Out of Your
Infrastructure

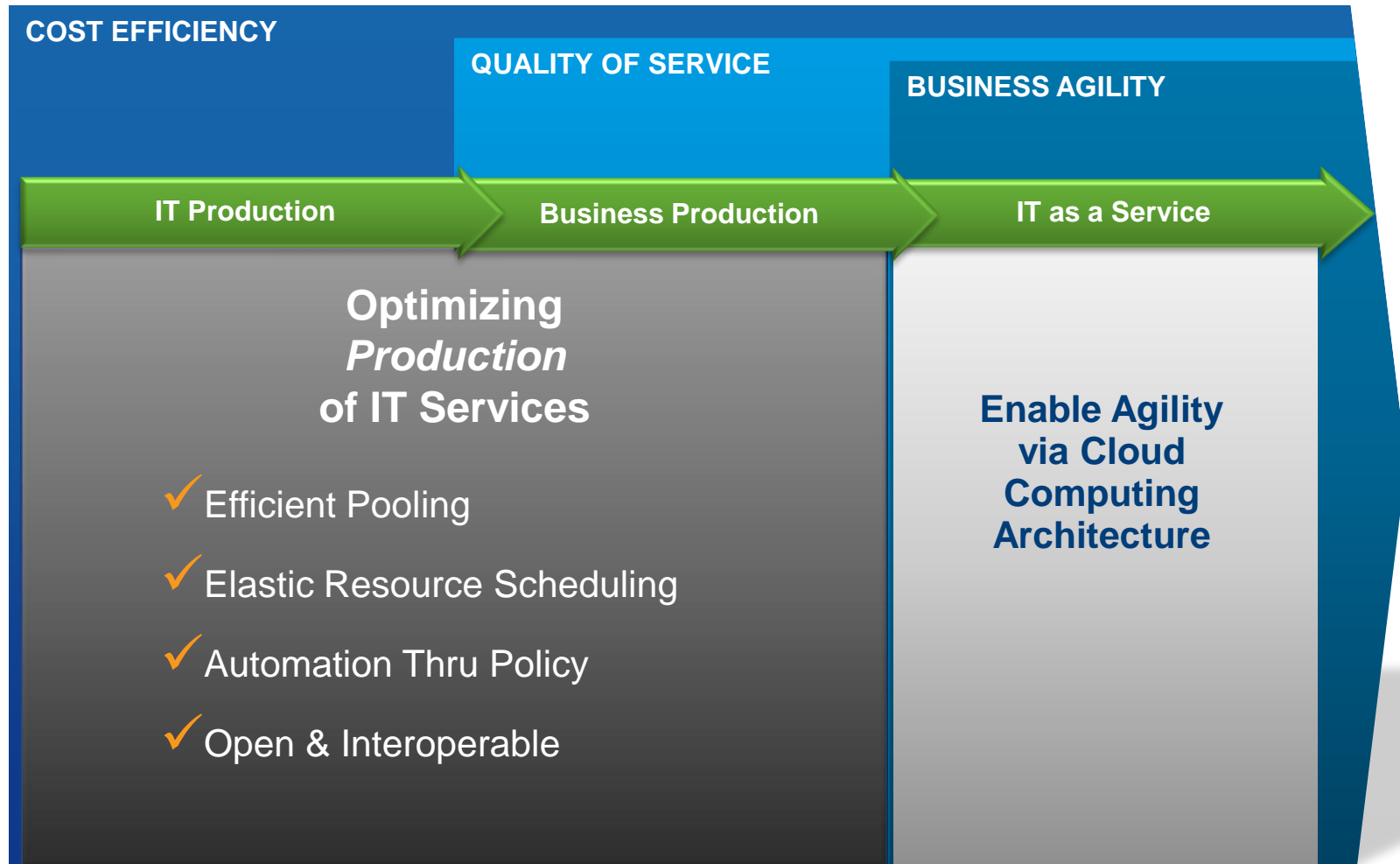
The Journey to ITaaS



The Journey to ITaaS



The Journey to ITaaS

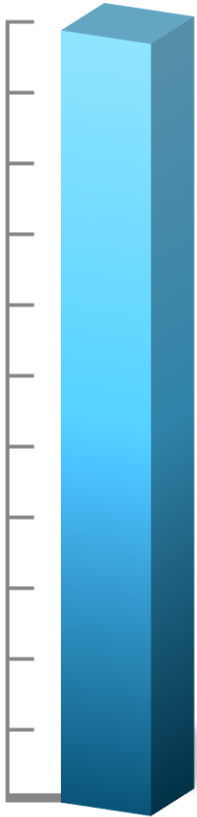


The Results are Transformational

Financial Energy



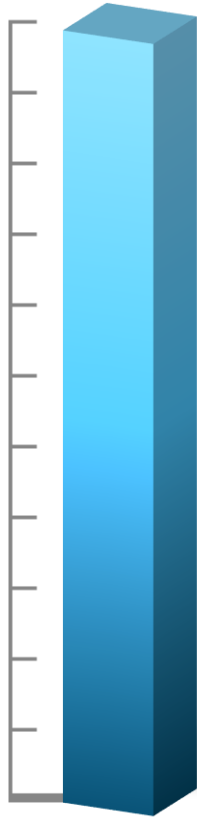
← Capital and datacenter costs



Human Energy



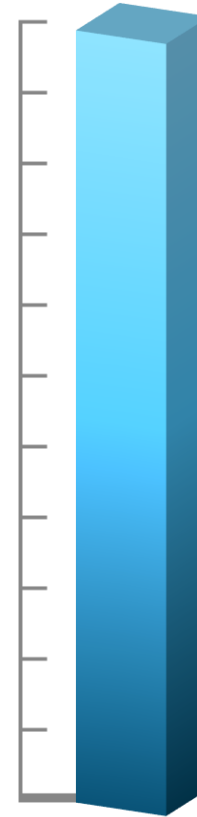
← Time spent on routine admin tasks



Earth's Energy



← Average power, cooling and real estate needs



The Results are Transformational

Financial Energy



Human Energy



Earth's Energy



“The draw is saving money, but after a year or so, surveys show that adopters believe the key is agility.”

Tom Bittman, Gartner

Capital costs reduced by 50% - 60%

Delayed data center expansion

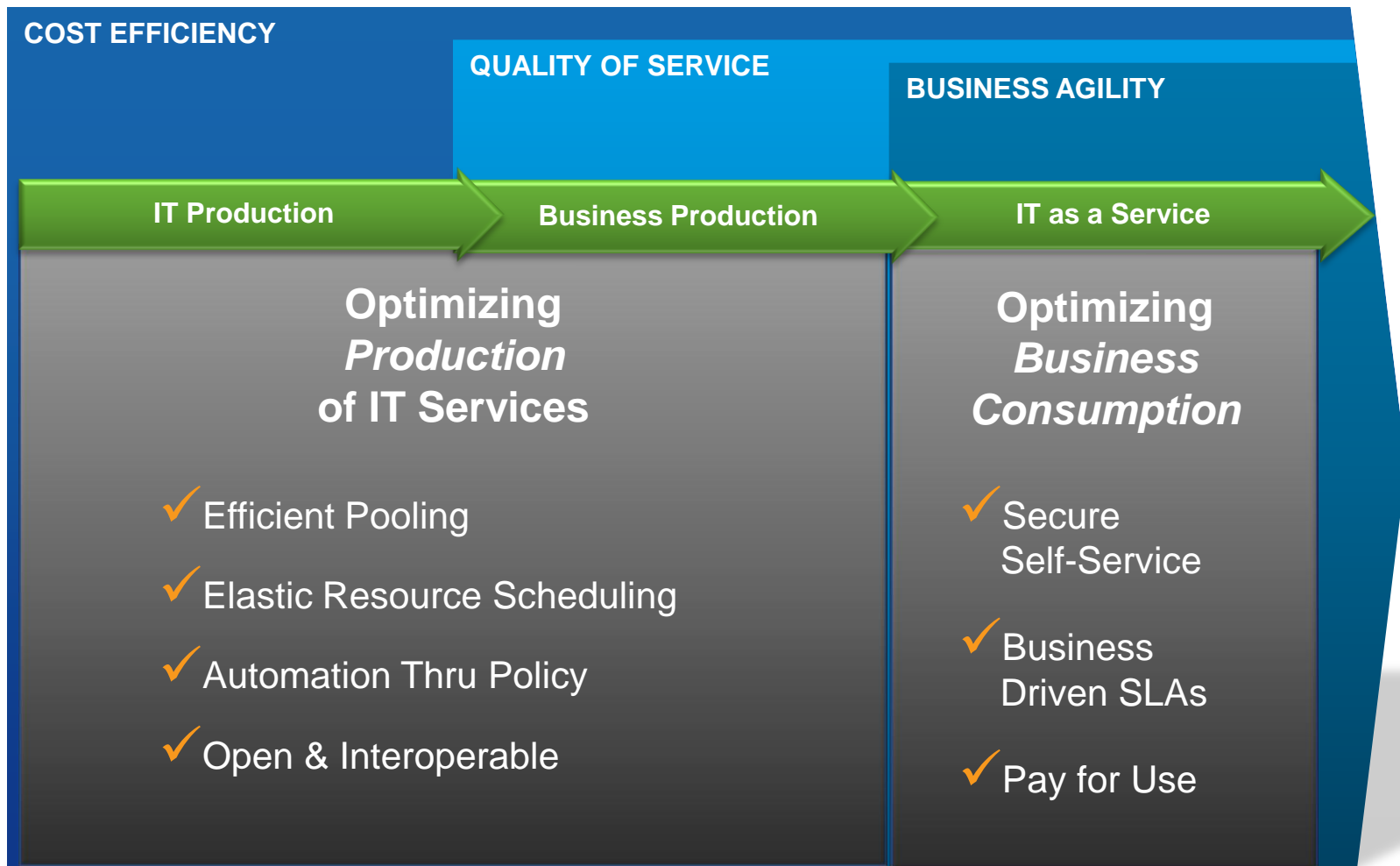
Operational costs reduced by 25%+

Average of 33% reduction in routine admin time

E.g. provision a server in minutes

Up to 80% reduction in datacenter energy costs

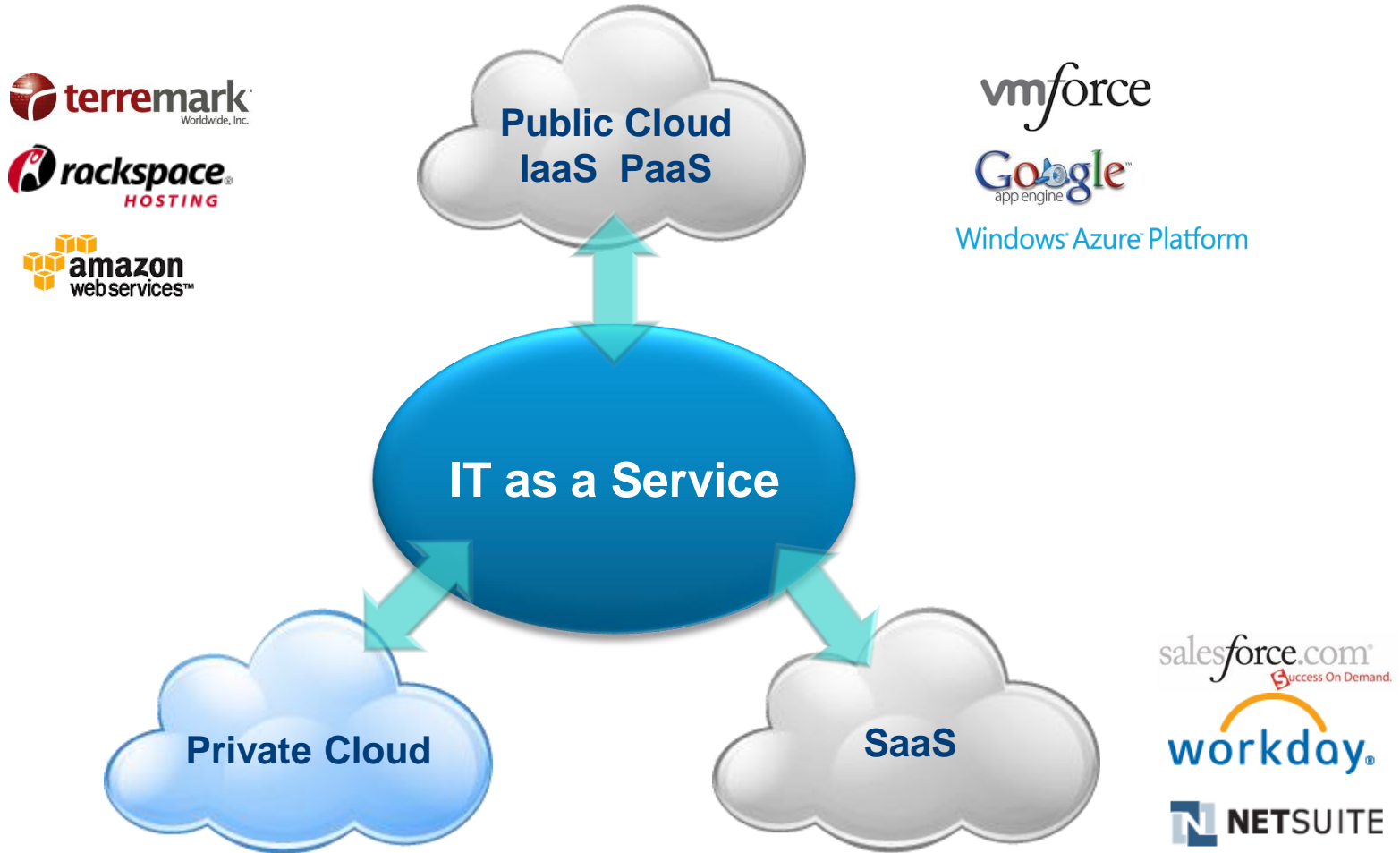
The Journey to ITaaS



IT as a Service = **Optimizing IT *production*
for business *consumption***

Instantly Available, Instantly Responsive, Always Reliable

What is this *Cloud* Thing?



Cloud Computing is an *approach to computing* that leverages the efficient pooling of on-demand, self-managed virtual infrastructure, consumed as a service.

In Summary, Only VMware ...



is the world's most trusted virtualization platform for cloud computing



virtualizes the entire fabric of the datacenter, while securely extending to public cloud infrastructure



delivers an evolutionary path to cloud computing, while preserving freedom of choice



brings the broadest set of ecosystem partners, extending the value of existing investments

Hvala

Ivo Sladoljev, Territory Manager, Adriatic Region