The Path to Hybrid Cloud

VMware Cloud Foundation and Hyperconvergence

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Hybrid Cloud and Hyperconverged Solutions

VMware, Inc.

Our Vision
A digital foundation built on VMware

Any Device

Any Application

Traditional Apps   Cloud-Native Apps   SaaS Apps

Any Cloud

Edge Computing

Hybrid Clouds

Public Clouds

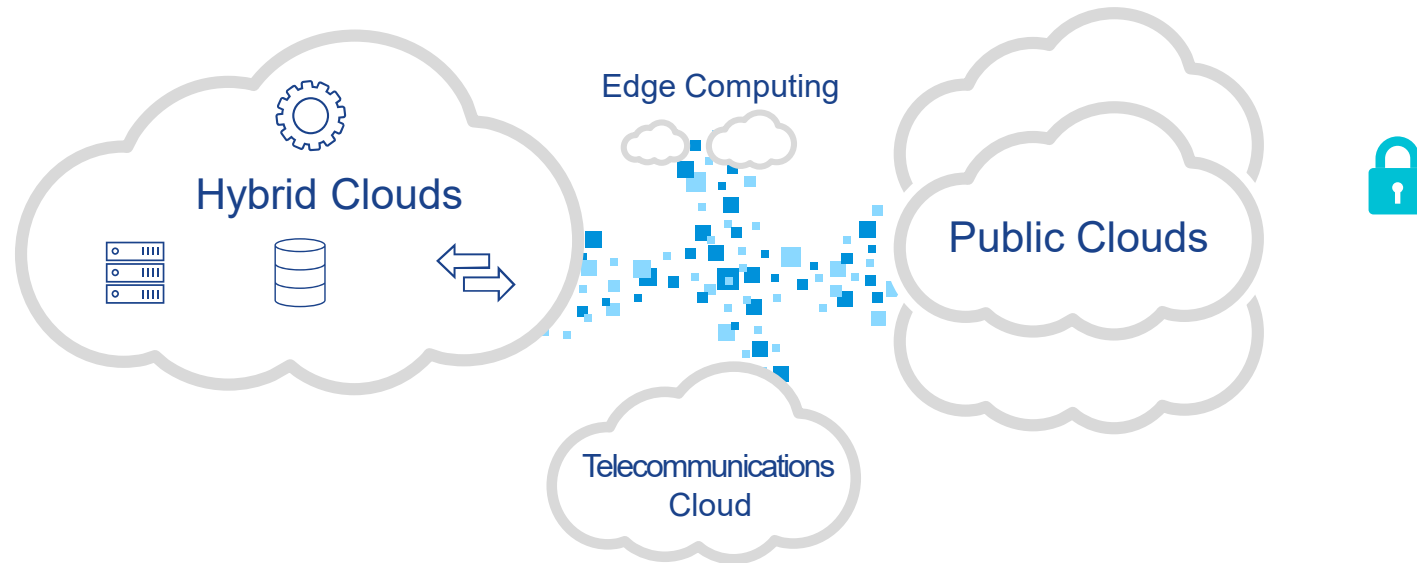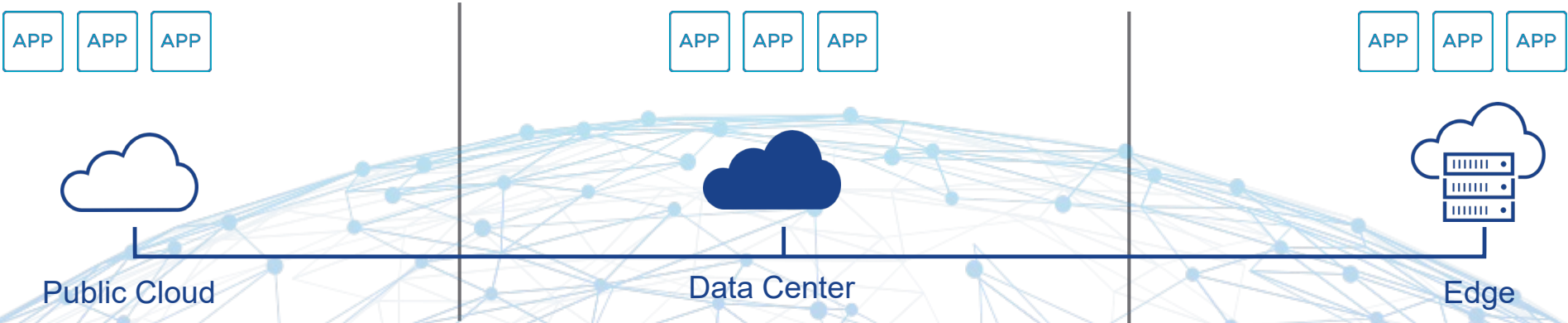Telecommunications Cloud

Create New Value

Transform Engagement

Protect Brand and Customer Trust

Modern Business Applications Require the Hybrid Cloud

Cloud is not a place, it's an operating model

Simplification

Consistent Infrastructure

VM Infrastructure /
Container Infrastructure

Consistent Operations

Automation and Operations / Across
Clouds

Consumable Developer Experience

| APP | APP | APP |

| APP | APP | APP |

| APP | APP | APP |

Public Cloud

Data Center

Edge

A Modernized Data Center Opens Doors To The Future

VMware Cloud Foundation is the platform for your digital transformation
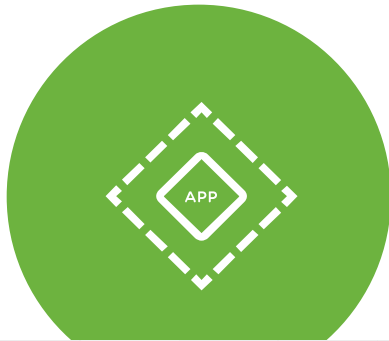
Cloud Native Apps

Automated NSX-T Deployments in Workload Domains

Machine Learning

Support for GPUs in Workload Domains

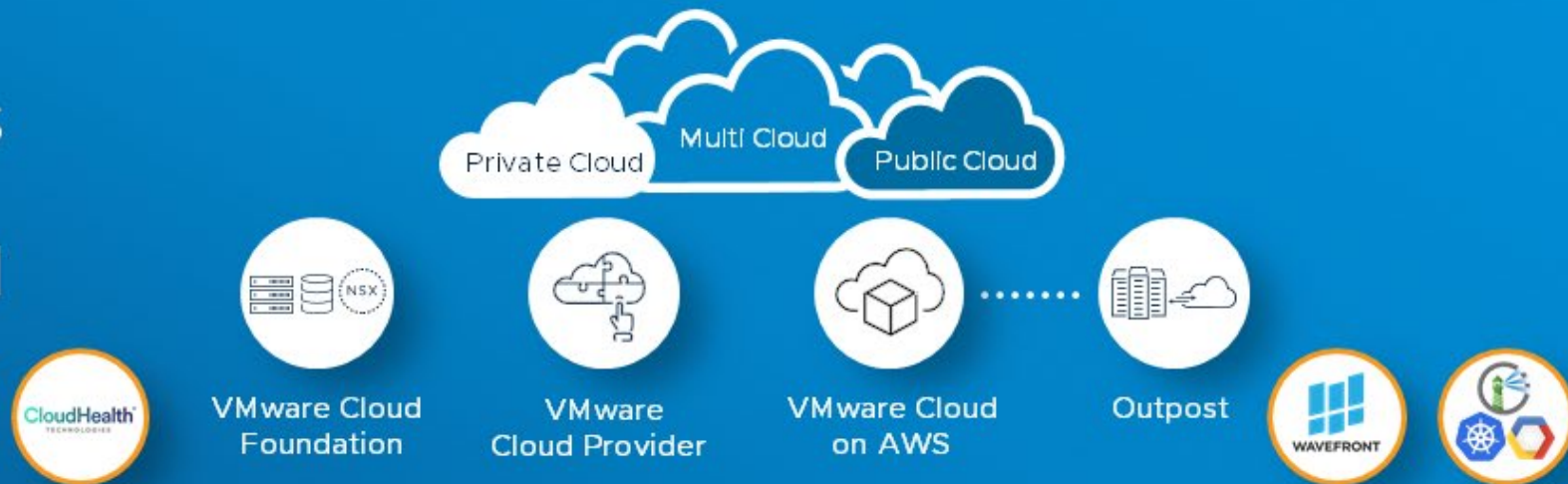## High Performance Computing

Increased Scalability with Multi-Cluster Workload Domains

Big Data

Support for External NFS for Extremely Large Data Sets

VMware is Uniquely Positioned

Private Cloud — Multi Cloud — Public Cloud

CloudHealth TECHNOLOGIES | VMware Cloud Foundation | VMware Cloud Provider | VMware Cloud on AWS | Outpost | WAVEFRONT

Lead with confidence

Industry leader

#1 Server Virtualization Software / Compute[1] (vSphere)

#1 Cloud Management[2] (vRealize Automation, vRealize Operations)

#1 Hyper-Converged Software[3] (vSAN / VxRail)

Visionary in Data Center Networking Gartner Magic Quadrant / SDN[4] (NSX)

Leader in Magic Quadrant for WAN Edge Infras. / SD-WAN[5]. (VeloCloud)

#1 Enterprise Mobility Management / Digital Workspace[6] (AirWatch)

1. IDC, Worldwide Cloud System Management Software Market Shares, 2017: Strong Growth Continues, Sep 2018, Doc #US44282218
2. IDC, Worldwide Virtual Machine Software Market Shares, 2017: Virtualization Still Showing Positive Growth, Dec 2018 IDC #US43408018
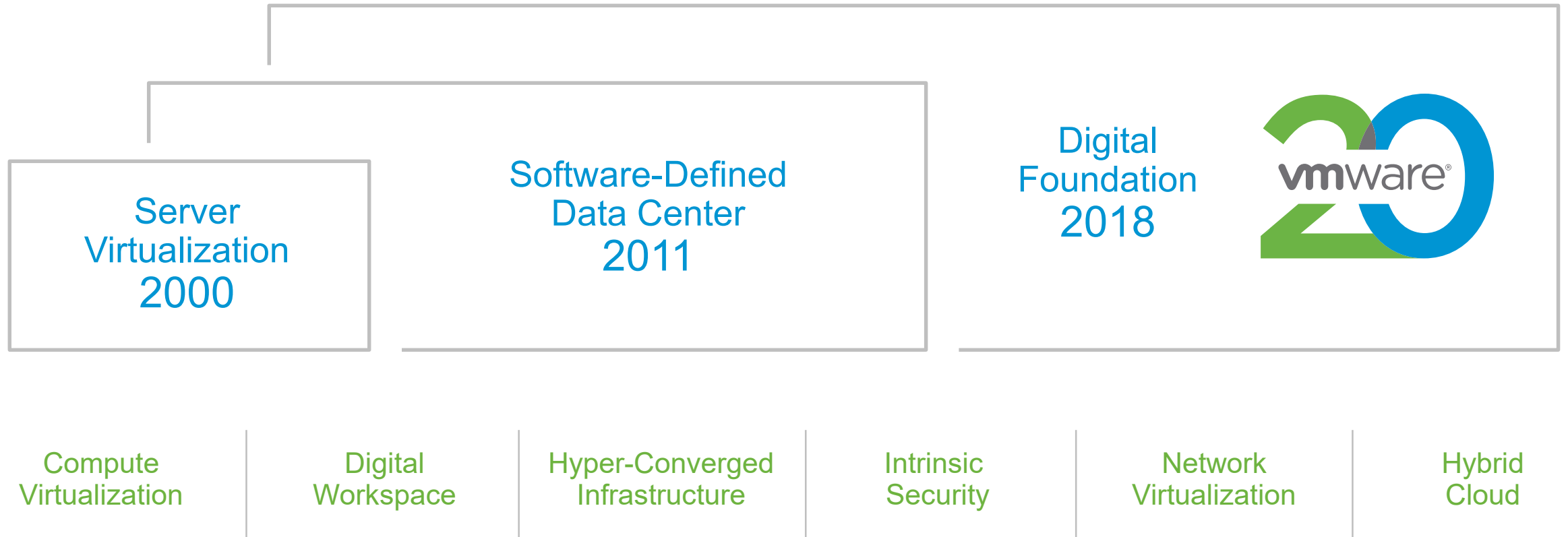3. IDC, Worldwide Quarterly Converged Systems Tracker, 3Q2018, Jan 2019
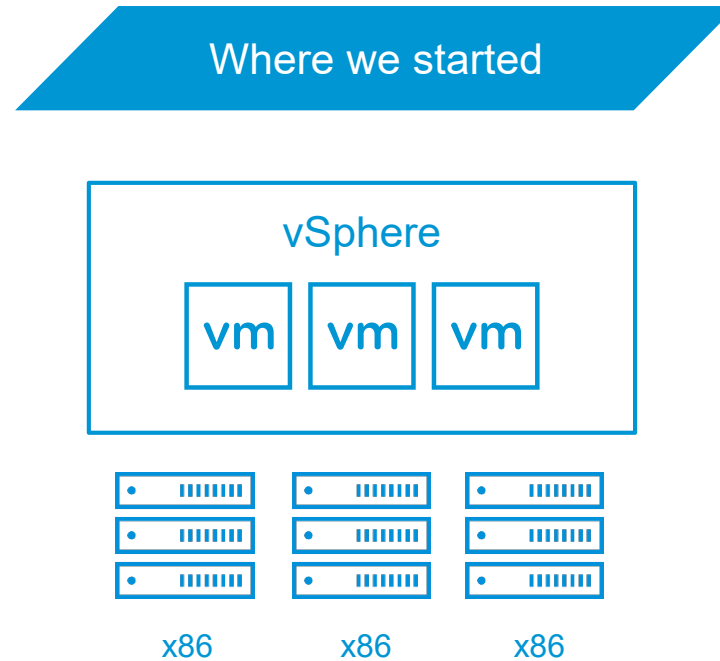4. Gartner, Inc.,Danilo Ciscato, Mark Fabbi, Andrew Lerner, Magic Quadrant for Data Center Networking, July 3, 2017
5. Gartner, Inc.,Magic Quadrant for Enterprise Mobility Management Suites, October 10, 2018
6. IDC, Worldwide Enterprise Mobility Management Software Market Shares, 2017: Evolving Mobility Use cases Drive Market Growth, May 2018, IDC #US43293918

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VMware: 20 Years of "Software-Defined" Innovation

Server
Virtualization
2000

Software-Defined
Data Center
2011

Digital
Foundation
2018

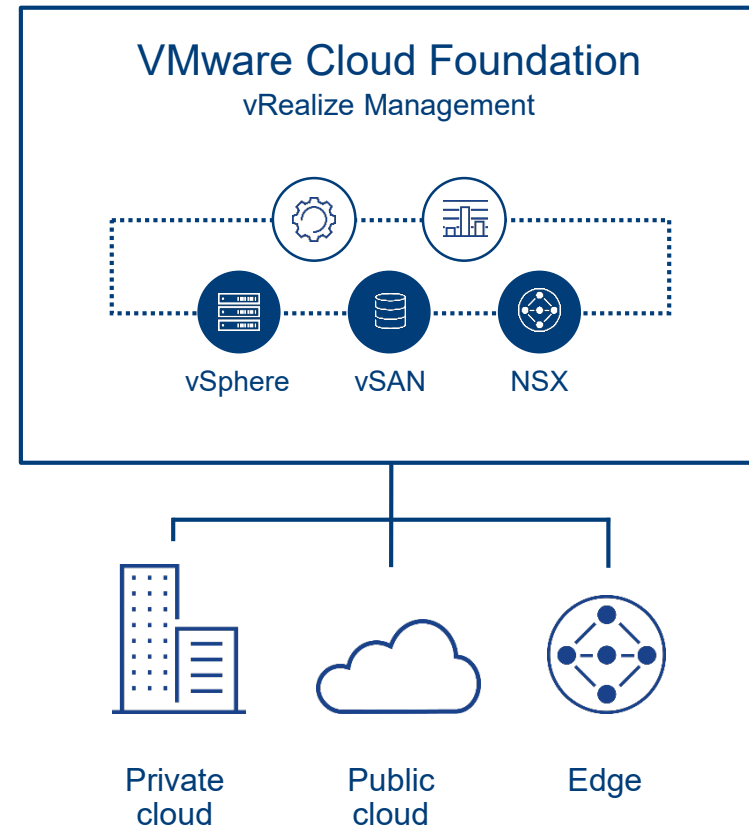| Compute Virtualization | Digital Workspace | Hyper-Converged Infrastructure | Intrinsic Security | Network Virtualization | Hybrid Cloud |

VMware Cloud Foundation is what vSphere was 15 years ago

Where we started

vSphere

vm vm vm

x86   x86   x86

VMware Cloud Foundation is what vSphere was 15 years ago

Where we are today

Where we started

vSphere

| vm | vm | vm |

x86   x86   x86

VMware Cloud Foundation
vRealize Management

vSphere   vSAN   NSX

Private cloud   Public cloud   Edge
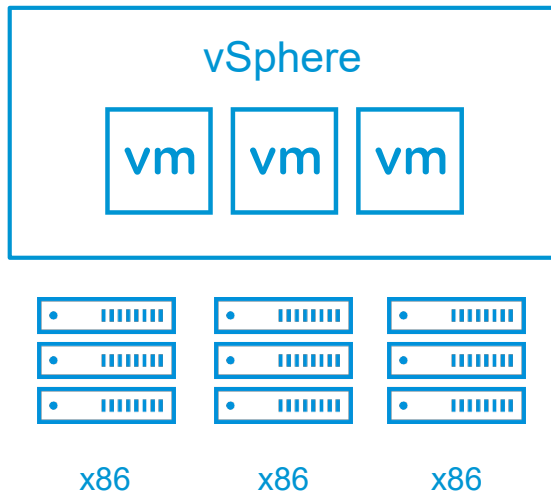
VMware Cloud Foundation Everywhere
Enabling consistent infrastructure everywhere

Private cloud

VMware Cloud Foundation
vRealize Management

vSphere   vSAN   NSX

Public cloud

vmware | aws

VMware Cloud Foundation
vRealize Management

vSphere   vSAN   NSX

Azure   IBM   OVH.com   vmware CLOUD PROVIDER™ PROGRAM

Edge

VMware Cloud Foundation
vRealize Management

vSphere   vSAN   NSX
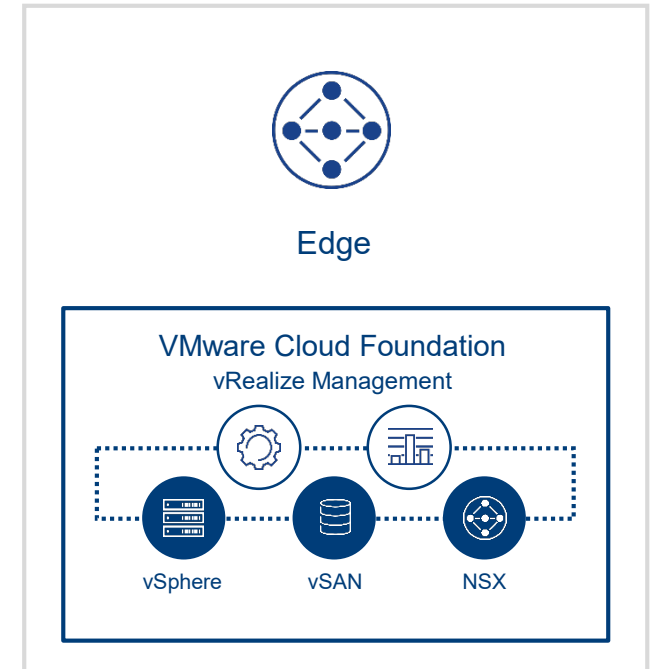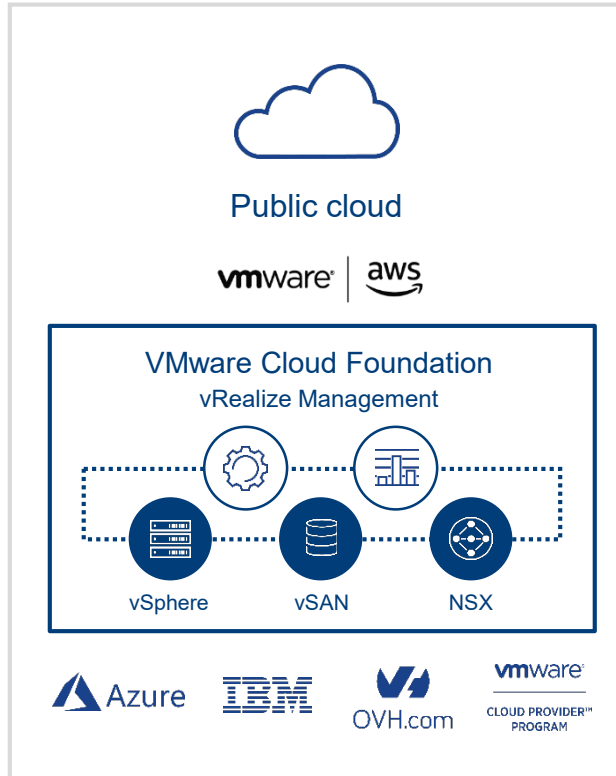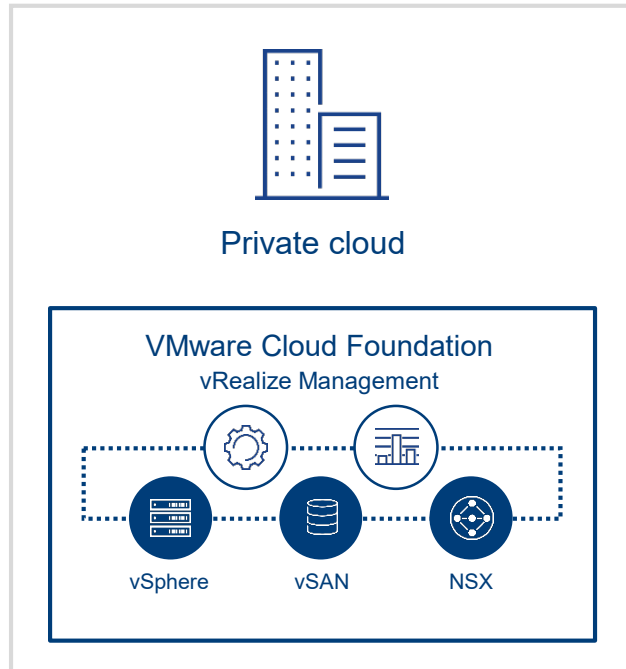
Diverse Clouds   •   Same People   •   Same Process   •   Same Tools

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Bringing VMware Cloud Foundation to Life

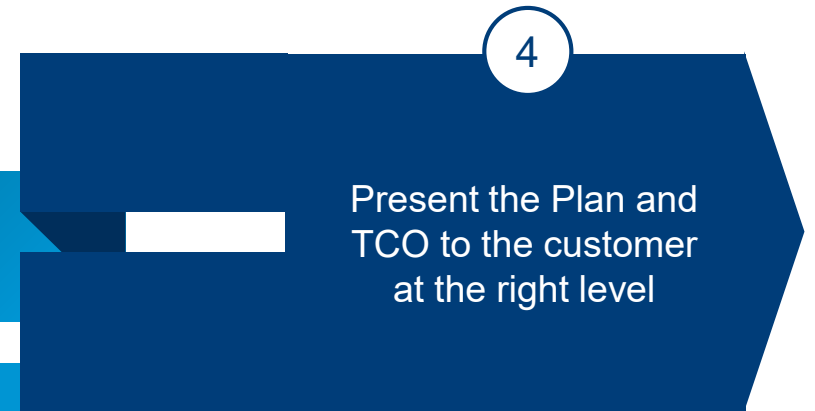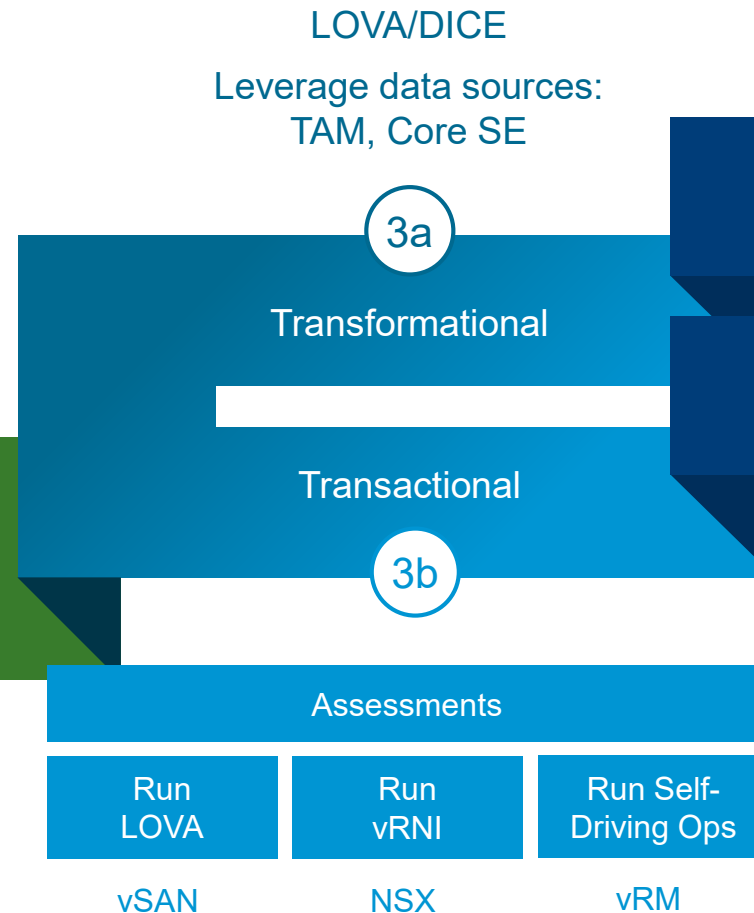## Virtual Cloud Network, a single consistent network policy model
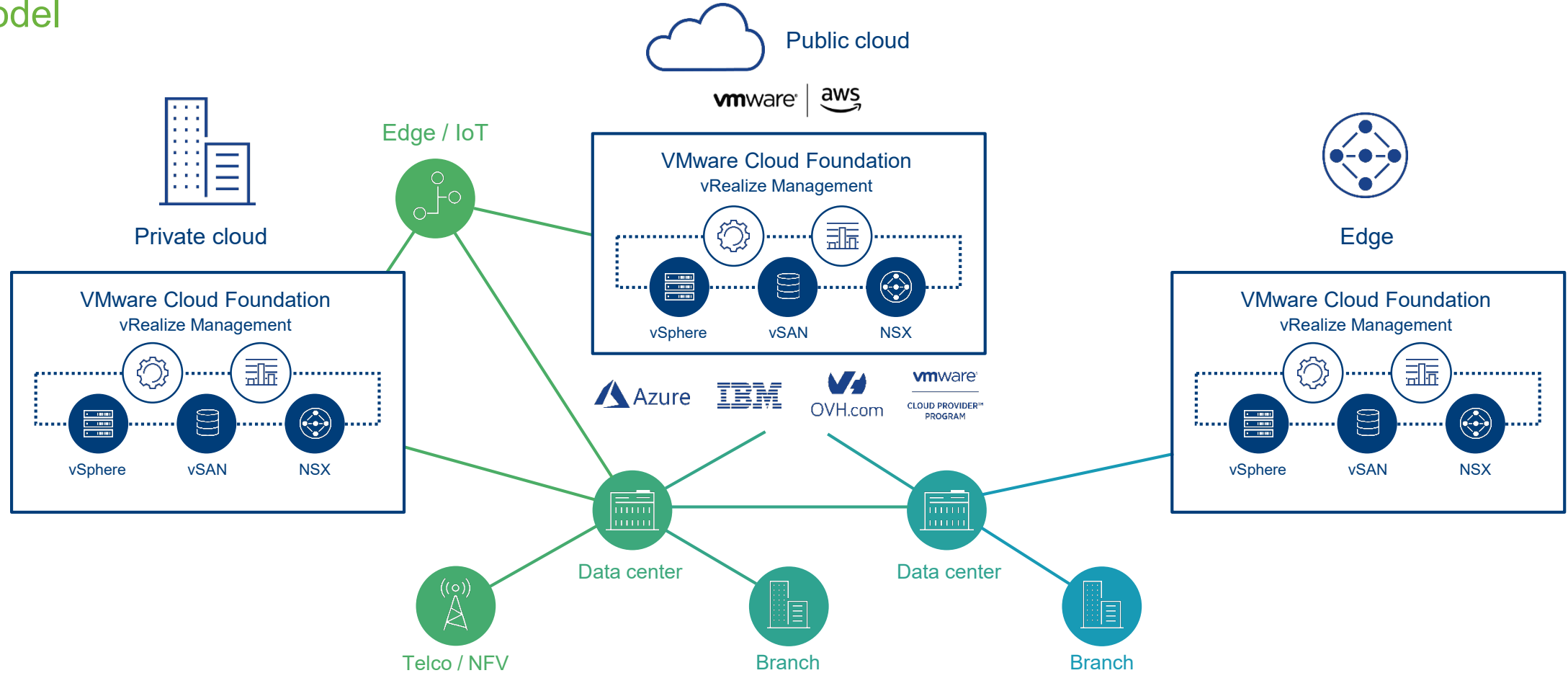
Diverse Clouds • Same People • Same Process • Same Tools

Sales Motion

As simple as 1-2-3-4

Common Triggers:

1. Cloud / Cloud Readiness Initiatives
2. DC Consolidation and Modernization
3. Increased Agility & Consistency
4. Infrastructure Cost Reductions (CAPEX & OPEX)
5. Server Refreshes
6. Storage Refreshes
7. VMware Renewals / Expansions
8. Developer Environment Improvement

LOVA/DICE

Leverage data sources:
TAM, Core SE

4 Present the Plan and TCO to the customer at the right level

3a Transformational

2 Position VCF Strategy

Transactional

3b

1 Customer Challenges & Desired Outcomes

Assessments

Run LOVA	Run vRNI	Run Self-Driving Ops
vSAN	NSX	vRM

VMware Cloud Foundation – Hybrid Cloud Ready

How Do You Build Your Digital Foundation

HCI is the critical building block for change

Modernize Data Centers

Integrate Public Clouds

Transform Networking and Security

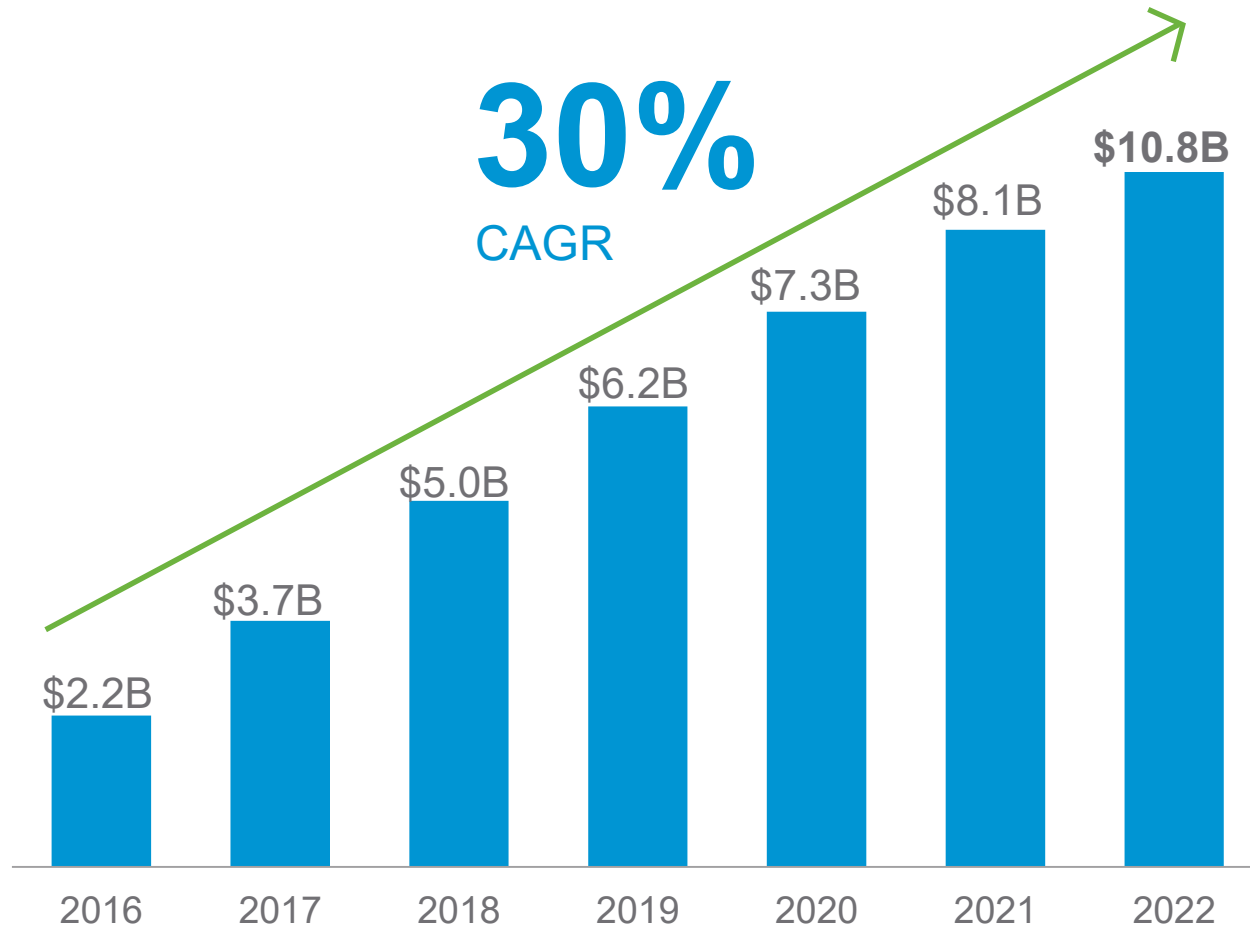**Empower Digital Workspaces**

Digital Foundation

Consistent Infrastructure

Consistent Operations

Intrinsic Security

Hyperconverged Solutions powered by vSAN

HCI the Fastest Growing Storage Market

30%
CAGR

$10.8B

$8.1B

$7.3B

$6.2B

$5.0B

$3.7B

$2.2B

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |

Source: IDC Converged Systems Tracker Forecast, Q118, Published June 2018

30%
Hyper-Converged Integrated Systems CAGR

3X
Faster than overall Integrated Systems Market

40%
Of overall external storage market*

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* IDC Converged Systems Tracker Forecast, Q118, Published June 2018; IDC Wordwide and U.S. Enterprise Storage Systems Forecast Update 2018-2022, Published Dec 2018, #US42285317

Large U.S. Utility Company's Journey to HCI
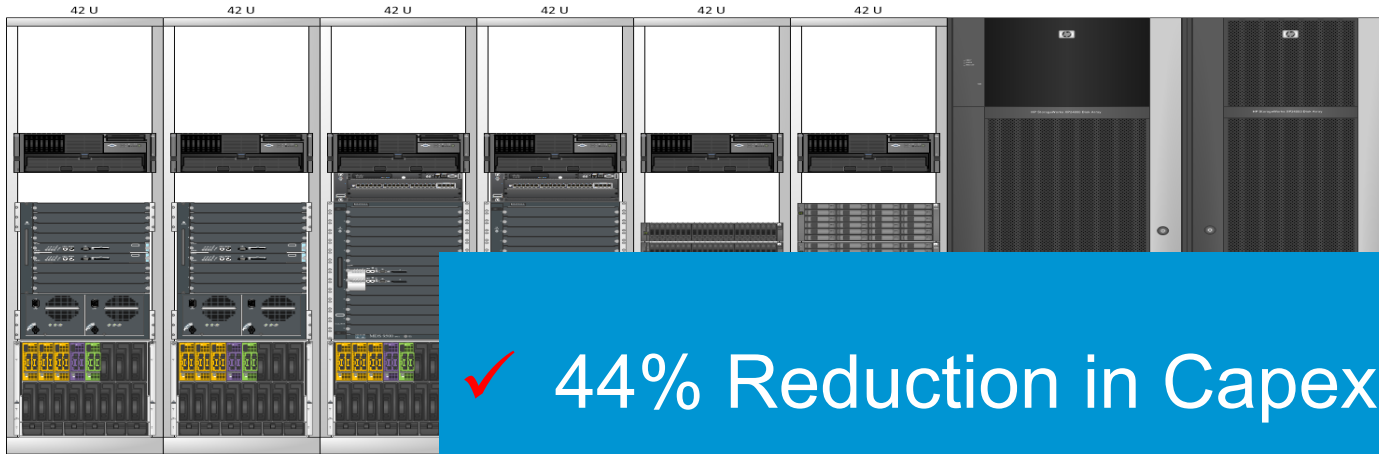
- $1,800,000
- 25,000 IOPS
- 496 Cores
- 10TB Memory

Original Data Cent...

HCI with VMware vSAN

...ess Drivers
...st Savings
...wer Consumption
...formance

- Latency <3ms

✓	**44% Reduction in Capex**
✓	**16x Increase in IOPS (Performance)**
✓	**2.5x Increase in Capacity**
✓	**80% Reduction in Power**
✓	**10x Reduction in Space**
✓	**BONUS: HYBRID CLOUD READY**

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VMware Is The #1 HCI Software Vendor

According to IDC's 1Q2019 Worldwide Quarterly Converged Systems Tracker

IDC Hyperconverged Systems Market Share by
Software Owner

41.1%

28.9%

■ VMware ■ Nutanix ■ HPE ■ Others
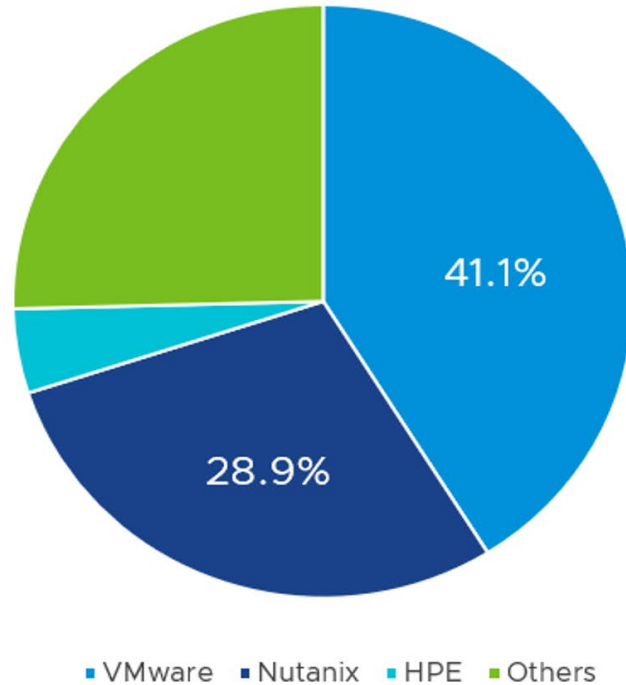
41.1%

Hyperconverged solutions running
VMware vSAN software achieved
41.1% share and **66% growth year
over year**

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Source: IDC's 1Q2019 Worldwide Quarterly Converged Systems Tracker, June 26, 2019

Ecosystem Sets vSAN Apart

Enterprise-proven

600K+	20,000+	7,500+	13,000+
vSphere	vSAN	NSX	vRealize Suite

Richest Ecosystem

15+ ReadyNode OEM Partners

DELL EMC · intel · CISCO · HITACHI · ERICSSON · Sugon
Hewlett Packard Enterprise · HUAWEI · NEC · Quanta Computer · SUPERMICRO · Atos
Lenovo · inspur浪潮 · IBM Cloud · FUJITSU

Jointly Engineered Appliance

DELL EMC VXRAIL · VXRACK

Extend with Largest Software Ecosystem

VEEAM · rubrik · COHESITY
Symantec · nexenta · HyTrust Virtualization Under Control
TREND MICRO · SAP · CITRIX · redhat
Microsoft · ORACLE · Epic

Edge to Core to Cloud In Production TODAY!

4200+ VMWare Cloud Providers
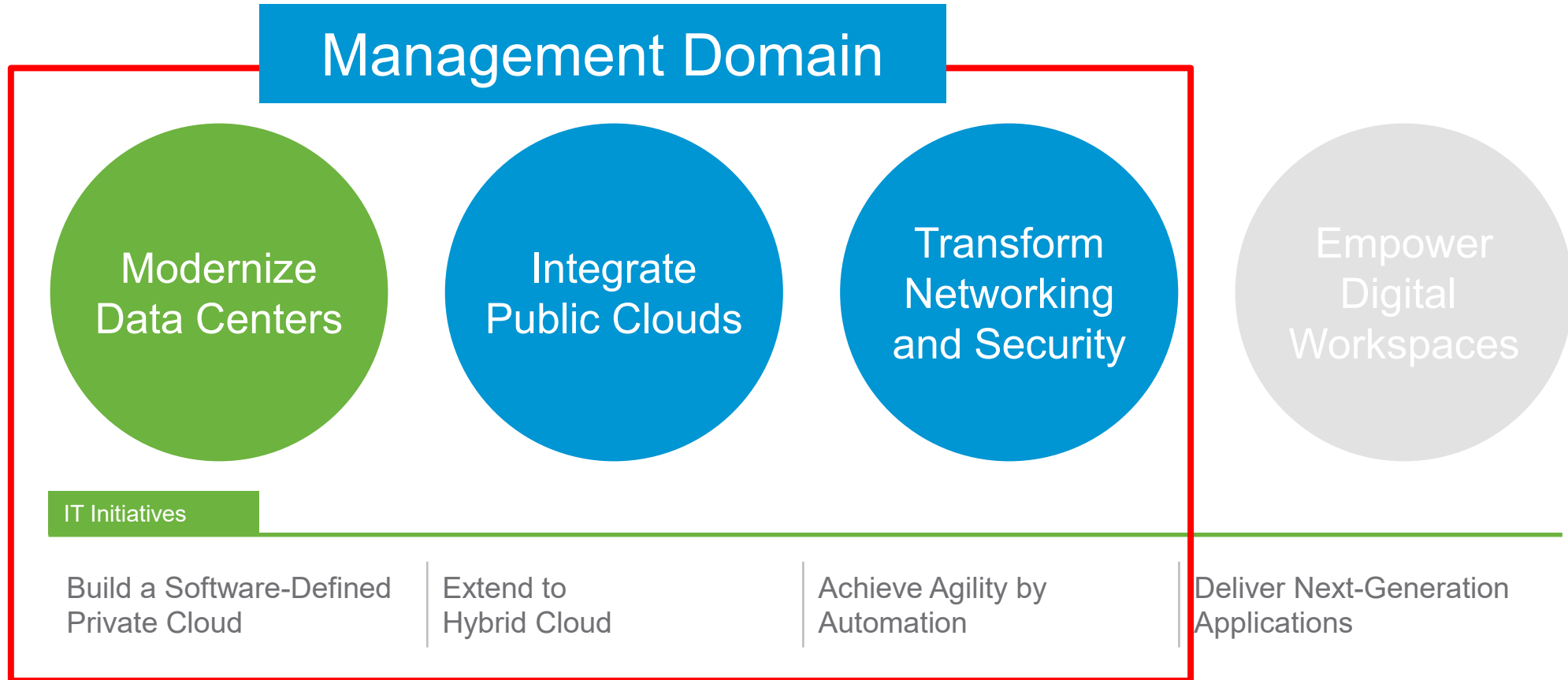
vmware® CLOUD PROVIDER PROGRAM · amazon.com web services · IBM Cloud

Consistent Operational Model

SDDC extends to any cloud
vSAN part of VMware Cloud on AWS, VMware Cloud Foundation (VCF), vRealize Suite, Wavefront, VMware Site Recovery (VSR)
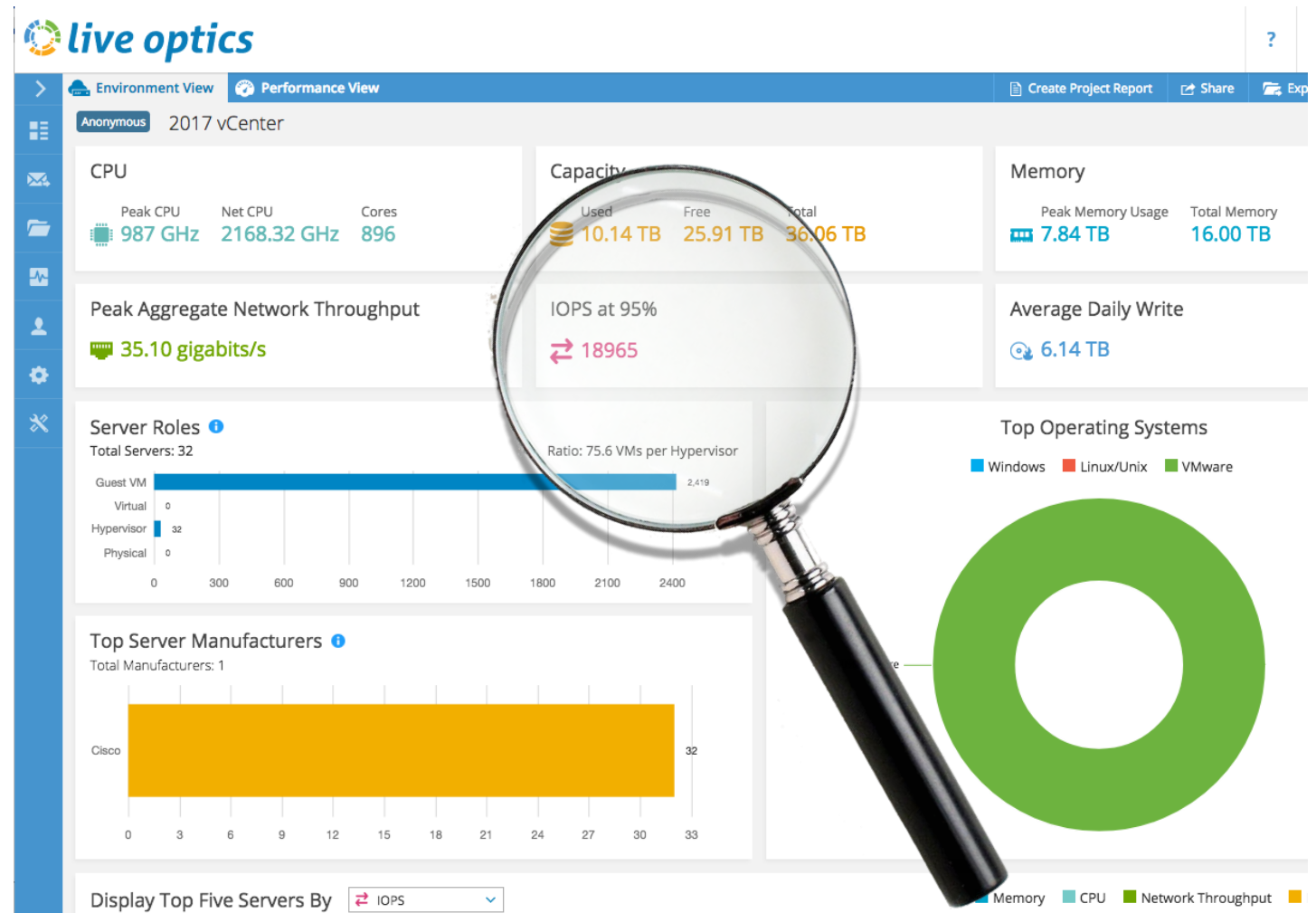
HCI starts the path to VMware Cloud Foundation

Take a software-defined approach for a best-in-class hybrid cloud

Management Domain

Modernize Data Centers

Integrate Public Clouds

Transform Networking and Security

Empower Digital Workspaces

IT Initiatives

| Build a Software-Defined Private Cloud | Extend to Hybrid Cloud | Achieve Agility by Automation | Deliver Next-Generation Applications |

HCI Impact Insights start with a LiveOptics vSAN Assessment
"Measurement Brings Knowledge"

- Setup time only 15 minutes
- Run analysis for up to 7 days
- Capable of collecting on Virtual or Physical Machines
- No Agents Required for Host or VM
- Detailed Report of Workload
  - OS inventory
  - IOPS
  - Capacity
 - Latency
- No Charge for Assessment

Cloud Foundation Impact Assessment Example

A **$6.6M Investment** Delivers **$14.4M** of **Total Value**

$8.6M
CapEx
Savings

630
Sockets
Removed

$5.8M
OpEx
Savings

onths
ven

Net Savings

Efficiencies

ROI

$14.4M
Return

Savings
per VM (monthly)

Why is this important?

- ✓ Deal Sizes are **3x** Bigger
- ✓ Close Rates when our Assessment led Sales Process is used are **> 75%**
- ✓ Reduces Competitive Price Pressures
- ✓ Reduces Sales Cycles with Executives
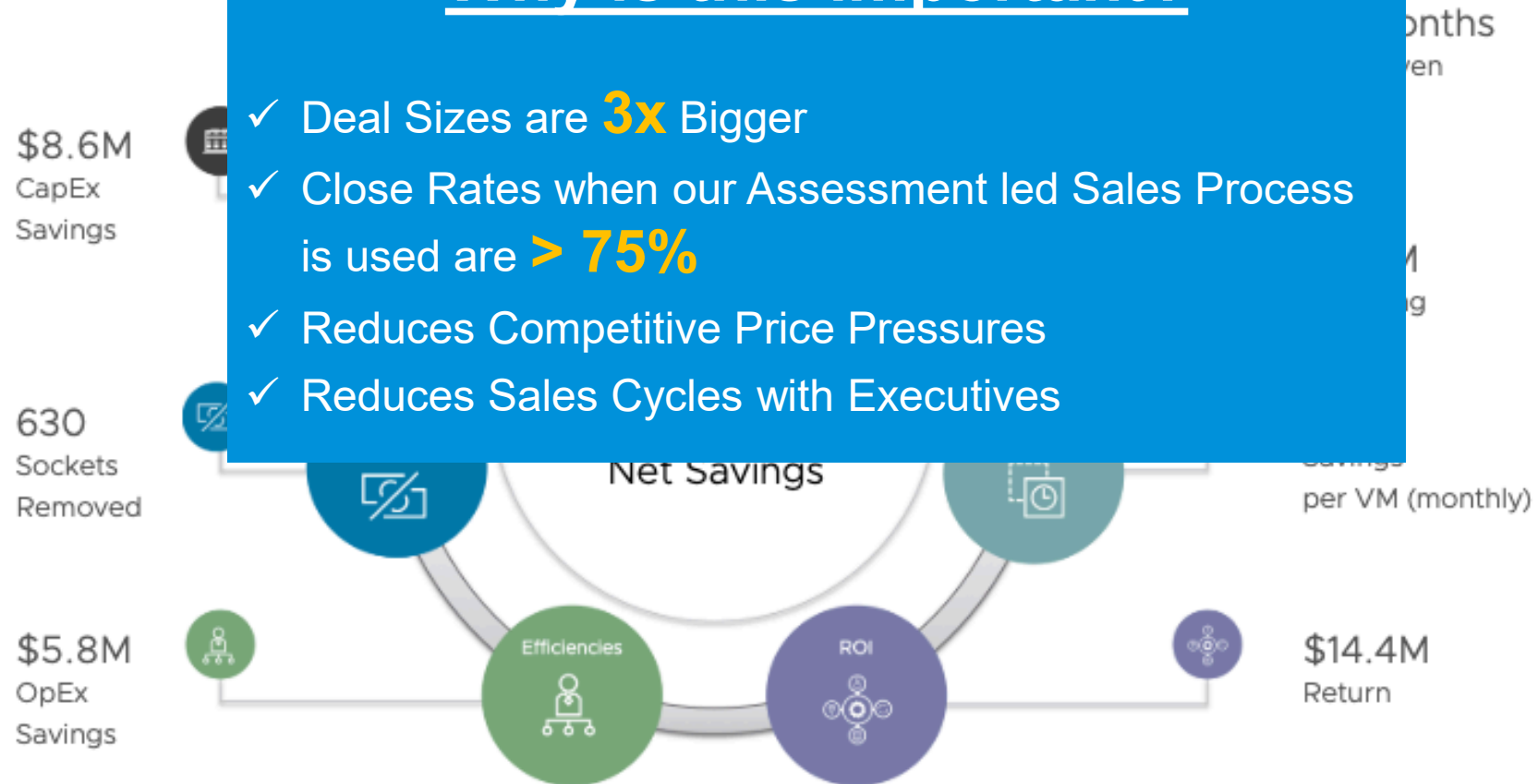
Call To Action

- ✓ Examine your Pipeline / Account List

- ✓ Understand your VMware Customer Installed Base

- ✓ Understand the Opportunity Triggers

- ✓ Engage us to Strategize an Account Plan

- ✓ Take this message to your Account List

- ✓ Run a Live Optics Assessment with a Cloud Foundation Impact Analysis

- ✓ Let us find ways to help you drive a Cloud Journey with your customers/prospects

"KickStart" 3For2 vSAN Channel Seeding Promotion

Opportunity: vSphere accounts that have not deployed HCI

Promotion Period: April 1, 2019 – January 24, 2020

Description: Seeding Promotion for Channel Partners to position 1st vSAN cluster with customers via a promotional SKU providing 3-nodes for the price of 2
(6 vSAN STD CPU licenses for the price of 4)

SKU ST6-VSAN-BN-PRO/ ST6-VSAN-BN-APRO/ ST6-VSAN-BN-FPRO

Terms:

- No Deployment / Upgrade Limitations (Customers can purchase > 3 Nodes OR upgrade to vSAN ADV/ENT later)

- Existing Incentive & Rebate Programs like Advantage+ and Solutions Rewards apply

Restrictions:

- Net New vSAN Customers only
- One Promo SKU per customer
- Channel Only (OEM's excluded)
- ELA deals not eligible for promotion
- SnS not discounted

VCF Kick-Start Kit- Channel Seeding Promotion
A conversation starter Promo SKU that offers >33% discount to kick start the journey to SDDC

Opportunity
Commercial 1/2 segments & Emerging Markets (APJ, LATAM)
Upsell opportunity for existing stand-alone SDDC pipeline (vSAN, NSX, vRM alone)
Downshift to vSAN ENT Plus for low-end budgets to start with vSAN + Management

Duration
Q4' FY20 – Q2' FY21, active for 9 months

Objective
Deliver the value of infrastructure agility via VMware-only, true full-stack SDDC, including the benefits of micro-segmentation with multi-site (for DR) & hybrid cloud migration capabilities

All-in price point **below $250K ALL-IN** (SW + SnS + PSO + HW)

A conversation starter to drive an up-sell motion to an ELA with higher end VCF editions

Terms

- Includes 8 CPU licenses - can be deployed as 4x2S or 8x1S* consolidated VCF architecture

- Soft bundle with no deployment / upgrade limitations (customers can purchase additional nodes OR upgrade** at regular price)

- Existing Incentive & Rebate Programs like Advantage+ and Solution Rewards apply

Restrictions

- 1 Promo SKU per **net new VCF customer**

- **Non-ELA, Channel RTM transactions only**

- Promo SKU not eligible for SPF or CPP

- SnS not discounted

- **Ready nodes only**;
  VxRail is not supported for a 4-node VCF config

*Min HW requirements need to be followed as guardrails for 1S deployments and vCenter Upgrade to vCenter Standard required
**VCF is a soft bundle; therefore customers can upgrade the components within the bundle individually

Thank You