

EMC AND VMWARE INTRODUCE HYPER-CONVERGED VCE VXRAIL APPLIANCE FAMILY

Only Integrated, Preconfigured, Turnkey Hyper-Converged Appliances That Extend And Simplify VMware Environments

STORY HIGHLIGHTS

- Delivers a jointly engineered, simple and proven turnkey VCE Appliance Family for use cases including small/midsize data centers and for enterprise departmental and edge environments
- Incorporates software from EMC/VCE and VMware including VMware's hyper-converged software
- Starts small with a list price of \$60,000 and scales to match a variety of workloads with a range of configurations including all-flash options with 2x more flash than any other hyperconverged infrastructure appliance
- Seamlessly integrates with existing VMware ecosystem management solutions for streamlined deployment and management in VMware environments
- Integrated VCE VxRail Manager for deep element management and monitoring along with a full suite of best-of-breed data services from EMC and VMware, including deduplication, compression, replication and backup
- EMC cloud tiering to public clouds, such as Virtustream, VMware vCloud Air, Amazon Web Services and Microsoft Azure
- Expands one of the industry's most comprehensive and complete converged and hyperconverged portfolio, including VCE's Vblock™, VxBlock™ and VxRack™ Systems, that uniquely cover every customer, every workload and every scale point with the ability to manage any combination of infrastructure centrally.

HOPKINTON, MASS. and PALO ALTO, CALIF. – Feb. 16, 2016 – EMC Corporation (NYSE: EMC) and VMware, Inc. (NYSE: VMW) today announced the new VCE® <u>VxRail™ Appliance</u> family, the only integrated and jointly engineered hyper-converged infrastructure appliances (HCIA) for VMware environments. The VxRail Appliance family brings together the best of EMC and VMware including EMC rich data services and leading systems management capabilities with VMware's leading hyper-converged software that includes VMware <u>vSphere®</u>, <u>vCenter Server®</u> and VMware <u>Virtual SAN™</u>, the simple, powerful, efficient software defined storage natively integrated with vSphere – all in a single product family with one point of support. Hybrid storage or all-flash VxRail Appliances extend and simplify VMware customer environments and deliver key performance and capacity advantages in a simple, turnkey and easily scalable HCIA.

IT organizations tasked with supporting growing business demands for new applications and services with limited budgets and resources don't want to waste time constantly evaluating and integrating hardware, software, and networking solutions, nor do they have time to learn new operational tools and processes. The new hyper-converged VCE VxRail Appliances extend the hallmark benefits of VCE converged infrastructure - increased agility, simplified operations and lower risk – to small businesses, medium-sized enterprises, and department or regional offices for virtualization and end-user computing use cases.

The jointly engineered VCE VxRail Appliances tightly integrate virtualization, compute, storage and data protection in one system with a single point of support. Organizations can start small, with a couple of virtual machines (VMs), and easily and non-disruptively scale to thousands of VMs with a predictable, "pay-as-you-grow" approach. VxRail Appliances are available in a broad set of configurations and scale points. Entry systems for small and medium businesses and remote offices start at a list price of \$60,000 and options for performance intensive workloads have more than 76 TB of flash – over 2X more flash than any other hyper-converged appliance.

VxRail Appliances are fully loaded with integrated EMC mission-critical data services including replication, backup and cloud tiering at no additional charge. EMC RecoverPoint® for Virtual Machines provides per-VM replication and automated disaster recovery for critical workloads. Virtual SAN active-active stretch clusters provide site level, zero data loss protection. Integrated vSphere Data Protection provides backup and recovery using existing tools and can optionally backup to EMC® Data Domain® for centralized storage and management. VCE VxRail Manager provides deep hardware awareness with up-to-the-minute holistic notifications about the state of applications, VMs, and appliance leveraging VMware Log Insight capturing events. VxRail Appliances leverage EMC cloud tiering to seamlessly extend to more than 20 public clouds such as VMware vCloud® Air™, Amazon Web Services, Microsoft Azure and very shortly Virtustream, to more securely expand storage capacity without limits, providing an additional 10TB of ondemand cloud storage per appliance.

EMC and VMware uniquely simplify the infrastructure lifecycle by eliminating constant evaluation cycles and testing with continuous integration of advancements in x86 technologies and implementation of the latest enhancements to VMware vSphere and VMware Virtual SAN delivering leading efficiency with data reduction technologies - deduplication, compression and erasure coding. The net result: IT organizations can focus more on innovation by creating an automated, dynamic infrastructure that adapts to their business demands.

Customers get a familiar experience with management through VMware vCenter Server. VxRail Appliances also seamlessly integrate with the broader VMware vSphere ecosystem, fully supporting existing management, automation, monitoring, and availability tools from VMware to dramatically simplify IT operations, while enabling lower costs. Additionally VxRail Appliances integrate with VMware's cloud management platform and end-user computing solutions, including VMware vRealize® Operations™ and VMware Horizon® Air™.

As IT organizations standardize on converged infrastructure as the foundation for their next generation data centers, EMC is extending its leading converged infrastructure to smaller business and the enterprise edge with VxRail Appliances. EMC's broad converged infrastructure portfolio helps customers deliver world-class cloud and mobile ready IT services to their business, including the only portfolio that can natively replicate between core data center infrastructure such as VCE's Vblock, VxBlock and VxRack Systems, and edge solutions such as the VxRail Appliance for seamless, consistent operations. VCE Vision™ Intelligent Operations software includes VxRail appliances in a complete view of all VCE resources from the core data center to remote and distributed locations.

"The new VCE VxRail Appliance family puts IT organizations on a path to eliminating complexity and collapsing cost structures with hyper-converged infrastructure while leveraging their existing VMware investments. The VxRail Appliance completes our broad portfolio of Vblock, VxBlock and VxRack Systems to provide customers with a converged infrastructure that meets nearly every workload from the edge to the core regardless of size" said Chad Sakac, President, VCE, the Converged Platforms Division of EMC.

"With the new VCE VxRail Appliances, powered by VMware hyper-converged software, IT organizations are empowered with a solution that is easy to use and can help them drive innovation as rapid as the business demands. Together, EMC and VMware have worked closely to enable

our mutual customers to realize the value of a tightly integrated, hyper-converged solution" said Yanbing Li, senior vice president and general manager, Storage and Availability Business Unit. VMware.

CUSTOMER QUOTES

"We had a flawless experience setting up the VxRail Appliance. With the tightness of the VMware and EMC integration, everything worked like clockwork. The simplicity of deploying and managing the VxRail Appliance enables us to free up our engineers to do what they do best, help our customers deploy IT and imaging solutions that impact patient care" said Fred Sinclair, Product Manager, Technology Solutions, FUJIFILM Medical Systems U.S.A., Inc.

"I can already appreciate the cost and time-saving benefits we could gain by deploying a condensed, self-contained, standard 2U hyper-converged rack using best of breed storage and compute technology. For trackside, the savings in freight charges alone would be approximately \$200,000 per season, and the simplified set-up of the VxRail means we could be up and running much quicker at every race, offering a significantly improved user experience" said Antony Smith, IS Infrastructure Manager, Renault Sport Formula One Team.

"Software-defined models are changing the operating economics of the data center. VxRail will enable our customers to simplify IT operations and lower associated costs, while at the same time offering more flexibility to serve their rapidly changing business needs. As an all-in-one solution backed by a federation of industry leaders in software-defined converged infrastructure, our customers will appreciate the proven technology of EMC coupled with VMware software innovation and support from a leader in integrated infrastructure, VCE" said Bob Olwig, Vice President of Business Strategy and Innovation, World Wide Technology, Inc.

ANALYST QUOTE:

"According to ESG's research on hybrid cloud trends, 70% of IT respondents plan to invest in HCl over the next 24 months. Moreover, 85% of these same respondents indicated that they plan on leveraging their existing investments in private cloud software, like VMware vCenter Server and vCloud Director framework technology, to serve as the foundation for their hybrid cloud environment. As such, the new VMware and VCE VxRail Appliance could make for a very compelling offering to for those looking to implement a highly flexible and highly scalable hyperconverged infrastructure appliance, with private and hybrid cloud computing capabilities, while still leveraging the same VMware management tools that they have been using for years" said Colm Keegan, Senior Analyst, Enterprise Strategy Group.

AVAILABILITY

VxRail Appliances are sold by EMC, VCE and their channel partners, and are orderable today. All-flash VxRail Appliances with modern data reduction capabilities will be available in Q2 2016.

Interact with EMC and VMware Online:

- Read EMC executive perspective on EMC Reflections Blog here
- Read the EMC Pulse Blog here
- Read the VMware Virtual Blocks Blog here
- Check out the ESG video
- Connect with EMC via Twitter, Facebook, YouTube, LinkedIn and SocialSphere
- Connect with VMware on Twitter and Facebook

ABOUT EMC

EMC Corporation (NYSE:EMC) is a global leader in enabling businesses and service providers to transform their operations and deliver IT as a service. Fundamental to this transformation is cloud computing. Through innovative products and services, EMC accelerates the journey to cloud computing, helping IT departments to store, manage, protect and analyze their most valuable asset – information – in a more agile, trusted and cost-efficient way. Additional information about EMC can be found at www.EMC.com.

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About VMware

VMware is a global leader in cloud infrastructure and business mobility. Built on VMware's industry-leading virtualization technology, our solutions deliver a brave new model of IT that is fluid, instant and more secure. Customers can innovate faster by rapidly developing, automatically delivering and more safely consuming any application. With 2015 revenues of \$6.6 billion, VMware has more than 500,000 customers and 75,000 partners. The company is headquartered in Silicon Valley with offices throughout the world and can be found online at www.vmware.com.

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MEDIA CONTACTS

Jennifer Dreyer EMC Public Relations jennifer.dreyer@vce.com +1 (774) 369-3164

Eloy Ontiveros VMware Global Communications eontiveros@vmware.com +1 (650) 427-6145

Forward-Looking Statement Legend

This release contains "forward-looking statements" as defined under the Federal Securities Laws. Actual results could differ materially from those projected in the forward-looking statements as a result of certain risk factors, including but not limited to: (i) risks associated with the proposed acquisition of EMC by Denali Holdings, Inc., the parent company of Dell, Inc., including, among others, assumptions related to the ability to close the acquisition, the expected closing date and its anticipated costs and benefits; (ii) adverse changes in general economic or market conditions; (iii) delays or reductions in information technology spending; (iv) the relative and varying rates of product price and component cost declines and the volume and mixture of product and services revenues; (v) competitive factors, including but not limited to pricing pressures and new product introductions; (vi) component and product quality and availability; (vii) fluctuations in VMware, Inc.'s operating results and risks associated with trading of VMware stock; (viii) the transition to new products, the uncertainty of customer acceptance of new product offerings and rapid technological and market change; (ix) risks associated with managing the growth of our business, including risks associated with acquisitions and investments and the challenges and costs of integration, restructuring and achieving anticipated synergies; (x) the ability to attract and retain highly qualified employees; (xi) insufficient, excess or obsolete inventory; (xii) fluctuating currency exchange rates; (xiii) threats and other disruptions to our secure data centers or networks; (xiv) our ability to protect our proprietary technology; (xv) war or acts of terrorism; and (xvi) other one-time events and other important factors disclosed previously and from time to time in EMC's filings with the U.S. Securities and Exchange Commission. EMC disclaims any obligation to update any such forwardlooking statements after the date of this release.