Create the future with the new style of business

Rupert Holzbauer, Director SAP Competence Center EMEA, Hewlett-Packard
HP to separate into two new industry-leading public companies

Hewlett Packard Enterprise

Defining the next generation of technology infrastructure, software and services for the New Style of IT.

Meg Whitman
President & Chief Executive Officer

Patricia Russo
Chairman

HP Inc.

Leading personal systems and printing company delivering innovation that will empower people to create, interact and inspire like never before.

Dion Weisler
President & Chief Executive Officer

Meg Whitman
Non-Executive Chairman

Notebooks
Mobility
Ink Printing
Managed Print Services

Desktops
Graphics
Laser Printing

Servers
Networking
Software
Converged Systems

Storage
Services
Cloud
Two new independent publicly traded companies

Revenue Mix\(^{(1)}\)

Hewlett Packard Enterprise

Fortune 50 company

- Enterprise Group: 48%
- Enterprise Services: 39%
- Software: 7%
- Financial Services: 6%

HP Inc.

Fortune 50 company

- Personal Systems: 60%
- Printing: 40%

Financial Metrics\(^{(1)}\)

Hewlett Packard Enterprise

- Revenue: $57.6B
- Operating Profit: $6.1B
- Operating Margin: 10.5%

HP Inc.

- Revenue: $57.3B
- Operating Profit: $5.5B
- Operating Margin: 9.5%

Market Positions

Hewlett Packard Enterprise

#1 in Servers\(^2\)

#1-2 in several Software categories\(^3\)

#2 in Services\(^4\)

#4 in Storage\(^5\)

Leader in Private Cloud\(^6\)

HP Inc.

#1 in Commercial PCs\(^6\)

#2 in Consumer PCs\(^6\)

#1 in InkJet\(^7\)

#1 in LaserJet\(^7\)

#2 in Graphics\(^10\)

Source: (1) Based on publicly reported last 12 months from Q1 fiscal 2014 to Q4 fiscal 2014 revenue and OP after allocating Corp. Unallocated costs; (2) IQ2'14 IDC WW Quarterly Server Tracker (3) IQ2'14 Dell 'Oro WW Tracker (4) IQ4'13 IDC WW IT Services Tracker (5) IQ2'14 IDC WW External Disk Tracker; (6) IQ2'14 IDC WW PC Tracker (7) IQ2'14 IDC WW HPC Tracker (8) Forrester – Forrester Wave November 2013 (9) Gartner MQ leader in: Information Archiving, Structured Data Archiving, eDiscovery, Web Content Management, Enterprise Content Management, Enterprise Search, Customer Communications Management (10) IQ2'14 IDC WW Large Format & Digital Press Trackers
Now is the right time
After three years of work, we are now in a position of strength.

**Confidence**
- Improved credibility with customers, investors, and employees
- Enhanced channel relationships with industry leading programs and tools
- Inspired workforce and management teams

**Position of Strength**
- Rebuilt financial foundation – stronger balance sheet, predictable performance
- Right leadership team
- Very strong innovation pipeline

**Speed of Market Transitions**
- Accelerating technology transitions require agility to respond to evolving market conditions and customer demands
- Increasingly competitive markets necessitate concentrated and distinctive responses for each of the new companies
Welcome to the New Style of Business
The innovation engine for the New Style of Business

**Infrastructure**
Build the best foundation

- Server
- Storage
- Networking
- Converged Solutions

**Software**
Turn data into insight, and insights into action

- App Delivery
- IT Operations Management
- Big Data
- Security

**Cloud**
Deliver speed and agility

- Private Cloud
- Managed Private Cloud
- Managed Virtual Private Cloud
- Public Cloud

**Services**
Manage and transform traditional to new

- Consulting Services
- App Transformation
- Support Services
- Managed Services

**Financial Services**
Support partners and customers with the right financial model
The New Style of Business creates new waves of opportunity

- New types of applications
- New approaches to IT operations
- New demands & uses for insight
- New threats and risks
- New customers and buying behaviors
- New consumption models
- New business outcome
The journey to the new style of business
Trend on operating systems
From Mainframe to UNIX to Linux/Windows to Mobility

1971
- OS/360
- Multics
- CP/M
- TOPS-10

80's
- DOS
- C64
- Macintosh
- Windows, OS/2
- UNIX

90's - 2010
- Windows
- HP-UX
- Tru64
- VMS/Open-VMS
- NonStop
- AIX
- Sun-OS/Solaris
- BSD
- MacOS
- .
- .

2015
- Apple
- Android
- Windows Phone
- Blackberry
- ?

Future
- New Operating Systems for Mobile devices came up
- OS for Mobile devices
- Many UNIX vendors disappeared, but: Open VMS/NonStop part of the future

Technology / Feature driven
Application Driven
Business / “App Store” Driven
On Demand / Cloud Trend

Flexible „on demand“ functionality

1971 - 2015 Future

Not really “Cloud ready”

Virtualization

Real Cloud

Some virtualization features in OS/370, VMS and UNIX

“vmware” era
Hypervisor
nPARs, vPARs
Cloud Maps
Empowered by Scale-Up
architecture (Intel Multi-Core, NonStop)

Helion
Cloud Stacks
Automated application deployment as standard
from vendors (e.g. MS)
„Cloud“ only new Apps
(e.g Sales Force, Success factors,...)
Media Stores
Web Shops
Amazon

Future
User experience and user expectation

Users are expecting same “easy of use” in business and in private usage
Challenges for Application vendors
More functionality and simplification

• Core features versus flexible adaption
• Cloud readiness (Cloud automation)
• Massive data, structured and unstructured
• Real-time functionality
• Security
• User experience
• New License Models
Challenges for IT organizations
Classic org structures are becoming obsolete while new ones are needed

• Cost reduction in standard operations:
  – Classic departments (Operating Systems, Server, Storage, network, development) will be consolidated -> e.g. Appliances („who cares about the details in the appliance, it must work...“)

• Investments into agility
  – Standardization, Cloud automation, Provisioning

• Investments into new apps
  – Simplification, agility and maintenance

• User experience
  – Employees are expecting same user-experience as at home (e.g. „Amazon purchase experience“

• New License Models
  – Consumption based, not fixed cost based
IT must transform to create the foundation for the New Style of Business

Traditional IT

- Lower cost
- IT outcome-centric
- Conventional workloads & apps
- Longer cycle times

New Style of IT

- Greater agility
- Business outcome-centric
- New workloads, apps, and experiences
- Shorter cycle times
New Style of Business in Reality

Example: HP IT

- **82 PB** of storage deployed on 3Par, XP and EVA
- **210M hits** per day on HP.com
- **41K+** servers
- **1,400+** enterprise HPN routers
- **155K+** mobile devices
- **160 GBPS** infrastructure capacity
- **2.5B** security events logged per day with ArcSight
- **20K+** HPN switches
- Optimized partner program with real-time sentiment analysis
- **412,000** mailboxes managed
- **6.8PB** data replicated per day
- **82PB** data replicated per day
- **100s of millions** of active devices
- Analyze data from

Prevented millions of denial of service attacks with TippingPoint

An HP Company
HP’s strategy is to provide solutions for the New Style of Business
The four most important Transformation Areas

- Transforming to an on-demand IT infrastructure
- Protecting your digital assets
- Enabling the most productive workplace
- Empowering a data-driven enterprise

Customer Business Outcomes

- Increase agility and flexibility
- Reduce cost
- Generate revenue and profit growth
- Reduce risk
- Improve customer experience
- Enhance employee experience
On-demand IT infrastructure

1. Enable agile IT operations
   Transform management of infrastructure and clouds with analytics and automation

2. Speed to market with cloud
   Access unlimited scale and speed in a secure way

3. Create an on-demand infrastructure foundation
   Make traditional IT environments more efficient and create agility for the next generation of applications, services.

4. Deliver transformation services
   Offer 360° support (technology, consulting and financing) to extend your business with customers
Enable agile IT operations
Transform IT operations using automation and analytics

- Converge & Modernize
- Automate Tasks
- Orchestrate Processes
- Transform Delivery
- Hybrid Cloud

Delivers the agility and superior customer experience that defines IT-as-a-service
HP Servers
The right compute, for the right workloads, at the right economics... every time

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- Full lifecycle of services
- Rich ecosystem of partners
- HP Financial Services
HP Converged Storage
Architected for the New Style of IT

3PAR StoreServ
Tier-1 ITaaS and xSPs
ONE SLA-optimized architecture from mid to high and all-flash with Block, File, and Object-access

StoreVirtual
Small Sites + Workgroups
ONE hypervisor agnostic and hardware independent software-defined architecture for cost optimization

StoreOnce Backup
Data Protection Services
ONE converged data protection and retention architecture for application-managed backup
HP Networking
Redefining the simplicity, agility and TCO of networking

Campus
Unified Wired, Wireless with up to 47% TCO savings
• 10500 Series
• Unified Wired & WLAN Edge

Data Center
Consistent across Campus, Branch, and Data Center
• Open Ecosystem
• 25M OpenFlow Ports

Branch/Remote Office
Accelerate deployment from months to minutes
• Cloud Managed

Data Center Networking
80% faster VM mobility with IRF
• 12900 Series
• 5900 Converged Ethernet & Storage
• 6125 Blade Switch
3D printing from HP

HP Multi Jet FusionTM technology

• Based on HP’s core competencies in precision, low-cost mechanics, precision metering and placement of liquid agents, high-volume manufacturing, and material science, HP is poised to introduce a disruptive 3D printing technology, HP’s Multi Jet FusionTM technology.

• Comparison to commercially available 3D printing technologies has demonstrated clear advantages to HP Multi Jet FusionTM technology and its material set to define new levels of part quality, high part functionality, at 10 times the build speed, and at breakthrough economics.

• A key feature of HP Multi Jet FusionTM technology is the potential to modify material properties to produce controlled-variability in mechanical and physical characteristics within a part. This can enable a host of new possibilities in the design and performance of parts built by 3D printing.

• HP’s entry into 3D printing includes realizing HP’s vision of a 3D printing ecosystem with advanced user interfaces, software for 3D part creation and production, and 3D printers optimized to deliver an end-to-end experience with the potential to drive the digital transformation of manufacturing.

Coming 2016
3D printing from HP

Examples
**Innovating far into the future**

A new generation of computers and software is coming

- **Universal CPU**
  - Copper
  - Main Memory
  - Storage
  - 1001010
  - 00110101
  - 10011010
  - 10110011
  - Persistent data

- **Multi core Universal CPU**
  - Copper
  - Main Memory
  - SAP S/4 HANA
  - Persistent data
  - Storage
  - 1001010
  - 00110101
  - 10011010
  - 10110011
  - Performance x10000

- **Special purpose cores**
  - Photonics
  - Universal Memory
  - 1001010
  - 00110101
  - 10011010
  - 10110011

- **Traditional computing**
  - SAP ERP with Oracle

- **In-Memory computing**
  - SAP S/4 HANA on HP 12 TB scale-up CS 900

- **Universal-Memory Computing**
  - SAP S/4 HANA on „The Machine“ from HP

**For 20 years** → **Today** → **Starting 2019**
Foundation of Special Interest Group (SIG) Big Data

Aim

• Special Interest Group (SIG) Big Data concerns itself with the selection, implementation and operation of Big Data Solutions, such as:
  - SAP S/4HANA,
  - Microsoft APS
  - Hadoop
  - HAVEn

• The SIG Big Data is established to consolidate and address requests towards HP and to promote the dynamic exchange between users and manufacturer and to exchange best-practices

• Training needs will be determined and implemented

• Customers, Systemintegrators, Systemhouses and consultants are invited to join the SIG Big Data

• Be there when the Connect „BIG DATA“ focus group will be founded today at 17.15
Thank you