**VMware NSX™ Virtualizes the Network to Radically Simplify IT
and Advance the Software-Defined Data Center**

*Leading Companies to Virtualize Their Networks with VMware NSX to Speed Innovation;
Broad Partner Community Will Support Customer Transition to Virtual Networking*

Overview
Today, Aug. 26, 2013 at VMworld® in San Francisco, VMware announced VMware NSX™, the platform for network virtualization. VMware NSX will deliver the entire networking and security model from Layer 2-Layer 7 in software, decoupled from underlying networking hardware. VMware NSX can leverage a company's existing network infrastructure without changes to enable new levels of service delivery speed, agility and cost reductions. VMware NSX brings together the best of Nicira NVP and VMware vCloud® Network and Security™ into one unified platform, and will help position VMware to do for networking what it did for compute.

In support of the launch, VMware CEO Pat Gelsinger discussed how VMware is helping to transform the network for the software-defined data center as part of his VMworld keynote presentation, and leading early adopters including Citigroup, eBay, and GE Appliances discussed the promise of VMware NSX as part of the conference program. Additionally, more than 20 partners announced support for VMware NSX. Throughout VMworld, attendees can learn more about VMware NSX as part of the Hands-on-Labs, Solutions Exchange and more than 30 breakout sessions.

"As businesses move to the cloud to compete more effectively in today's economy, the network cannot be a barrier to innovation and business velocity. Network operations must evolve to become more automated, programmatic and agile," said Stephen Mullaney, senior vice president and general manager, Networking and Security Business Unit, VMware. "The VMware NSX™ network virtualization platform will provide intelligent software that leverages the existing IP infrastructure and a broad community of best-in-class partner services to transform network operations."

Network Virtualization Delivers Business Speed
The adoption of server virtualization over the past decade has resulted in a completely new operational model for provisioning and managing application workloads in the data center. The ability for a server to be dynamic - i.e., to treat physical compute (hosts) as a pool of CPU, memory and storage capacity that can be consumed and repurposed on demand - transformed the server market landscape and saved businesses billions of dollars. However, the operating model of the network to which these dynamic workloads are connected has not kept pace. The network is now a barrier to achieving the full benefits of virtualization because:

- Network provisioning is CLI-based and manually intensive, taking days or weeks to provision even simple network topologies
- Workload placement and mobility is limited by physical network constraints and topology
- The network is operationally intensive, requiring significant manual hardware configuration and maintenance, and vendor-specific expertise

VMware NSX Transforms Network Operations

VMware NSX will deliver a completely new operational model for networking that breaks through current network barriers and enables data center operators to achieve significantly better agility and improved economics. VMware's approach to network virtualization will enable data center operators to treat their physical network as a pool of transport capacity that can be consumed and repurposed on demand. VMware NSX virtual networks can be programmatically provisioned and managed, utilizing the underlying physical network as a simple IP connectivity.

VMware NSX is software that will virtualize the network and provide a platform to deliver logical network services offered by VMware and the VMware NSX Partner Ecosystem. The platform is built around a controller cluster that manages the distribution of logical network functions into hypervisors throughout the data center. With VMware NSX, data center operators will be able to provision complex, multi-tier virtual networks in seconds, independent of the underlying topology or network components.

The core VMware NSX platform includes:
  • Logical Switching– Layer 2 over Layer 3, decoupled from the physical network
  • Logical Routing– Routing between virtual networks without exiting the software container
  • NSX API – RESTful API for integration into any cloud management platform

Additional logical network services offered in the VMware NSX product family include:
  • Logical Firewall – Distributed high-performance firewall integrated at the kernel level
  • Logical Load Balancer – Application load balancing in software
  • Logical VPN – Site-to-site and remote access VPN in software

Industry and Customer Commentary on VMware NSX

"IDC believes the increasing use of public and private cloud services, and the desire from enterprises for faster, more agile service and application delivery, are driving the enterprise and service provider markets toward an inevitable era of network virtualization," said Brad Casemore, research director for Data Center Networks at IDC. "In virtual networks, where hardware and software are decoupled, a new network operating model can be achieved that delivers improved levels of speed and efficiency. Network virtualization is becoming a game shifter, providing an important building block for delivering the software-defined data center, and with VMware NSX™, VMware is well positioned to capture this market opportunity."

"As a fast growing company WestJet, identified some challenges with our security and network infrastructure; it was beginning to become difficult to meet our evolving business requirements," said Richard Sillito, IT Security - Technologist, WestJet. "In response we developed a functional model that aligns network, security, and virtualization creating a truly aligned architecture. It was also important to have an implementation strategy that meets our future business objectives while leveraging our existing technology investments and supported both our tactical and strategic direction. We initially looked toward a more traditional approach to solving these challenges which involved the use of big iron-based solution but found these solutions to be very costly. We believe that VMware NSX™ capabilities such as L2, L3 distributed routing and virtual firewalls will improve our network allowing us to meet our future business needs with a data center that is more cost effect, agile and secure."

VMware NSX Partner Ecosystem

VMware NSX will be an extensible platform that will include a distributed service framework for easy insertion of partner services. This framework will allow service composition at multiple points in the virtual network. Using a standard NSX API, VMware will expose platform capabilities to partners and make it possible for them to consume the network through a single API rather than having to use multiple APIs to access network functions. The NSX API will allow partners to integrate into management, data and control planes, and to augment the core capabilities of VMware NSX including logical firewall, load balancing, VPN, switching, routing, etc. Customers will be able to draw from a broad ecosystem of best-

of-breed solutions delivered by partners that seamlessly integrate into any cloud management system and are guaranteed a consistent user experience.

VMware NSX partners provide the portfolio of applications customers require to implement the network virtualization lifecycle, and include: network service gateways to bridge physical and virtual environments, network security platforms that provide multiple services such as firewall and threat prevention, security services including anti-virus, IDS/IPS and vulnerability management and application delivery services including load balancing, application delivery and WAN optimization. For more details and commentary from VMware NSX partners, read our blog post here.

Pricing and Availability
VMware NSX is expected to be available in the fourth quarter of 2013.

Additional Resources
- Read VMware's news about advancements for the software-defined data center
- Subscribe to VMware's Network Virtualization and Company blogs
- Follow @VMwareNSX stay up to date with VMware network virtualization news
- Catch all of our updates on Twitter by following @VMwareNSX

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Forward-Looking Statements
This document contains forward-looking statements including, among other things, statements regarding the expected availability of VMware's NSX virtualization products, their features and potential benefits for customers, expected utilization by customers and VMware's positioning and opportunities in the virtual networking market. These forward-looking statements are subject to the safe harbor provisions created by the Private Securities Litigation Reform Act of 1995. 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) adverse changes in general economic or market conditions; (ii) delays or reductions in consumer, government and information technology spending; (iii) competitive factors, including but not limited to pricing pressures, industry consolidation, entry of new competitors into the virtualization market, and new product and marketing initiatives by our competitors; (iv) our customers' ability to develop, and to transition to, new products and computing strategies such as cloud computing, desktop and network virtualization and the software defined data center; (v) the uncertainty of customer acceptance of emerging technology; (vii) rapid technological and market changes in virtualization software and platforms for cloud, network, end user and mobile computing; (viii) changes to product development timelines; (ix) our ability to protect our proprietary technology; and (x) our ability to attract and retain highly qualified employees. These forward-looking statements are based on current expectations and are subject to uncertainties and changes in condition, significance, value and effect as well as other risks detailed in documents filed with the Securities and Exchange Commission, including our most recent reports on Form 10-K and Form 10-Q and current reports on Form 8-K that we may file from time to time, which could cause actual results to vary from expectations. VMware assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this release.

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