



Hewlett Packard
Enterprise

HPE to Acquire SimpliVity

January 17, 2017

<http://www.hpe.com/investor/home>

Forward Looking Statements

Information set forth in this communication contains forward-looking statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of Hewlett Packard Enterprise may differ materially from those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including but not limited to any projections of revenue, margins, expenses, effective tax rates, net earnings, net earnings per share, cash flows, benefit plan funding, share repurchases, currency exchange rates or other financial items; any projections of the amount, timing or impact of cost savings or restructuring charges; any statements of the plans, strategies and objectives of management for future operations, including acquisition of SimpliVity and the recently announced divestiture transactions, the execution of restructuring plans and any resulting cost savings or revenue or profitability improvements; any statements concerning the expected development, performance, market share or competitive performance relating to products or services; any statements regarding current or future macroeconomic trends or events and the impact of those trends and events on Hewlett Packard Enterprise and its financial performance; any statements regarding pending investigations, claims or disputes; any statements of expectation or belief; and any statements or assumptions underlying any of the foregoing.

Risks, uncertainties and assumptions include the need to address the many challenges facing Hewlett Packard Enterprise's businesses; the competitive pressures faced by Hewlett Packard Enterprise's businesses; risks associated with executing Hewlett Packard Enterprise's strategy; the impact of macroeconomic and geopolitical trends and events; the need to manage third-party suppliers and the distribution of Hewlett Packard Enterprise's products and the delivery of Hewlett Packard Enterprise's services effectively; the protection of Hewlett Packard Enterprise's intellectual property assets, including intellectual property licensed from third parties; risks associated with Hewlett Packard Enterprise's international operations; the development and transition of new products and services and the enhancement of existing products and services to meet customer needs and respond to emerging technological trends; the execution and performance of contracts by Hewlett Packard Enterprise and its suppliers, customers and partners; the hiring and retention of key employees; integration and other risks associated with business combination and investment transactions; the results of the divestiture transactions or restructuring plans, including estimates and assumptions related to the cost (including any possible disruption of Hewlett Packard Enterprise's business) and the anticipated benefits of the transactions, acquisition of SimpliVity, or of implementing the restructuring plans; the resolution of pending investigations, claims and disputes; and other risks that are described in Hewlett Packard Enterprise's Annual Report on Form 10-K for the fiscal year ended October 31, 2016.

Transaction Highlights



HPE will acquire SimpliVity in an all-cash transaction valued at **\$650 million**



The acquisition accelerates HPE's ability to capture the **\$2.4 billion hyperconverged market**, which is expected to grow at a **25% CAGR** and reach nearly **\$6 billion in 2020***



HPE expects the acquisition to be **accretive to earnings in the first full fiscal year following close**



The transaction is expected to **close in the second quarter of fiscal 2017**, subject to regulatory review and approval, as well as other customary closing conditions and adjustments

About SimpliVity

Founded in 2009, SimpliVity is a software-defined hyperconverged infrastructure leader, headquartered in Westborough, MA



6,000 Shipped systems



~1,300 Customers



4.9 out of 5 in Gartner Peer Insights*

Designed to address IT challenges and purpose built



IT Operations



DevOps



Data Protection & Security



Enterprise Storage & Backup



DC Consolidation



VDI for ROBO



Industry-specific solutions

Set up for success

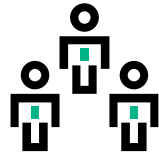
SimpliVity's portfolio

- Software-defined data management platform simplifies IT operations and provides developers with a rich set of data management services
- Can be deployed as a pre-integrated appliance or as software on servers
- Offered through a global reseller network of partners in over 40 countries

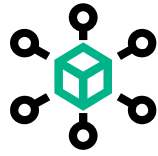
Strategic Rationale



Expands HPE's **leadership in the growing Hybrid IT industry**



Advances HPE's strategy in the **fast-growing, high-margin hyperconverged market**



Establishes the **most complete, enterprise-class** hyperconverged infrastructure offering for customers



Accelerates performance of the combined business by leveraging HPE's **expansive go-to-market capability, partner ecosystem, and consumption model** offerings

SimpliVity Accelerates our Strategy of Making Hybrid IT Simple

Be the industry's leading provider of **Hybrid IT**, built on the secure, next-generation, **software-defined infrastructure** that will run customers' data centers today, bridge to multi-cloud environments tomorrow, and power the emerging **intelligent edge** that will run **campus, branch, and Industrial IoT** applications for decades to come. All delivered through a world-class **services** capability.



We make **Hybrid IT** simple

Traditional Data Center

Software-defined Infrastructure and Private Cloud

Multi-cloud Partnerships



We power the **Intelligent Edge**

Campus & Branch

Industrial Internet of Things



We have the Expertise to make it happen

Advisory & Professional Services

Technical Services

IT Consumption Models

Industry's Only Enterprise-Grade Hyperconverged Offering

Combining the Best User Experience with Rich Data Services

HPE HC 380

- Intuitive user experience
- Self-service VM vending
- Deploy at cloud speeds
- Operate with cloud efficiency
- #1 in CRN usability



SimpliVity

- Built-in enterprise data protection and resiliency
- Automated storage utilization and efficiency
- Always-on compression and deduplication
- Policy-based VM-centric management
- Scores 4.9 out of 5 in Gartner Peer Insights

Built on

- HPE worldwide support
- Industry-leading ProLiant compute
- Flexible financing options including Flexible Capacity
- Unmatched partner ecosystem

Thank You