

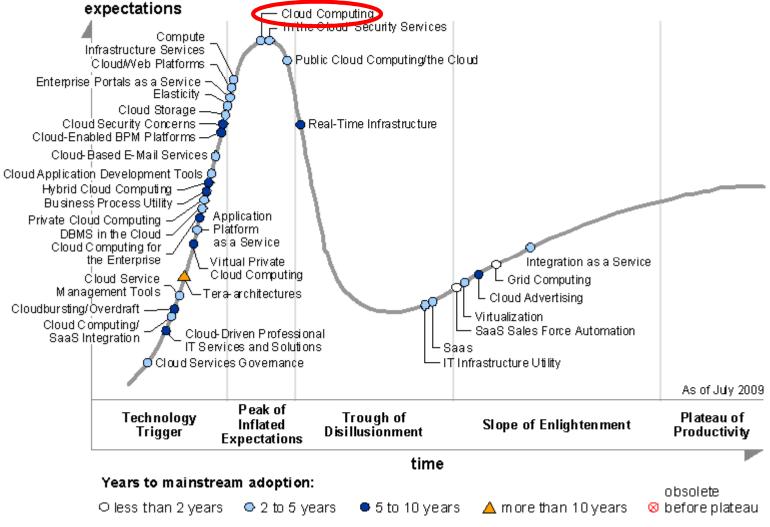
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The Coming of Age of Enterprise IT and Cloud Computing

Richard Sarwal, SVP Product Development Hasan Rizvi, SVP Product Development The following is intended to outline our general product direction. It is intended for information purposes only, and may not be incorporated into any contract. It is not a commitment to deliver any material, code, or functionality, and should not be relied upon in making purchasing decisions. The development, release, and timing of any features or functionality described for Oracle's products remain at the sole discretion of Oracle.

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Cloud Is at the Peak of the Hype Curve



Source: Gartner "Hype Cycle for Cloud Computing, 2009" Research Note G00168780



Cloud Computing is Top of Mind



| CIO strategic technologies reflect increased interest in "lighter-weight" solutions | | | | | | |
|---|------|--|------|------|------|--|
| CIO technologies | | Ranking of technologies CIOs selected as one of their top 5 priorities in 2010 | | | | |
| Ranking | 2010 | | 2009 | 2008 | 2007 | |
| Virtualization | 1 | 1 | 3 | 3 | 5 | |
| Cloud computing | 2 | 1 | 16 | * | * | |
| Web 2.0 | 3 | 1 | 15 | 15 | * | |
| Networking, voice and data communications | 4 | 1 | 6 | 7 | 4 | |
| Business intelligence (BI) | 5 | Û | 1 | 1 | 1 | |
| Mobile technologies | 6 | 1 | 12 | 12 | 11 | |
| Data/document management and storage | 7 | 1 | 10 | 9 | 9 | |
| Service-oriented applications and architecture | 8 | 1 | 9 | 10 | 7 | |
| Security technologies | 9 | $\hat{\Gamma}$ | 8 | 5 | 6 | |
| IT management | 10 | | * | * | * | |

^{*} New question for that year



NIST Definition of Cloud Computing



Cloud computing is a model for enabling convenient, ondemand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction.

This cloud model promotes availability and is composed of:

5 Essential Characteristics

- On-demand self-service
- Resource pooling
- Rapid elasticity
- Measured service
- Broad network access

3 Service Models

- SaaS
- PaaS
- laaS

4 Deployment Models

- Public Cloud
- Private Cloud
- Community Cloud
- Hybrid Cloud

Source: NIST Definition of Cloud Computing v15

SaaS, PaaS and laaS

Software as a Service

Applications delivered as a service to end-users over the Internet

Platform as a Service

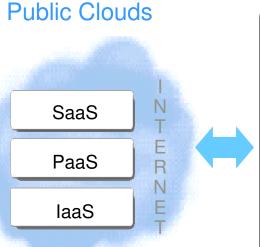
App development & deployment platform delivered as a service

Infrastructure as a Service

Server, storage and network hardware and associated software delivered as a service

Public Clouds and Private Clouds

- Used by multiple tenants on a shared basis
- Hosted and managed by cloud service provider
- Limited variety of offerings





- Exclusively used by a single organization
- Controlled and managed by in-house IT
- Large number of applications

Public Clouds:

- Lower upfront costs
- Economies of scale
- Simpler to manage
- OpEx

Both offer:

- High efficiency
- High availability
- Elastic capacity

Private Cloud:

- Lower total costs
- Greater control over security, compliance & quality of service
- Easier integration
- CapEx & OpEx

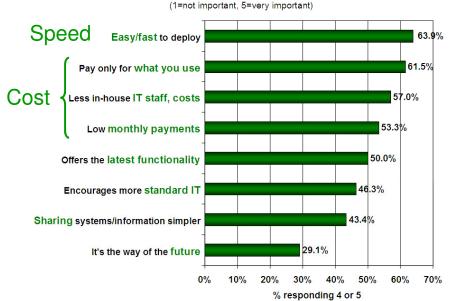
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Why Are Enterprises Interested in Cloud? What Are the Challenges Enterprises Face?

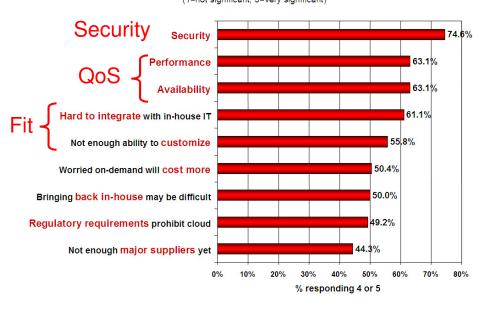
Benefits

Challenges/Issues

Q: Rate the benefits commonly ascribed to the 'cloud'/on-demand model



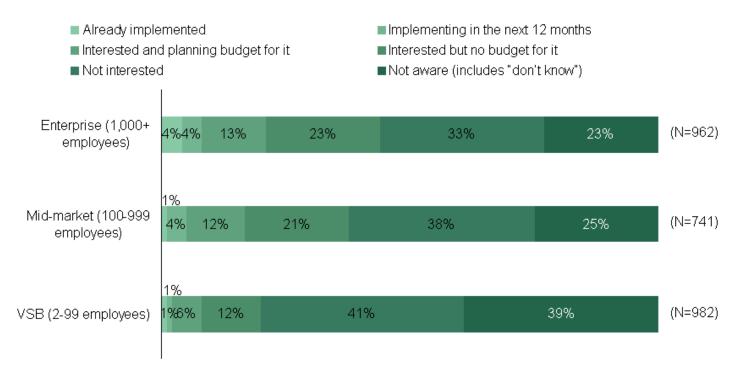
Q: Rate the challenges/issues ascribed to the 'cloud'/on-demand model (1=not significant, 5=very significant)



Source: IDC eXchange, "IT Cloud Services User Survey, pt. 2: Top Benefits & Challenges," (http://blogs.idc.com/ie/?p=210), October 2, 2008

44% of Large Enterprises Are Interested In Building An Internal Cloud

"What is your company's highest level of awareness or interest in building and operating an internal "cloud" or pool of pay-per-use virtual servers?"

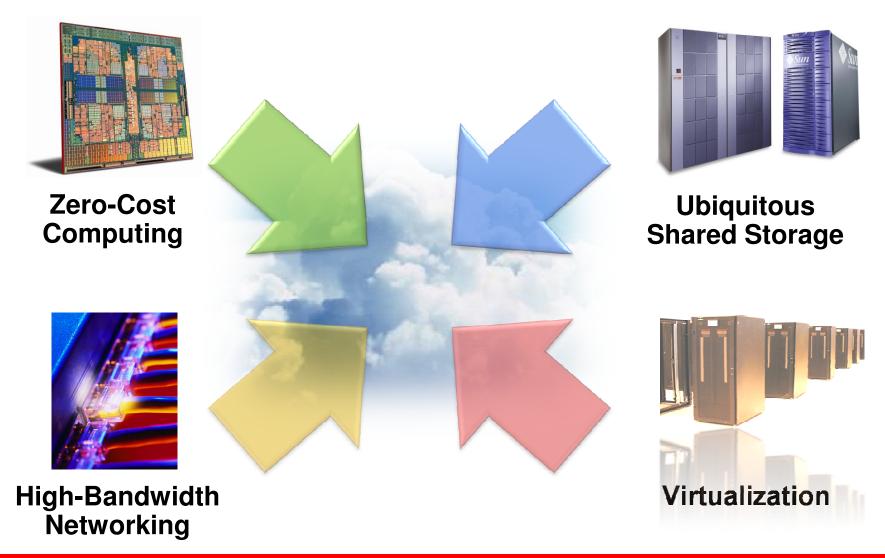


Base: North American and European hardware decision-makers at enterprises, mid-market, and very small businesses

Source: Cloud Computing, Compute-As-A-Service: Interest And Adoption By Company Size, Forrester Research, Inc., February 27, 2009



What Makes Cloud Computing Possible?



Cloud = Virtualization

Cloud = Virtualization

Isolation Cloud = Consolidation Elasticity

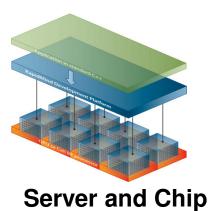
Isolation, Consolidation and Elasticity

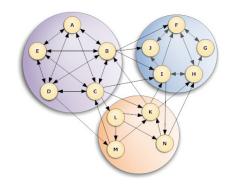


Multi-tenant



Data and Database





Clusters and Grids



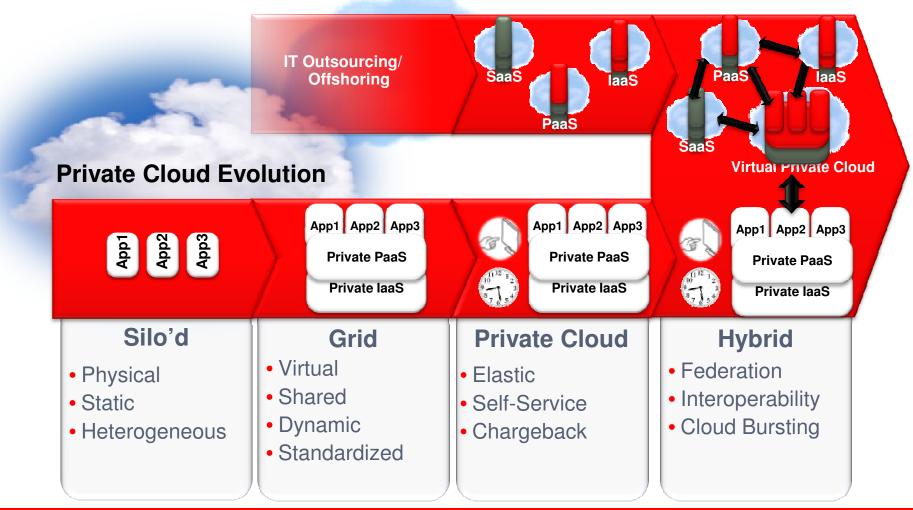
Network



Virtual Machine

Evolution of Public and Private Cloud

Public Cloud Evolution

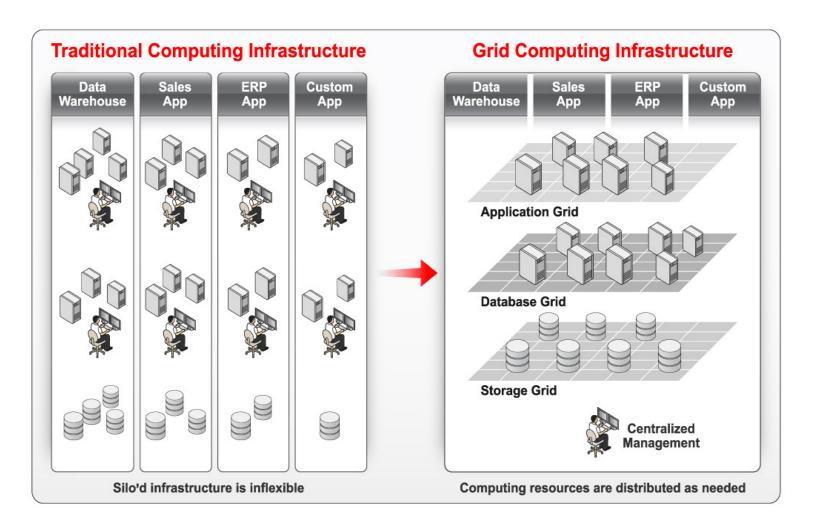


Evolving Enterprise IT for Cloud

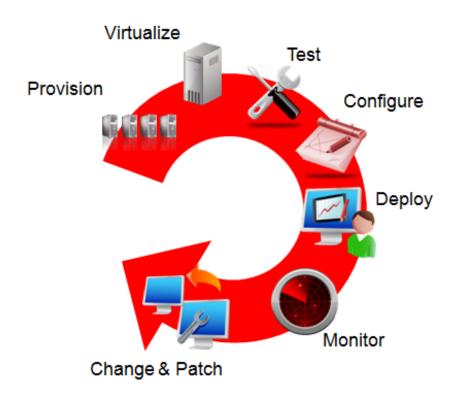
| | Traditional | Evolving | Evolved |
|---------------------------|------------------------|-------------------------|------------------------|
| Infrastructure | Physical | Virtual | Elastic |
| Virtualization | Dev/Test | Production | Optimized |
| Systems Management | Server- Centric | Application- Centric | End-to-End |
| IT Resource Accounting | Measured | Metered | Monetized |
| Application Design | Monolithic | Service Oriented | Advanced SOA |
| Application Deployment | Static, Brute Force | Software Appliances | Software Assemblies |

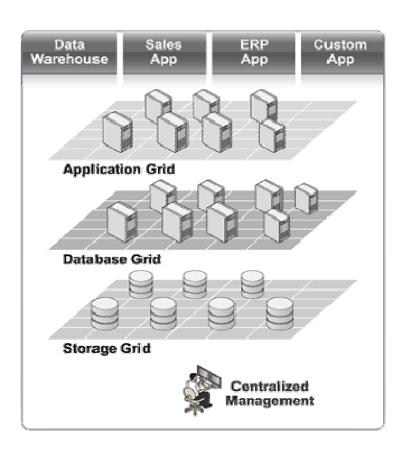
Evolving From Physical to Virtual

Silos to Grid

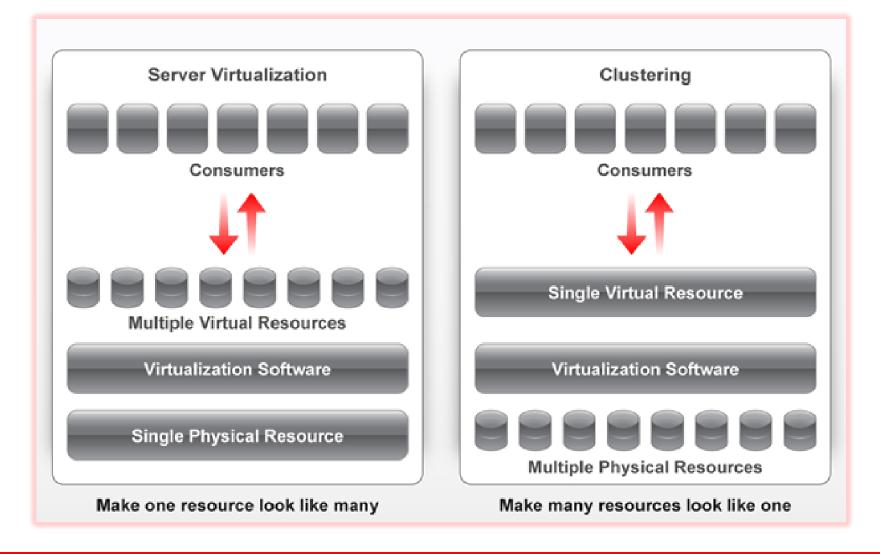


Cloud IT: Shared Service, Shared Infrastructure





Unlimited Scale: Clusters and VMs



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Self Service in Enterprise IT

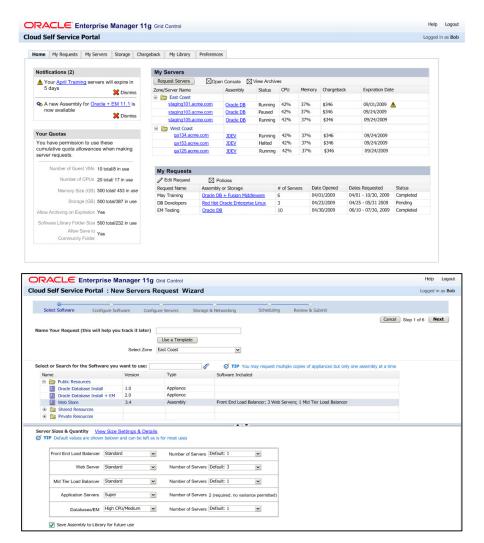




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Self Service in Enterprise IT

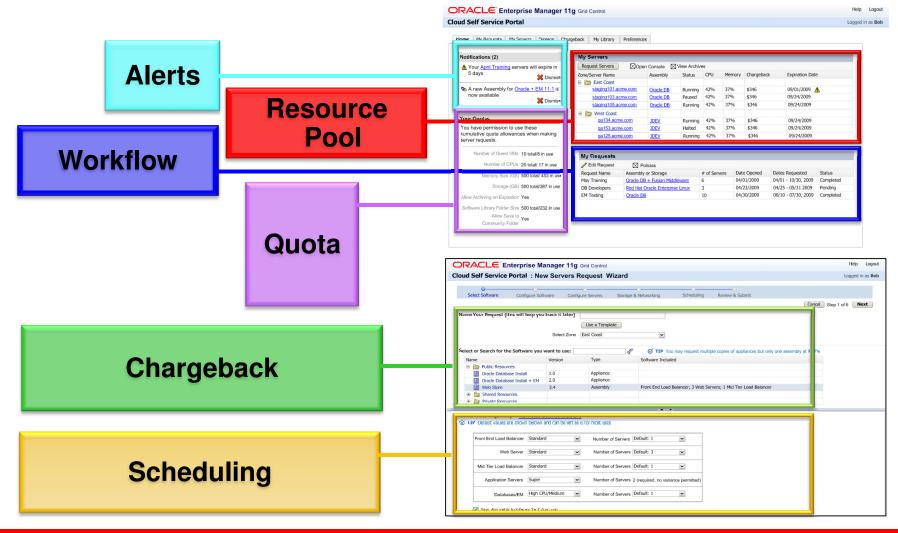






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Self Service in Enterprise IT



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Metering and Chargeback

Application Layer (SaaS)

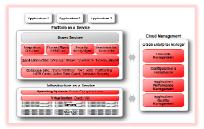




- ·Games, music
- Web-conferencing
- Online Apps

- Per Application User
- Per Transaction
- # Calls, # Minutes

Platform Layer (PaaS)



- •Google Apps, Amazon
- APIs for CRM, Retail
- Tools to develop new apps
- Per Hour
- Per GB Transfer In/Out
- Per Message

Infrastructure Layer (laaS)





- Infrastructure for apps
- Storage, collocation
- General purpose computing
- Per Named Host
- Per GB
- Per Server, Per CPU

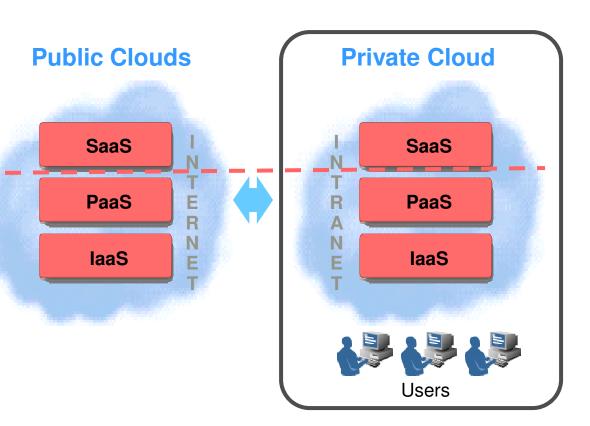
Oracle Cloud Computing Strategy

Our objectives:

- Ensure that cloud computing is fully enterprise grade
- Support both public and private cloud computing give customers choice

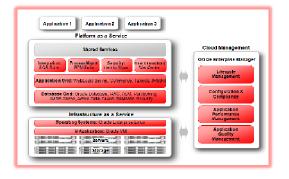
Offer Applications deployed in private shared services environment or via public SaaS

Offer Technology to build private clouds or run in public clouds





Oracle in the Cloud







Hosted APEX

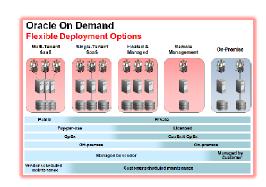


Cloud Office

Hosted Hyperion



Oracle On Demand

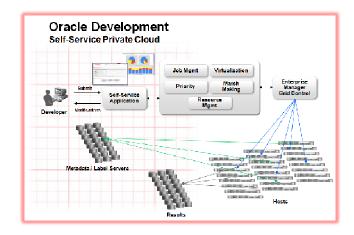


Oracle and Public Clouds

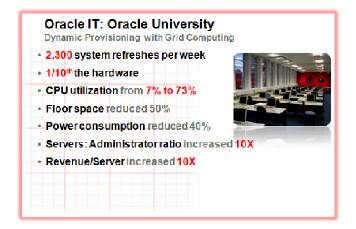


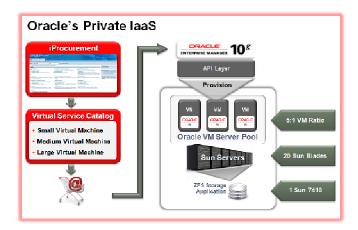


The Cloud in Oracle



Oracle Developer PaaS





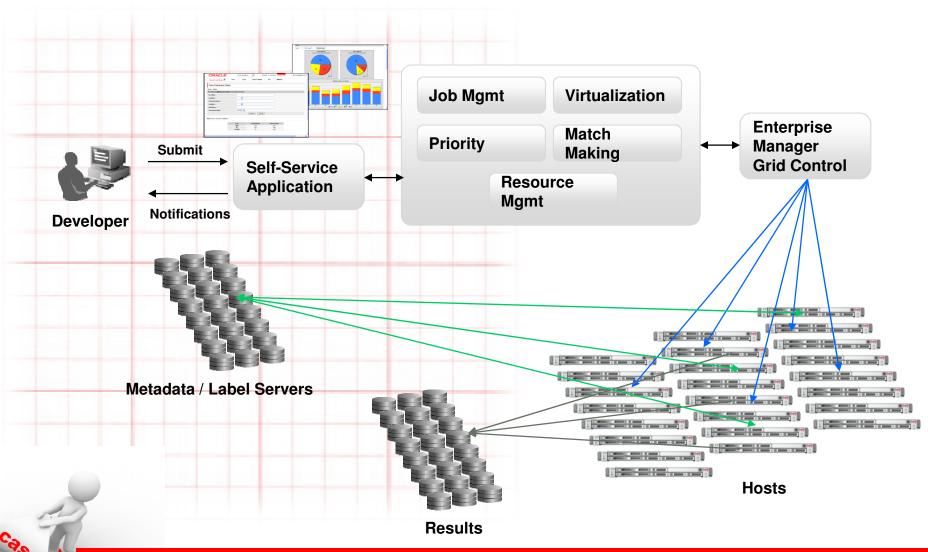
Oracle Private laaS

Oracle University Cloud

Oracle IT: Oracle Development



Self-Service Private Cloud





Oracle IT: Oracle Development



Self-Service Private Cloud

Implementation Overview:

- Scope/Scale Over 2600 physical servers with over 6000 Virtual
 Servers used by over 3500 developers
- Activations Processing over 70 jobs per day, this translates into over 45,000 jobs processed supporting production and test requirements.
- Utilization Rates on these servers averages 80% 7 days a week and can reach 90% during peak times.

Results/Benefits:

- Increase in development productivity
- Self-Service system for creation of development environments
- Cleaner code lines as environments are created quickly for more thorough testing/validation.
- Physical Server/Environmental Reduction by 75%
- Server/Apps Deployment reduced by 80%





Oracle IT: Oracle University



Dynamic Provisioning with Cloud Computing

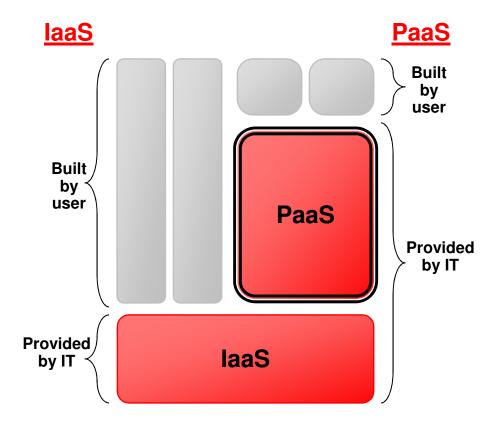
- Education Services
- 2,300 environments automatically provisioned weekly
- 1/10th the hardware
- CPU utilization increased from 7% to 73%
- Floor space reduced 50%
- Power consumption reduced 40%
- Servers: Administrator ratio increased 10X
- Revenue/Server increased 10X



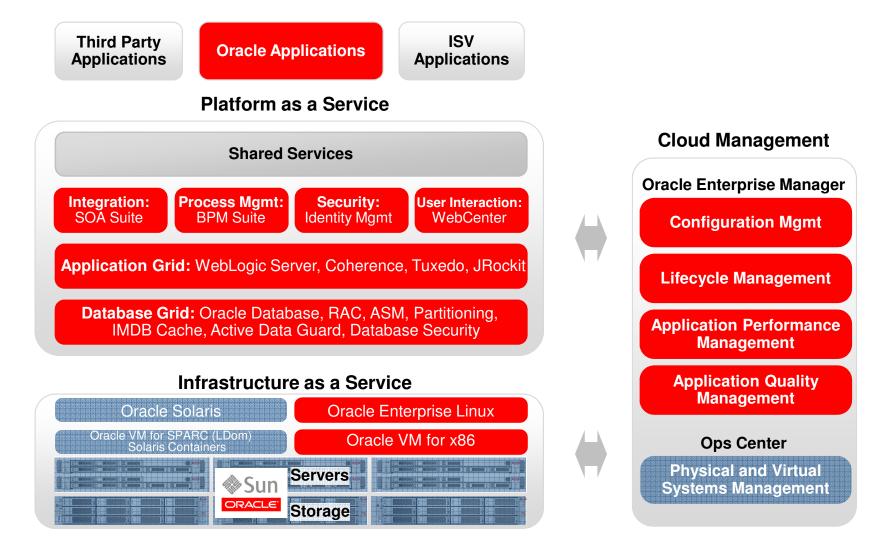


Why Enterprise Private PaaS?

- Why Cloud?
 - Agility and speed
 - Efficiency and cost
- Why Private?
 - Security
 - Compliance
 - Control (particularly over QoS)
 - Easiest evolution of existing expertise and practices
- Why Platform?
 - Maximizes component re-use
 - Minimizes hand coding
 - Maximizes flexibility and control



What: Oracle Cloud Platform for PaaS



Oracle Leadership in Cloud Computing

- Oracle provides most complete, open and integrated cloud vision, strategy and offerings in the industry
- Cloud is the evolution of capabilities Oracle has been working on for more than a decade: grid computing, virtualization, shared services and management systems
- Oracle offers:
 - Technology to build private clouds or run in public clouds
 - Applications deployed in private shared services environment or via public SaaS

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