

Vision and Strategy v.11.2

Presenter's Name Title Company





The Power of Sun

Market Value \$14B

Fortune
155
Company

Cash and Marketable Debt Securities \$5.5B

Applications

Solaris 8/SPARC: 6,900+

Solaris/x86: 1,000+

R&D \$1.8B+

Total Patents 3,500+

Installed Revenue to Date \$131B

Java and Sun Brand Awareness 90%+







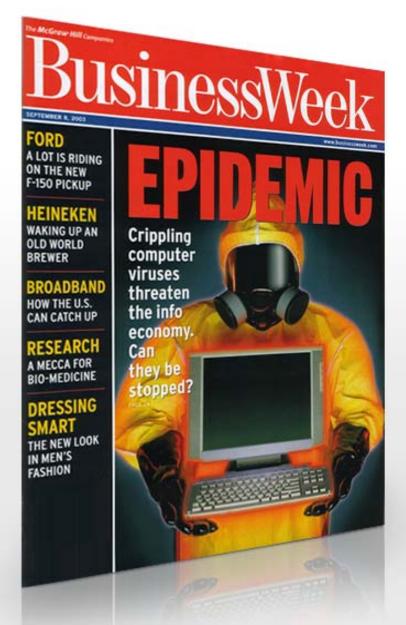


A 10 Year Framework for Collaboration and Cooperation

- \$700 million to resolve pending antitrust issues
- \$900 million to resolve patent issues
- \$350 million royalties for use of our technology
- 10 year broad technology collaboration arrangement and framework for competition
- Interoperability server-to-server, server-to-client
- Sun Fire™ x86 servers certified for Windows platform
- Uniquely advantages Sun and Microsoft in the market



What Customers Are Telling Us



Reduce cost and complexity
Improve security
Leverage industry economics
Speed time-to-service delivery
Deliver predictable service
availability/response time
Innovate!



Mission

To Solve Complex Network Computing Problems for Governments, Enterprises and Service Providers



Sun Vision













Everything

of Value Connected

to the Network

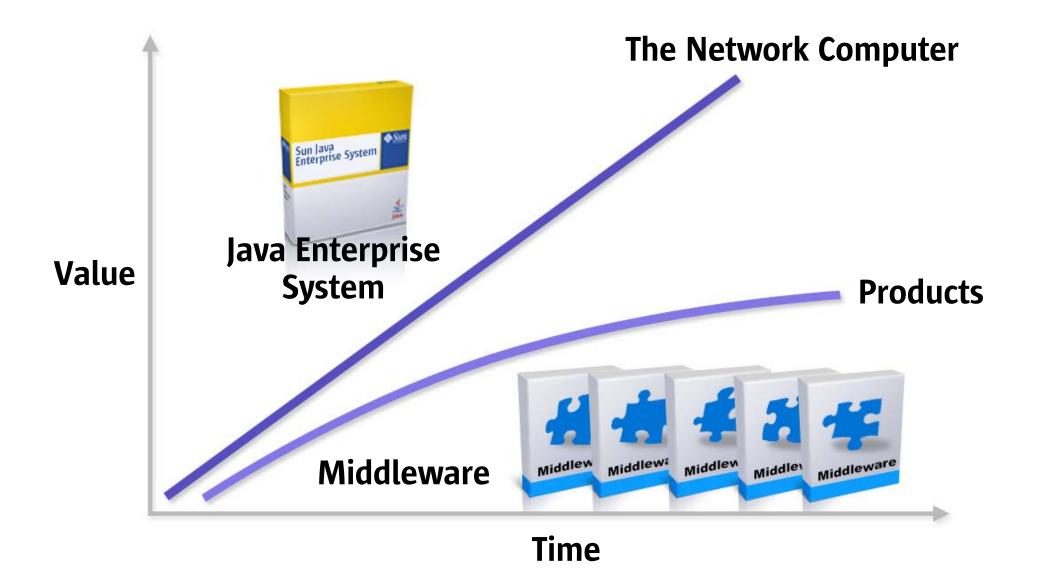








Systemsness & The "NC"



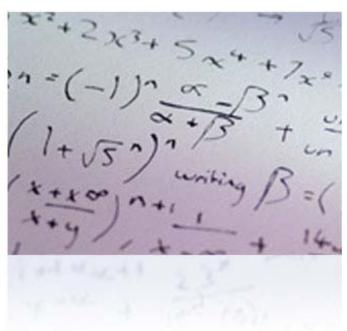


Sun's Strategy

Attack Cost and Complexity

Accelerate Network Service Deployment

Mobility with Security









NC: Integrated Innovation

Reducing Cost and Complexity

Serious Software Made Simple

- Java™ Enterprise System
- Java Desktop System
- Java Studio
- Sun Fire V250, V440
- Sun Blade 1500
- 8 Reference **Architectures**

Reducing Cost and Complexity

- AMD Opteron alliance
- Sun Fire™ B100x x86 **Blade Server**
- Netra™ 240 server
- Netra CT820 server
- Sun Blade™ 2500 Workstation
- Sun Fire Visualization **Grid System**
- 7 Reference Architectures
- N1™ Service **Provisioning System 4.1**

The Low Cost Move Is On

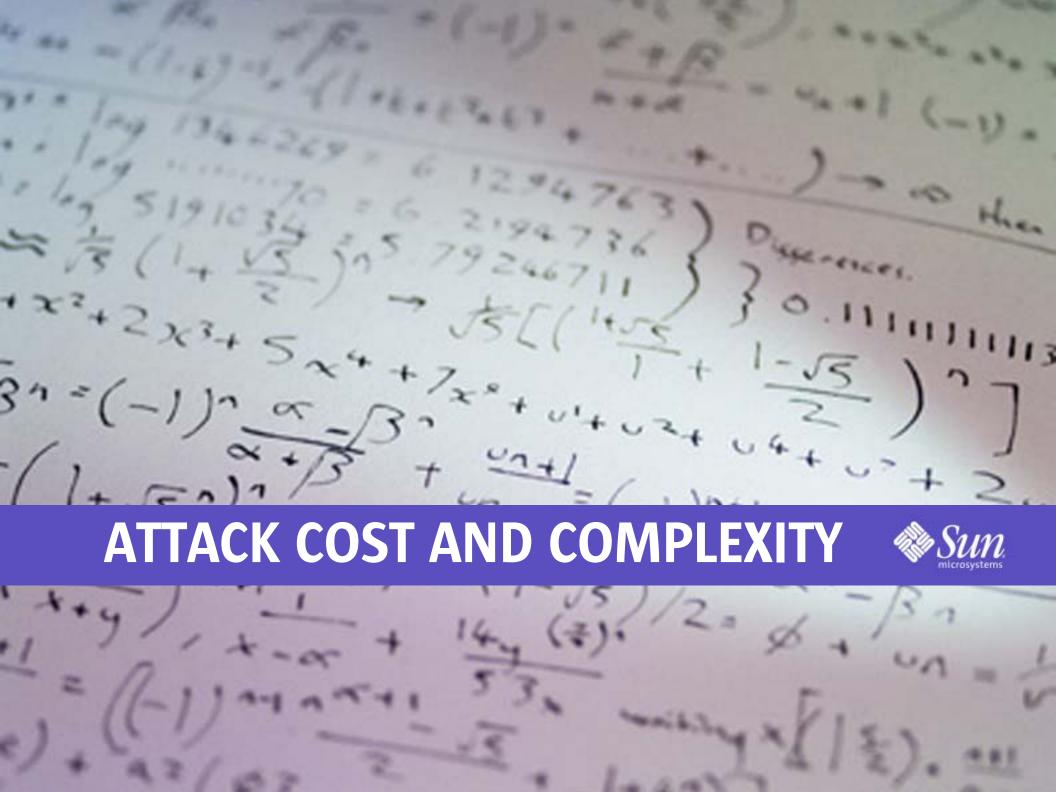
Reducing Cost and Complexity

- Sun Fire Blade Platform
- N1 Provisioning Server 3.0 Blades Edition
- Sun Fire V1280
- Sun Fire V880z
- Sun N1 Services

- Sun StorEdge™ 6000 family
- Sun Fire V60/65x
- Sun Fire V210/240
- N1 Data Platform
- Sun Managed Services. **Utility Computing, Net Connect**
- 4 Reference Architectures

- Sun Fire™ E2900
- Sun Fire E4900
- Sun Fire E6900
- Sun Fire E20K
- Sun Fire E25K
- Sun Fire V20z
- Sun Fire B200x
- 5 Reference **Architectures**

NC03Q1 NC03Q2 NC03Q3 **NC03Q4 NC04Q1**





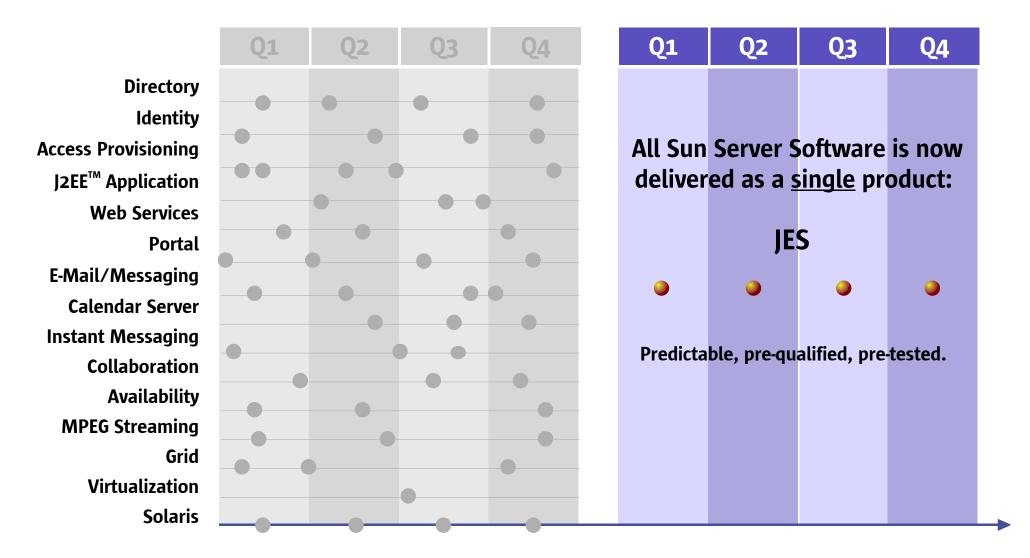
Three Complexity Problems Integration

Pricing

Licensing



Solution 1: JES Subscription Model





Solution 2: JES Pricing

\$/Employee/Year \$\\$100

Includes migration services, training, and support.



Solution 3: JES Licensing Terms



YOU CAN DEPLOY ALL INTERNAL SERVICES WITH NO ADDITIONAL CHARGE



Solution 3: JES Licensing Bonus



YOU CAN DEPLOY ALL CUSTOMERS WITH NO ADDITIONAL CHARGE















POWER PLAY

Joining 20 years of enterprise expertise with industry-standard economics, targeting the delivery of systems with extreme performance at compelling prices



N1 Grid

- Reduce management complexity and cost
- Increase data center utilization
- Improve infrastructure responsiveness and agility





N1 Grid: The Operating System for the Data Center

Worldwide
Availability of N1
Service Provisioning

Update

Now Supports >20 Sun & Third-Party Applications

Configure

Migrate

Deploy

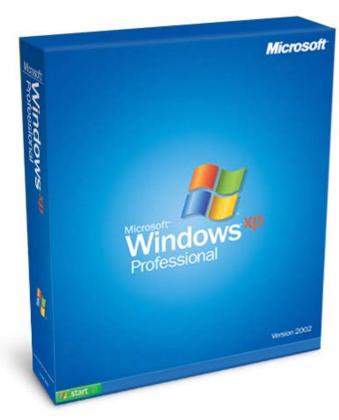
Rollback

One-touch application provisioning and change





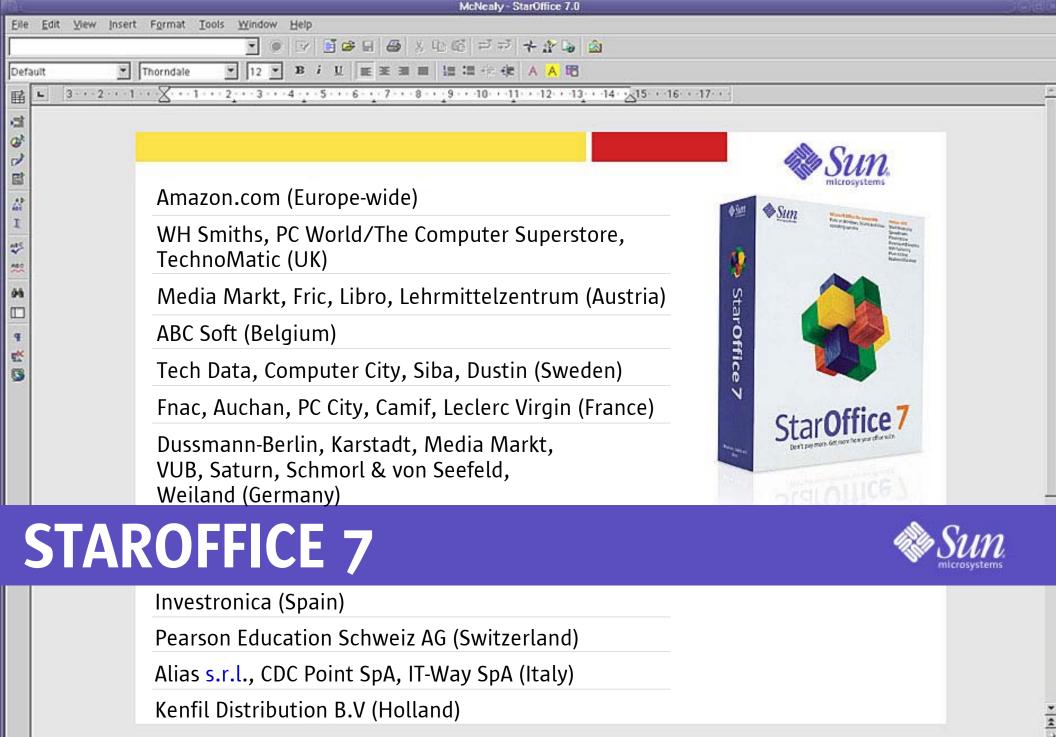
The Sun Java Desktop System



100's of \$'s



\$'s,



100% INSRT STD HYP

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Default



SPEEDING NETWORK SERVICE DEPLOYMENT SUN SUN SERVICE DEPLOYMENT SUN SUN SERVICE DEPLOYMENT SUN SUN SERVICE DEPLOYMENT SUN SERVICE SUN SERV





Solaris 10: A Generation Ahead



Extreme Performance

Dynamic Tracing

Optimal Utilization

N1[™] Grid Containers

Unparalleled Security

Process Rights Management Solaris Cryptographic Infrastructure

Relentless Availability

Predictive Self Healing

Choice

UltraSPARC III New UltraSPARC IV, New AMD Opteron, Xeon



The Most Powerful Force in Software Today



- 4+ million Java developers going to 10 million
- 250+million J2ME phones shipped
- 550+ million Java Cards deployed
- 751 JCP members
- 150 Liberty Alliance members
- J2EE the de facto standard for the app server





Radical Simplicity = Higher Quality, Higher Security.



J2EE[™] 1.4 SDK – simplifying web services.



- J2EE 1.4 Reference Implementation available on java.sun.com
- 500,000 downloaded in 1st two months of availability
- 70% plan to deploy free version
- 30% faster than IBM, BEA
- Included in Java Enterprise System







REFERENCE ARCHITECTURES

• Streamlined design

- Proven methodology
- SunTone compliant
- Designed, Integrated and Tested by Sun and iForce Partners
- Delivered via Customer Ready Systems



CUSTOMER READY SYSTEMS

- Easy Implementation
- Reliable Deployment
- Faster time to market
- Customized Options and Services



UNLEASHING MOBILITY WITH SECURITY & Sun





Sun Ray Deployment in Sun

Economical, Secure, Powerful • Sun Rays

- - 27,000+ deployed
 - Secure: token authentication
 - Silent: no moving parts
 - No User time for boot up and OS management

Savings:

- Reduced System Admin Cost
- Patching and OS upgrade speed
- Software License
- Zero Move/Add/Changes
- Zero annual desktop refresh costs





Three Winning Franchises









- x86
- Solaris
- Linux
- Java/XML



- N1
- Throughput Computing
- Sun Java Enterprise System
- iForce
- Customer ready systems

- Low cost of acquisition: v60/v65
- Low cost of operations: N1
- Reference architecture







Reference Material

For more information and to purchase products please visit:

- Openoffice.org: http://www.openoffice.org
- •Sun Hardware: http://www.sun.com/hardware
- •Sun Software: http://www.sun.com/software



Resources



Shanghai PRC, June 2 - 3, 2004 San Francisco, Sept 14-16, 2004 www.sun.com/sunnetwork



www.sun.com/news

JavaOne

San Francisco, June 28 - July 1, 2004 www.sun.com/javaone



www.sun.com/investors

For Updates on the Microsoft-Sun Collaboration

www.sun.com/news/microsoft