

The Age of Participation. Redefining the IT model.

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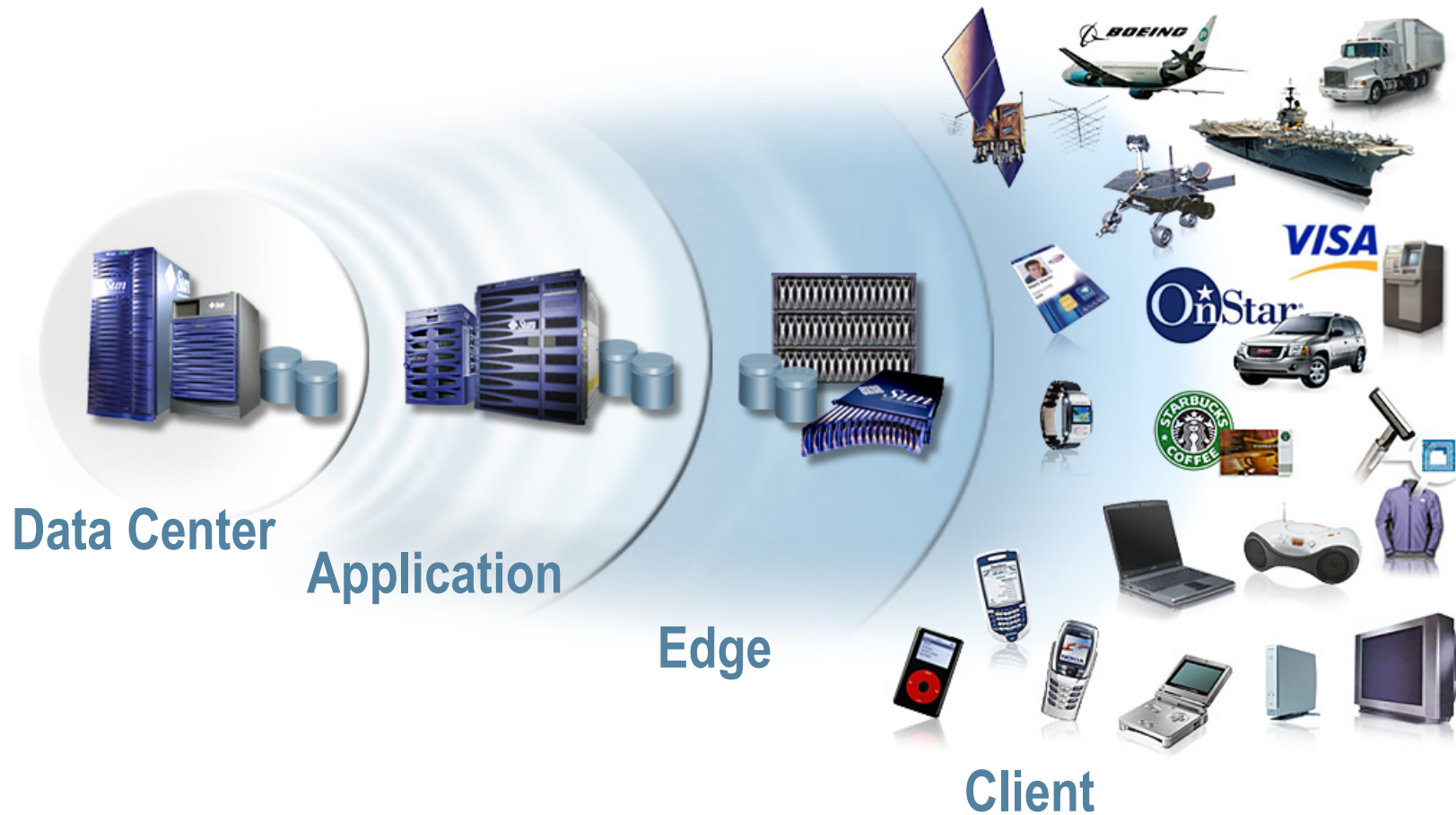
Sun Microsystems, Inc.

Agenda

Key Topics

- ✓ The Age of Participation.
- ✓ The Growth of Communities.
- ✓ The Role of OpenSource.
- ✓ Sustainable Growth & Development.

The Information Age is History



The Participation Age is Here



Everyone and Everything Participating on the Network

Network Participation is Happening Everywhere



Enterprise

Collaborative
Industry Networks
Outsourcing
New Business
Models



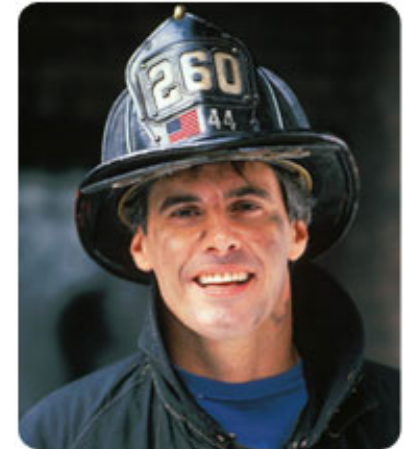
Consumers

Blogs
Instant Messaging
MySpace
iTunes
Flickr
Online Gaming



Developers

Java
Open Source
Linux
OpenSolaris



Public Sector

Inter-Agency
Collaboration
Adoption of
OpenOffice
Healthcare Networks
Political
Campaigning

Economic Global Communities



Explosive Network Growth

3 Million People a Week Join the Network!



30

Billion packages shipped per year

2

Billion text messages on a peak day

390

Gigabytes of data created every second

50%

New data growth each year

Participation Drives Infrastructure Demand

Creating Demand for Sun Solutions

New Communities,
New Behaviors

On the Network

Infrastructure
Demands



Driving Demand



Sun's Mission



To Create the Technologies, Products and Services
that Power the Participation Age

Our Cause: Eliminate the Digital Divide



While Making the Planet Better Off

Embracing OpenSource.

Transforming the Market into a Community



- **Sun executives** – expand the Solaris market, drive Solaris into new markets, sell more systems and services
- **Solaris engineers** – engage developers outside the company, share code, improve an already great system
- **Solaris market/community** – see the code, optimize apps, contribute to Solaris development, create ports/distros

Solaris Community is Creating Tremendous Opportunity

opensolaris™
openSolaris.org

- Over 11,000 community members
- 18,000 postings
- 75 community contributions offered
- OSI approved CDDL license

Sharing Creates Communities and Opportunity

Over 3 Billion Java Powered Devices Worldwide



1B
Java Powered
Phones

\$3B
Java Mobile
Game Market

1.45B
Java Cards

750M
PCs with Java

Over 100M
JDK Downloads

\$110B
In Related IT
Spending

\$2.2B
In Java App Servers

“8 out of 10 wireless applications currently under construction will use a Java technology runtime environment.*”



Demand and Capacity Are Colliding...



- Demand
- Users
- Services
- Access



...and your
data center is
right in the middle!



- Power
- Costs
- Space
- Heat



T2000 Breakthrough Server Efficiency



IBM x346
SPECweb2005



IBM p5+ p550 HP rx4640 Itanium II
SPECweb2005 SPECjappServer2004



Performance

3.2X

1.8X

1.3X

Power Usage

3/4

1/2

1/4

Space

Same

1/2

1/2

SWaP

4.3X

8X

10.6X

A Better Desktop Model

Sun is Innovating with Thin Clients

SunRay Thin Clients

- Average life – 15 years
- Power – 15 watts, 24 includes servers
- Heat ~80BTUs
- Noise – Zero db's
- Users per CPU – 25:1, Soon 500:1
- No viruses, no data loss



Versus Typical Industry PC

- Average life – 3 years
- Power: 200–250watts
- Heat and Noise ~850 BTUs, ~5db's
- Viruses, spyware, data loss
- 3 years energy cost > hardware price
- 315M PCs currently waiting disposal



Sun's Open Work Program for Employees

A Global, Location-Independent Program Providing Technologies, Workspaces, and Best Practices

PARTICIPATION

Flex Location Workers

14,803 Participants
46% of Work Force

Flexible Offices

127 Locations Worldwide

BENEFITS

Real Estate

6,600 Seats Saved/Avoided
in FY06 = \$63.9M

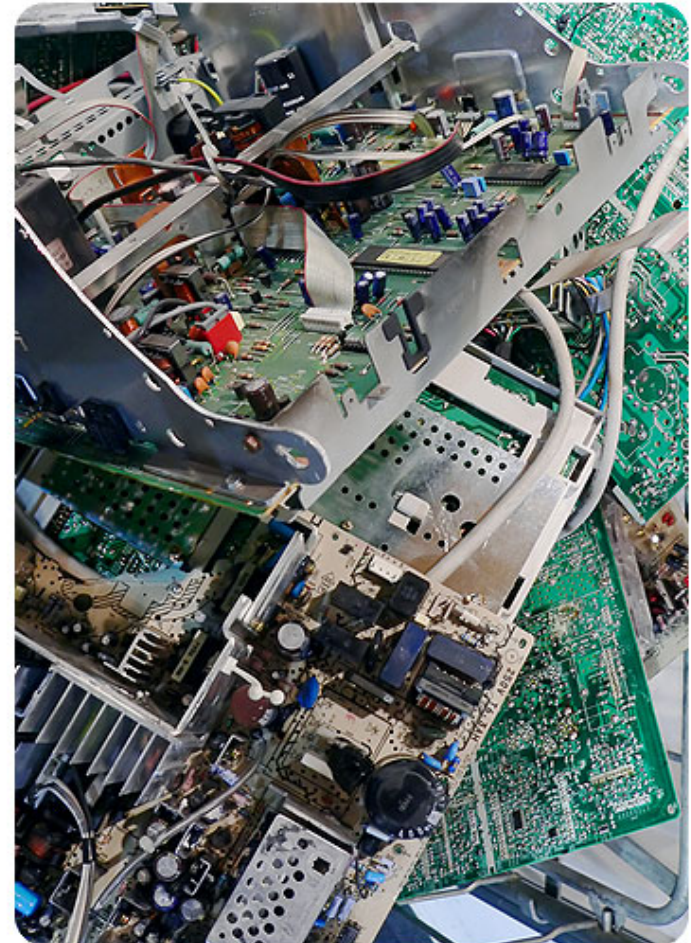
Sun Ray

Over \$24M Saved Annually
No-Cost Moves & Energy
Savings

Product Stewardship at Sun

- Reduced raw materials
- 80% enters remanufacturing
- All metal and plastic recovered
- Less than 1% enters waste stream

European WEEE Directive
sets target that 65% of IT
equipment must be recycled*



*(EC Directive on Waste Electrical and Electronic Equipment (WEEE) and EC Directive on the restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS))

In summary

The Age of Participation is here.

OpenSource is the cornerstone of Participation.

Sustainability is the pre-requisite to Growth.

Sun creates the technologies & fuels the communities of Participation.

Questions ?

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