VMware to Acquire Digital Fuel, IT Financial and Business Management SaaS Company

VMware Advances Customers’ Journey to IT as a Service, Integrating Financial and Business Insights and Enabling Business-Driven Management of Cloud Computing Environments

PALO ALTO, CA -- (MARKET WIRE) -- 06/13/11 -- VMware, Inc. (NYSE: VMW), the global leader in virtualization and cloud infrastructure, today announced its intention to acquire Digital Fuel, a leader in IT Financial and Business Management SaaS solutions. Digital Fuel's solutions enable companies to plan, manage and optimize cost and value in the emerging world of cloud based dynamic IT. With this acquisition, VMware will enable enterprises to more effectively manage the business impact of IT environments, centralizing visibility of IT costs, integrating financial discipline into IT decisions, and delivering meaningful measurements and reports that drive engagement with the CFO and line of business stakeholders. Terms of the acquisition were not announced. The acquisition is scheduled to close in July 2011, subject to customary closing conditions.

"Cloud computing represents a fundamentally new model for IT, enabling enterprises to realize unprecedented gains in operational efficiency, while also understanding, managing and optimizing IT resources based on granular business metrics," said Boaz Chalamish, VP and General Manager, VMware. "New levels of financial visibility and control in cloud environments will enable CIOs to engage with the CFO, line of business stakeholders and others around how IT investments translate to real business value. As an authority on helping organizations navigate the business operations of IT, Digital Fuel will add a significant capability to our portfolio, broadening beyond operational management to include business-centric capabilities."

"As Cloud computing evolves, the enterprise faces many strategic decisions and IT alternatives to drive business success and efficiency. As a result, the need for solutions for costing, budgeting, optimizing IT and business decision-making have become crucial to all enterprises," said Yisrael Dancziger, President and CEO of Digital Fuel. "Digital Fuel takes pride in its state of the art, customer proven solutions and services. We're excited to join VMware in enabling IT to play an increasingly strategic role in achieving the goals of the business through informed, business-oriented decisions."

Cloud Computing Drives New IT Business Orientation

Core to VMware's vision for IT as a Service is the ability to understand and manage the business impact of IT. Digital Fuel delivers comprehensive financial analysis of IT resources to proactively manage the costs, budgeting and billing of IT services. Digital Fuel's solution portfolio enables transparent analysis of a broad range of IT financial metrics spanning physical and virtual systems to people and application costs to compute, storage, and networking resources, even when sourced from public cloud service providers. Digital Fuel also analyzes usage and service levels to give enterprises the most complete picture of overall IT costs and areas for optimization. This visibility and analysis is critical to ongoing management of IT budget pressures, while also empowering CIOs to more effectively engage business partners with clear metrics that outline costs, optimal trade-offs and value returned for IT investments.

Digital Fuel's portfolio for IT costing, budget, chargeback, cost optimization, vendor management and SLA management integrates with a broad set of systems, applications, data sources and third-party management technologies to deliver comprehensive, unified financial analysis. These offerings, offered both on-premise within an enterprise datacenter and delivered via Software as a Service (SaaS) models for maximum flexibility, will complement VMware's portfolio of management solutions including vCenter Chargeback and Service Manager. The acquisition of Digital Fuel will enable VMware's enterprise customers to:

- Engage more effectively with business stakeholders through meaningful measurements and reports, including a Bill of IT Services, chargeback, service level reporting, and vendor scorecards.
- Gain complete, consolidated visibility into IT costs (Capex, Opex and Service costs) across a broad range of financial data sources.
- Manage IT agendas with deep financial discipline, leveraging fact-based decisions across the IT portfolio to make informed financial trade-offs aligned to business priorities.

Additional Resources

- Read more about the addition of Digital Fuel to the growing VMware management portfolio from Ramin Sayar, VP, Marketing, VMware
- Read more about Digital Fuel joining VMware from Yisrael Dancziger, President and CEO of Digital Fuel
About Digital Fuel

Digital Fuel Technologies, Inc., the leading provider of Digital Fuel, provides easy to use and fast to deploy IT Financial Management SaaS solutions that plan, bill, and optimize IT cost and value. The company is the inventor of this space with more than a decade of experience, and has enabled hundreds of enterprises to increase value and save millions in direct IT costs, while gaining predictability into IT spending. Today hundreds of companies worldwide rely on Digital Fuel, including BASF, BBC, BT, Capita, Capital One, Capgemini, Cisco, CSC, Cummins, Dell, Deutsche Bank, First Horizon, GE, Hospira, IBM, Independence Blue Cross, Nationwide, Nestle, Procter & Gamble, Siemens, Sprint, Starwood, Steria, Thermo Fisher Scientific, Telus, Telefonica, Unisys, Volkswagen, Wipro, and many more.

About VMware

VMware delivers virtualization and cloud infrastructure solutions that enable IT organizations to energize businesses of all sizes. With the industry leading virtualization platform -- VMware vSphere® -- customers rely on VMware to reduce capital and operating expenses, improve agility, ensure business continuity, strengthen security and go green. With 2010 revenues of $2.9 billion, more than 250,000 customers and 25,000 partners, VMware is the leader in virtualization, which consistently ranks as a top priority among CIOs. VMware is headquartered in Silicon Valley with offices throughout the world and can be found online at www.vmware.com

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Forward-Looking Statements

This press release contains forward-looking statements including, among other things, statements regarding the consummation of the acquisition of Digital Fuel, the addition of Digital Fuel products and technologies to VMware's portfolio, VMware's vision for IT as a Service and the role of Digital Fuel products and the prospective benefits to VMware customers. 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) the satisfaction of closing conditions for the transaction; (ii) the successful integration of Digital Fuel and VMware technologies; (iii) adverse changes in general economic or market conditions; (iv) delays or reductions in consumer or information technology spending; (v) 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; (vi) our customers' ability to develop, and to transition to, new products and computing strategies such as cloud computing and desktop virtualization; (vii) the uncertainty of customer acceptance of emerging technology; (viii) rapid technological and market changes in virtualization software and platforms for cloud and desktop computing; (ix) changes to product development timelines; (x) VMware's ability to protect its proprietary technology; and (xi) VMware's 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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