VMware to Acquire Virsto

PALO ALTO, CA -- (Marketwire) -- 02/11/13 -- VMware, Inc. (NYSE: VMW), the global leader in virtualization and cloud infrastructure, today announced it has signed a definitive agreement to acquire Virsto® Software, a Sunnyvale, Calif.-based provider of software that optimizes storage performance and utilization in virtual environments.

"VMware is committed to continuing to deliver software innovations that bring significant efficiencies to our customers while simplifying infrastructure and IT," said John Gilmartin, vice president of storage and availability, VMware. "We believe that the acquisition of Virsto will accelerate our development of storage technologies, allowing our customers to greatly improve the efficiency and performance of storage in virtual infrastructure."

Organizations are looking for solutions to address the increasing complexity and cost of storage within virtual and cloud environments, particularly for virtual desktop infrastructures (VDI), large software development and test centers and to support business-critical applications. Virsto provides breakthrough storage optimization technologies that improve storage performance and utilization in these environments. When implemented within a VDI, Virsto can reduce the cost of storage per desktop by as much as 70 percent.

As part of its strategy to deliver the software-defined datacenter, VMware continues to invest and innovate to extend the benefits of virtualization to every domain in the datacenter -- compute, network, storage and the associated security and availability services. VMware has been at the forefront of innovations to storage in virtual environments, and the acquisition of Virsto will expand VMware's storage portfolio, which includes the storage virtualization and management capabilities of VMware vSphere® and the VMware vSphere Storage Appliance™. In addition, EMC Corporation plans to license the Virsto technology, extending the cooperative efforts between the two companies in storage architectures.

"VMware and Virsto share a highly aligned vision to remove complexity and increase efficiencies through virtualization," said Mark Davis, CEO, Virsto. "We are excited to combine forces with VMware to provide customers a more cost-effective, efficient, and agile storage architecture."

Terms of the acquisition were not disclosed. The acquisition is scheduled to close in the first quarter of 2013 subject to customary closing conditions.

Additional Resources

- Read VMware's John Gilmartin blog "VMware to Acquire Virsto Software" [here](#)
- Read Virsto's Mark Davis blog "I Have a Dream" [here](#)
- Connect with VMware on [Twitter](#) and [Facebook](#)

About Virsto

Virsto® Software Corporation changes the economics of storage in virtualized environments by improving utilization, increasing performance, and accelerating VM storage provisioning. Virsto reduces the cost and complexity of storage for VDI, test and development, business-critical application virtualization, cloud computing and other virtualization initiatives. Founded in 2007, Virsto is backed by leading Silicon Valley venture firms. For more information, visit [www.virsto.com](http://www.virsto.com).

About VMware

VMware is the leader in virtualization and cloud infrastructure solutions that enable businesses to thrive in the Cloud Era. Customers rely on VMware to help them transform the way they build, deliver and consume Information Technology resources in a manner that is evolutionary and based on their specific needs. With 2012 revenues of $4.61 billion, VMware has more than 480,000 customers and 55,000 partners. The company is headquartered in Silicon Valley with offices throughout the world and can be found online at [www.vmware.com](http://www.vmware.com).

VMware, vSphere, and vSphere Storage Appliance are registered trademarks or trademarks of VMware, Inc. in the United States and other jurisdictions. All other marks and names mentioned herein may be trademarks of their respective companies.

Forward-Looking Statements

This press release contains forward-looking statements including, among other things, statements regarding the consummation of the acquisition of Virsto, the planned integration of Virsto technologies with VMware product offerings, plans to license Virsto technology in conjunction with EMC Corporation and the prospective benefits to 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 VirSto 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; (xi) VMware's ability to attract and retain highly qualified employees and (xii) the ability to license VirSto technology on terms satisfactory to VMware and EMC. 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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