



RED HAT PRODUCT STRATEGY & VISION

Needham Emerging Technology Conference

Craig Muzilla
Senior Vice President & Group Executive
Application Platform Businesses & Product Portfolio

Safe Harbor Message

Certain statements contained in this presentation may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including: risks related to the ability of the Company to compete effectively; the ability to deliver and stimulate demand for new products and technological innovations on a timely basis; delays or reductions in information technology spending; the integration of acquisitions and the ability to market successfully acquired technologies and products; risks related to errors or defects in our offerings and third-party products upon which our offerings depend; risks related to the security of our offerings and other data security vulnerabilities; fluctuations in exchange rates; the effects of industry consolidation; uncertainty and adverse results in litigation and related settlements; the inability to adequately protect Company intellectual property and the potential for infringement or breach of license claims of or relating to third party intellectual property; changes in and a dependence on key personnel; the ability to meet financial and operational challenges encountered in our international operations; and ineffective management of, and control over, the Company's growth and international operations, as well as other factors contained in our most recent Annual Report on Form 10-K (copies of which may be accessed through the Securities and Exchange Commission's website at <http://www.sec.gov>), including those found therein under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations". In addition to these factors, actual future performance, outcomes, and results may differ materially because of more general factors including (without limitation) general industry and market conditions and growth rates, economic and political conditions, governmental and public policy changes and the impact of natural disasters such as earthquakes and floods. The forward-looking statements included in this presentation represent the Company's views as of the date of this presentation and these views could change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date of this presentation, May 15th, 2018.

RED HAT'S BUSINESS

Provide enterprise software platforms, using an open source model, for building, deploying, and managing applications across hybrid cloud environments

LEADER IN OPEN SOURCE ENTERPRISE I.T. SOLUTIONS

MORE THAN
90%
of the
FORTUNE
500
use
RED HAT
PRODUCTS &
SOLUTIONS*

~12,000
EMPLOYEES

S&P
500
COMPANY

THE FIRST
+\$2
BILLION

95
OFFICES

35
COUNTRIES

NYSE
RHT

OPEN
SOURCE
COMPANY
IN THE WORLD

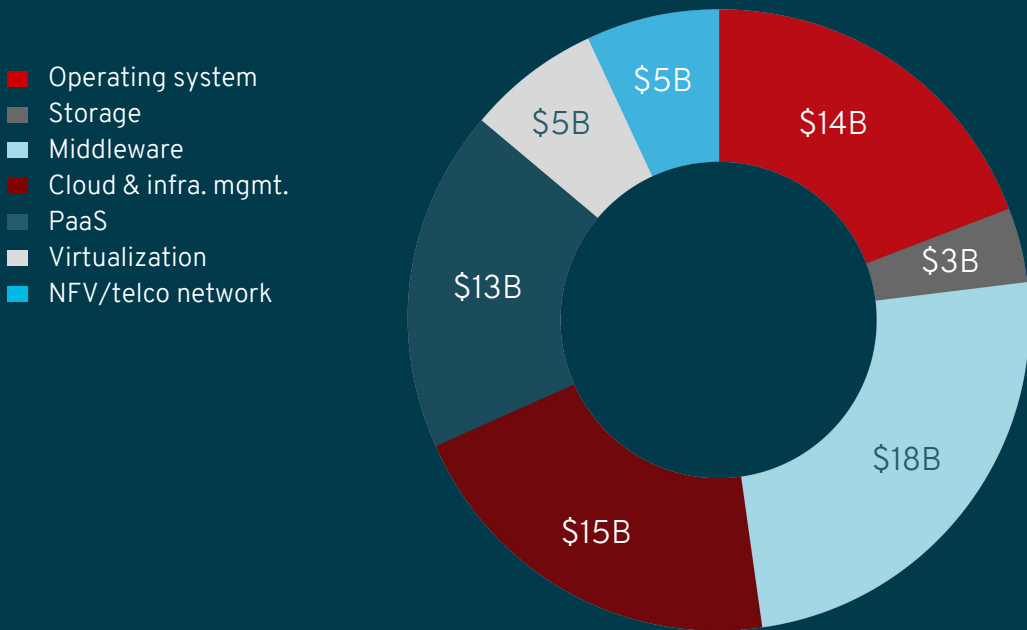
RED HAT'S 25-YEAR JOURNEY

- 1993 • **FOUNDED**
- 1999 • **IPO**
- 2002 • **FIRST RELEASE OF ENTERPRISE LINUX**
- 2006 • **JBOSS ACQUIRED**
- 2009 • **RED HAT VIRTUALIZATION RELEASED**
- **RED HAT ADDED TO S&P 500 INDEX**
- 2011 • **GLUSTER ACQUIRED**
• **OPENSIFT RELEASED**
• **FUSESOURCE, POLYMITA & MANAGEIQ ACQUIRED**

- 2012 • **\$1 BILLION IN REVENUE**
• **RED HAT STORAGE RELEASED**
• **CLOUDFORMS RELEASED**
- 2013 • **RED HAT OPENSTACK PLATFORM RELEASED**
• **OPENSIFT ENTERPRISE RELEASED**
- 2014 • **INKTANK (CEPH),**
• **ENOVANCE (OPENSTACK),**
• **& FEEDHENRY (MOBILE) ACQUIRED**
- 2015 • **ANSIBLE ACQUIRED**
- 2016 • **\$2 BILLION IN REVENUE**
• **3SCALE (API MANAGEMENT) ACQUIRED**
- 2017 • **PERMABIT, CODENVY & COREOS ACQUIRED**
- 2018 • **\$3 BILLION ANNUAL RUN RATE REVENUE**

FUTURE OPPORTUNITY EXPANDING

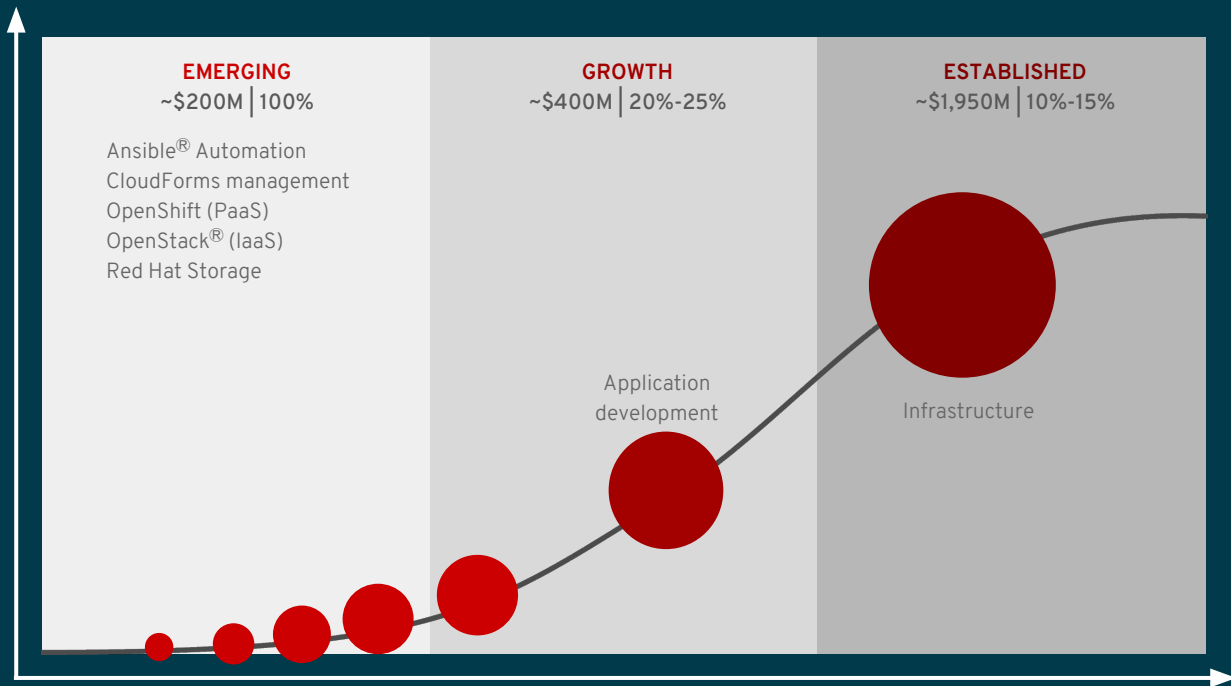
Total addressable market estimated at ~\$73 billion in 2021



- Linux is the fastest-growing OS
- Emerging technologies ~50%
- NFV/telco Network \$5B TAM

HYBRID CLOUD PORTFOLIO CONTINUED GROWTH

FY18 subscription revenue and y/y growth



Cloud-enabled customers revenue growing at 25% CAGR over 4 years

Strong cross-selling with 70% of the top deals having app dev & ET

CCSP over \$200M in revenue, up +40% y/y

40% of our top 100 public cloud customers were multi-cloud users

Chart for illustration purposes only. Not to be construed as guidance.

Cloud-enabling technologies as defined here includes OpenShift Enterprise, OpenStack, RHCI, Ceph Software, CloudForms, Data Grid, Gluster Software, Data Virtualization, and Ansible.

RED HAT'S VISION



DISRUPT

SUCCEEDING AT DIGITAL TRANSFORMATION

EFFICIENCY

AGILITY

SPEED



OPTIMIZE THE IT
YOU HAVE



INTEGRATE APPS, DATA,
AND PROCESSES



ADD AND MANAGE
CLOUD INFRASTRUCTURE



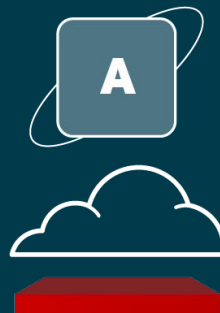
BUILD MORE MODERN
APPLICATIONS

CHANGE DRIVERS

Technology areas we must lead to help our customers succeed



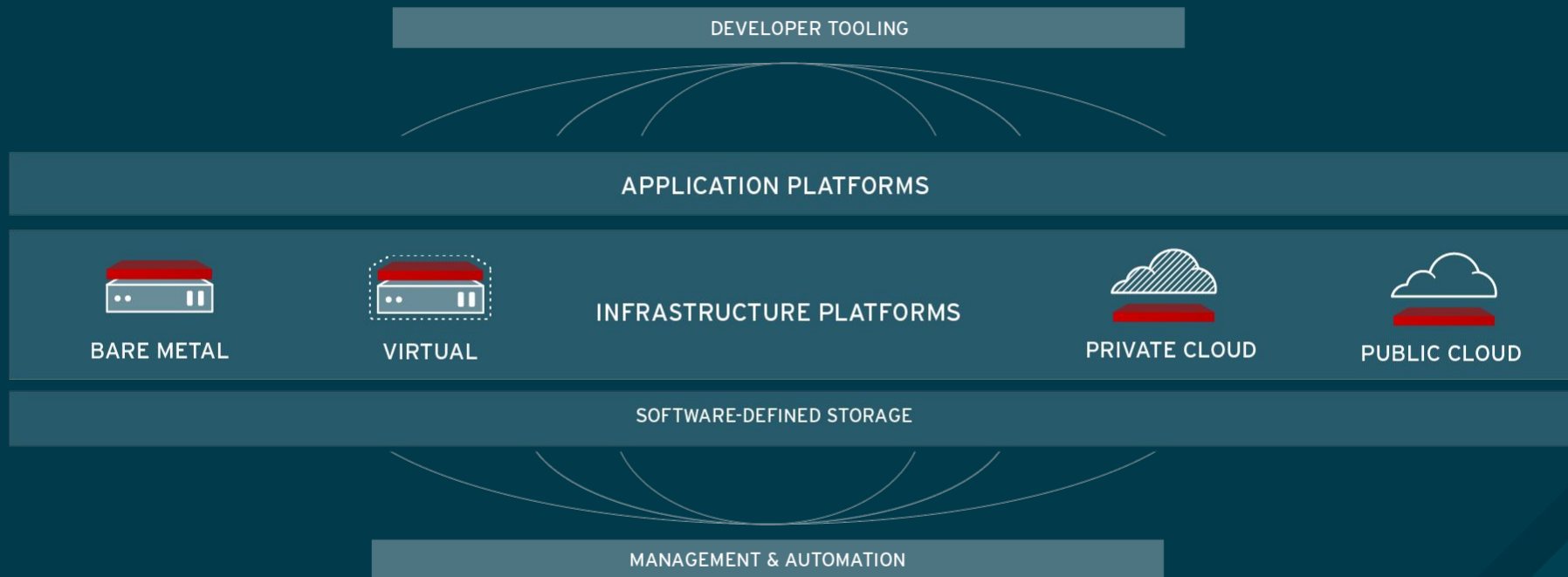
HYBRID CLOUD
INFRASTRUCTURE



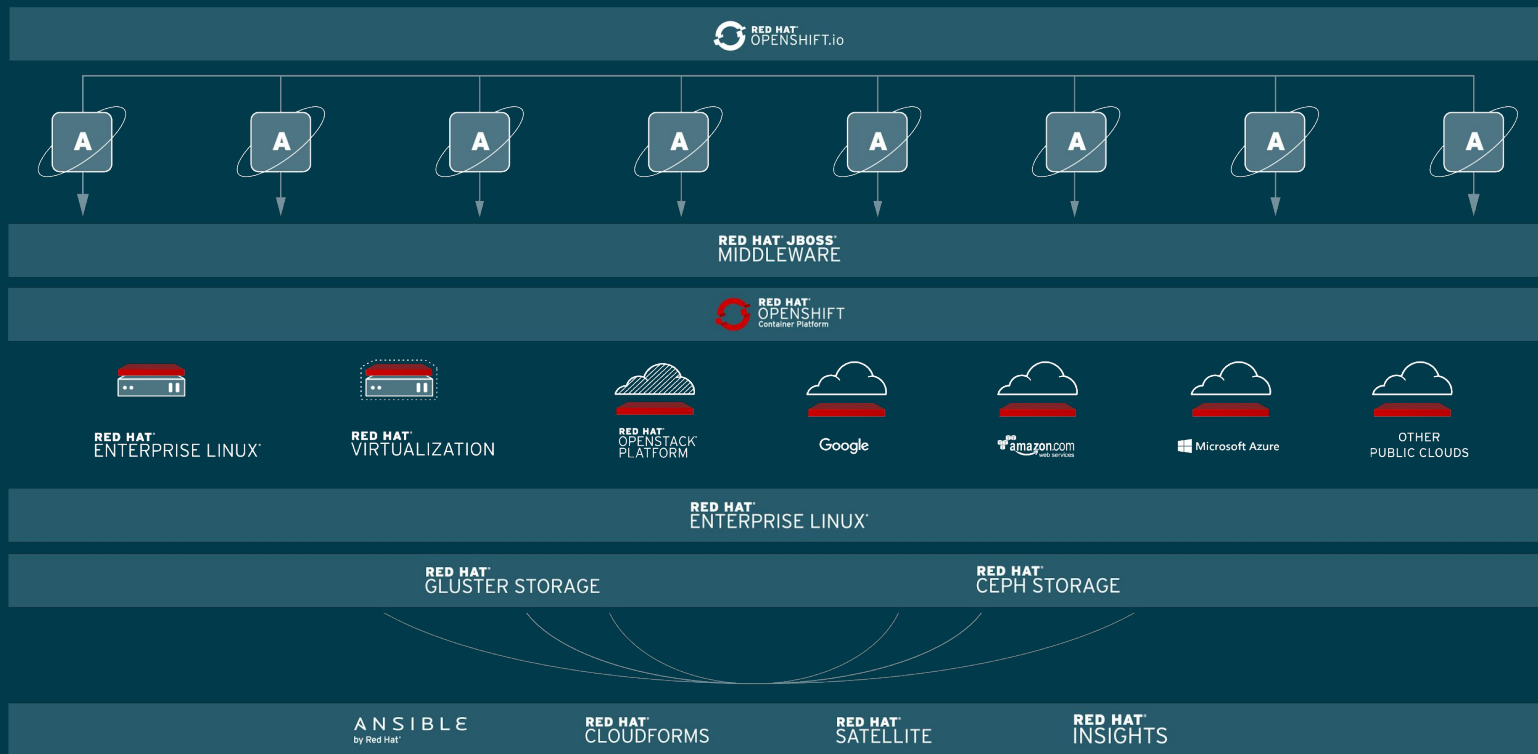
CLOUD-NATIVE
APP DEVELOPMENT

OPEN HYBRID CLOUD

ALL KINDS OF APPS AND ENVIRONMENTS, INCLUDING CONTAINERS



AND.... BEYOND HYBRID TO MULTI-CLOUD



RED HAT'S PRODUCT STRATEGY

THE 3 PILLARS OF OUR BUSINESS

OPEN HYBRID CLOUD



HYBRID CLOUD INFRASTRUCTURE

Infrastructure software
across the 4 footprints,
with RHEL at the core



CLOUD-NATIVE APP PLATFORMS

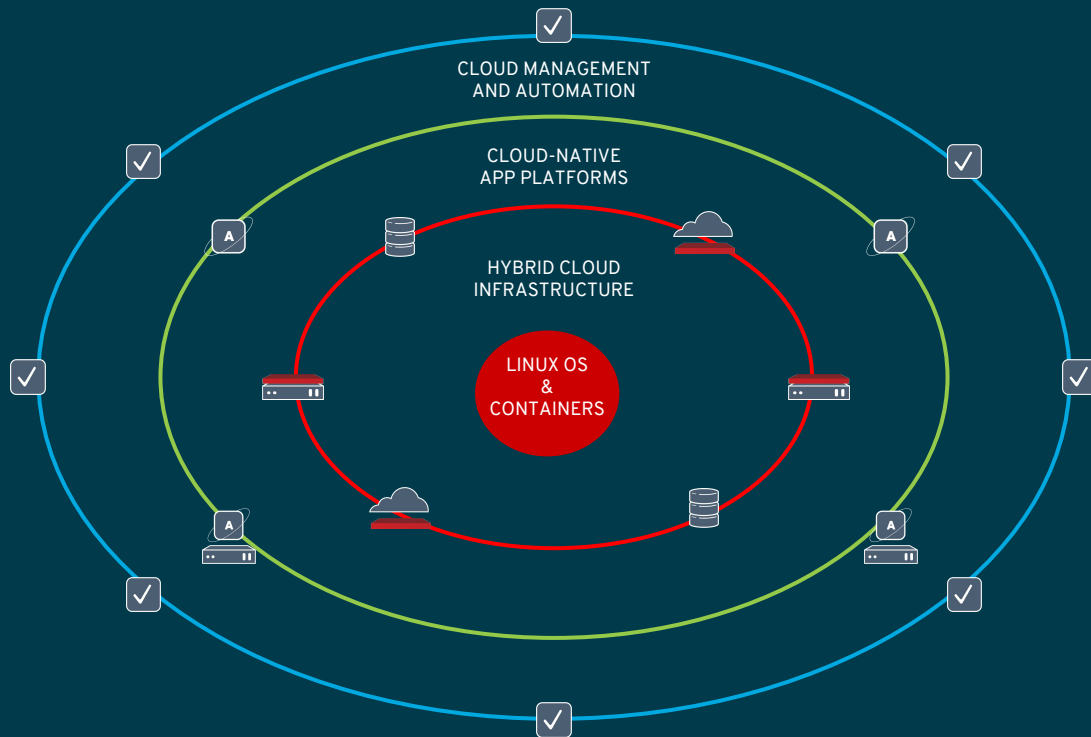
Software designed to rapidly
& efficiently develop & deploy
apps across hybrid cloud



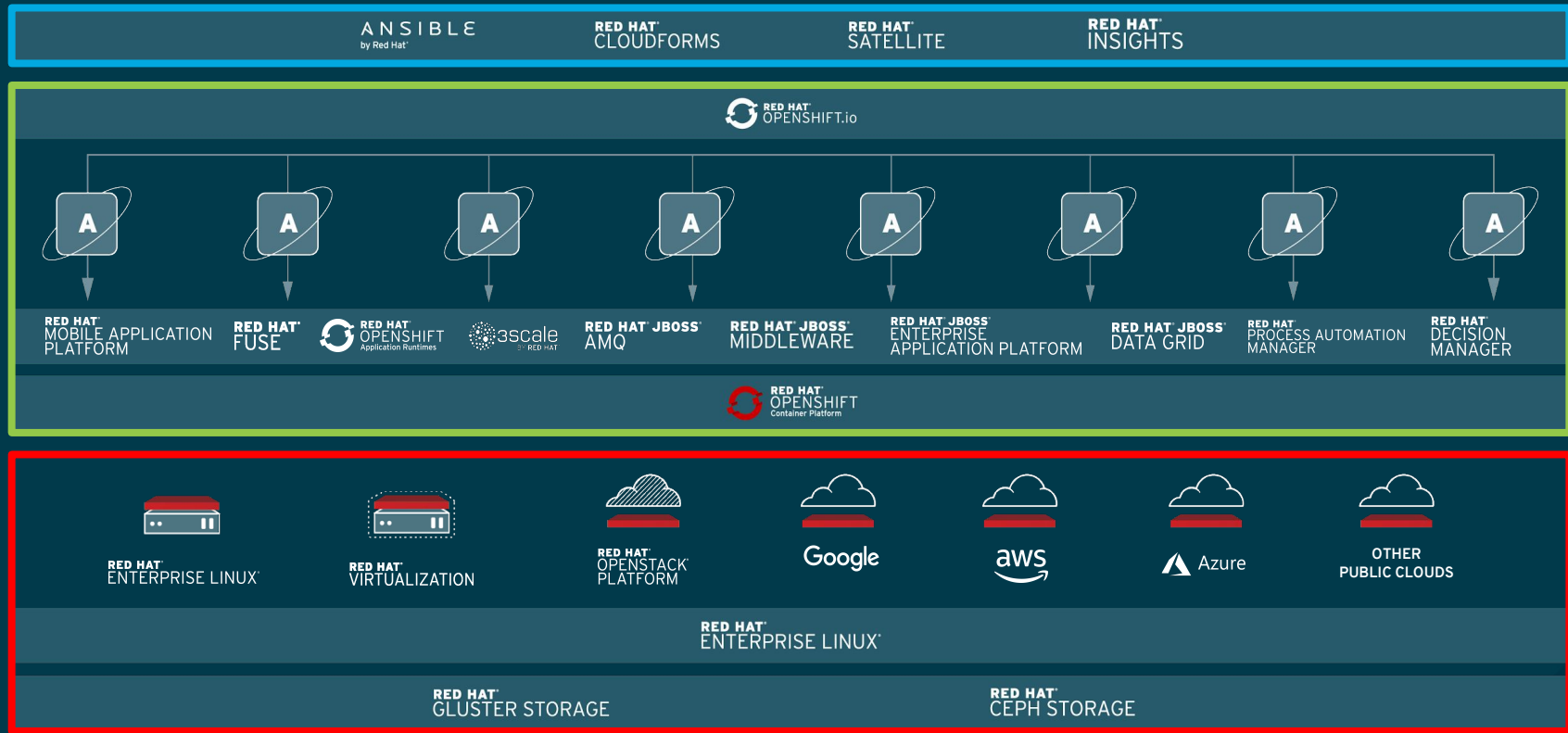
MANAGEMENT & AUTOMATION

Software designed to simplify
management & automation of
hybrid cloud environments

THE PILLARS ARE INTERCONNECTED, WITH LINUX AT THE CORE

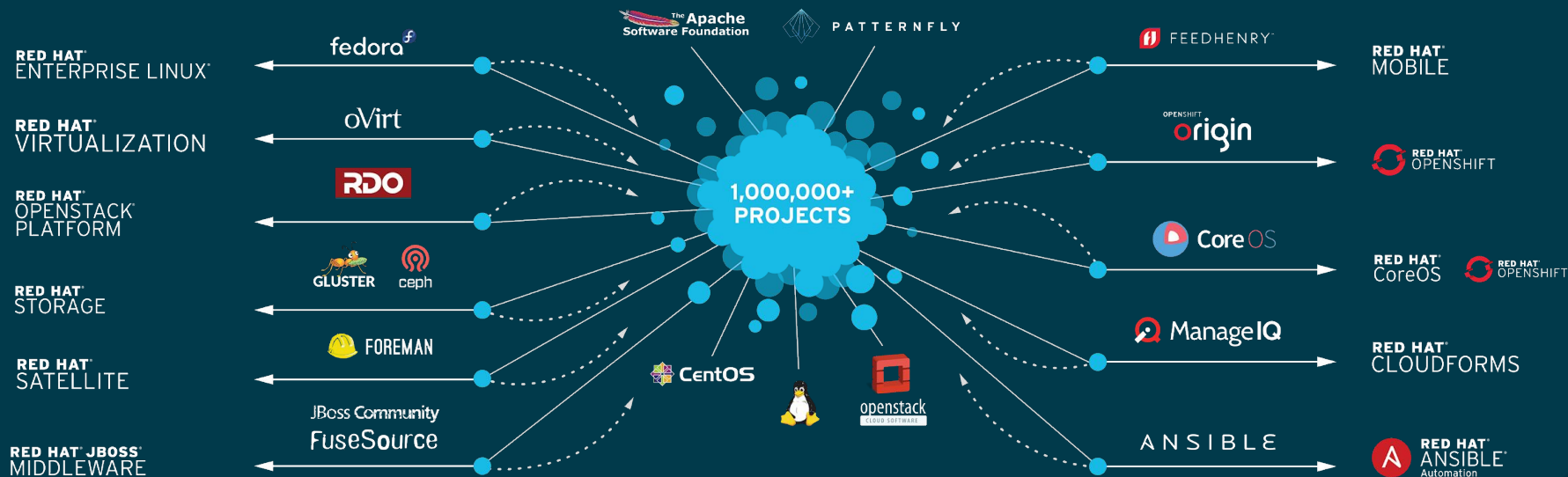


THE PORTFOLIO IS OPTIMIZED TO WORK TOGETHER



DELIVERING TRUSTED OPEN SOURCE INNOVATION

FROM COMMUNITY TO ENTERPRISE

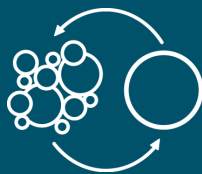


RH0064-3

THE RED HAT ADVANTAGE



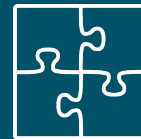
**STRENGTH
IN LINUX**



**OPEN SOURCE
LEADERSHIP**



**HYBRID
CLOUD**



**COMPREHENSIVE
PORTFOLIO**



OUR PEOPLE & CULTURE

PARTNERS, DEVELOPERS, CUSTOMERS

EXPANDED PARTNERSHIPS

FURTHER COLLABORATION WITH CRITICAL PARTNERS AND OPENSIFT



WEBSHERE
ON OPENSIFT



Azure

OPENSIFT SERVICE ON
MICROSOFT AZURE

accenture

Atos



DXC.technology

HCL



Hewlett Packard
Enterprise

Lenovo

· · T · · Systems ·





RED HAT® DEVELOPER PROGRAM

1 MILLION (AND GROWING)
DEVELOPERS STRONG

RED HAT MAKES THE HYBRID CLOUD AND CONTAINER-NATIVE ENTERPRISE A REALITY



HELPING OUR CUSTOMERS ACHIEVE THIS

ANY APPLICATION.
ANY ENVIRONMENT.
NO LOCK-IN.

THANK YOU



plus.google.com/+RedHat



facebook.com/redhatinc



linkedin.com/company/red-hat



twitter.com/RedHat



youtube.com/user/RedHatVideos



red.ht/red-hat-shares