

HPC Market Report and Forecast

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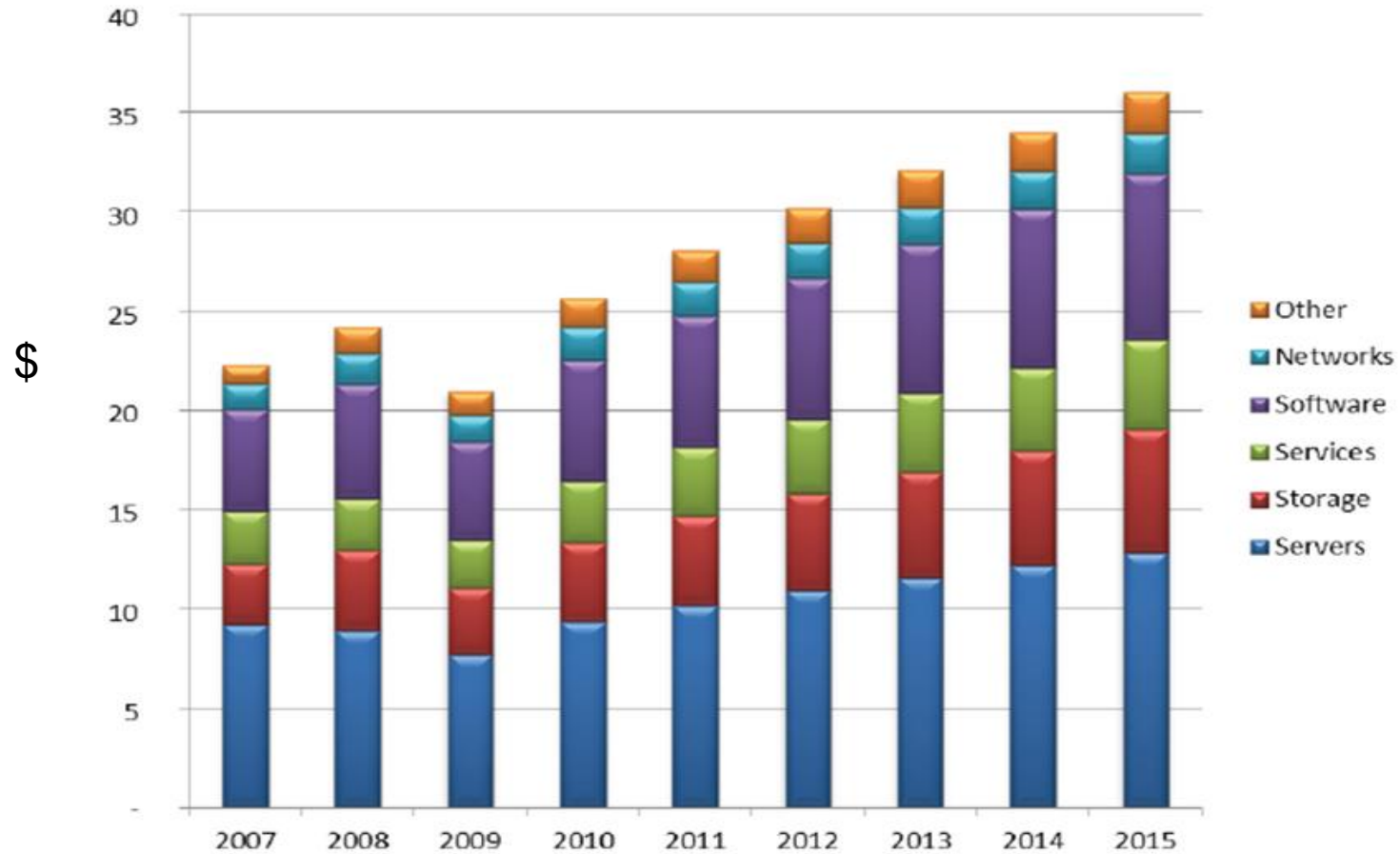
- **This presentation provides information on the HPC Market State and Forecast 2011 to 2015**
 - We combine both the High Performance Technical Computing (HPTC, formerly referred to as Traditional HPC) and the High Performance Business Computing (HPBC, formerly referred to as Edge HPC) together under the HPC market information
- **The info is provided on behalf of the HPC Advisory Council**
 - As a service to its members and the HPC community
- **The author would like to express great appreciation to Intersect360 Research for their support and information**
 - For more information, please refer to www.Intersect360.com



- **Inclusive views of HPC technology and applications**
- **Spending:**
 - Products: servers, interconnects, storage, software etc.
 - Services: support, professional services
 - Utility: cloud, grid, SaaS, HPC as a service etc.
 - Internal spending on staffing, facilities, power, cooling are tracked but not part of product revenue model
- **Usage models:**
 - High Performance Technical Computing (HPTC):
 - Science, engineering
 - High Performance Business Computing (HPBC):
 - Financial services, media/entertainment, complex event processing, business process optimization, virtual environments, ultrascale business computing

- **The total HPC market in 2010 was \$25.6 billion**
 - Up 22.4% from recessionary 2009
 - Dramatic revenue swings from one year to the next reflect changes to the length of the sales cycle more than real gain or loss
 - Sales cycles were very slow in 2009 and came back in 2010
 - Servers were the largest segment but decline as a percentage throughout the forecast period
 - The highest growth rates will be in storage and services
- **HPC revenue CAGR is estimated to be 7.0% from 2010 to 2015**
 - Reaching \$36.0 billion in 2015, \$10.4 billion growth 2011-2015
 - The growth will be highest in 2011 and 2012 before moderating to more sustainable growth rates in the outer years

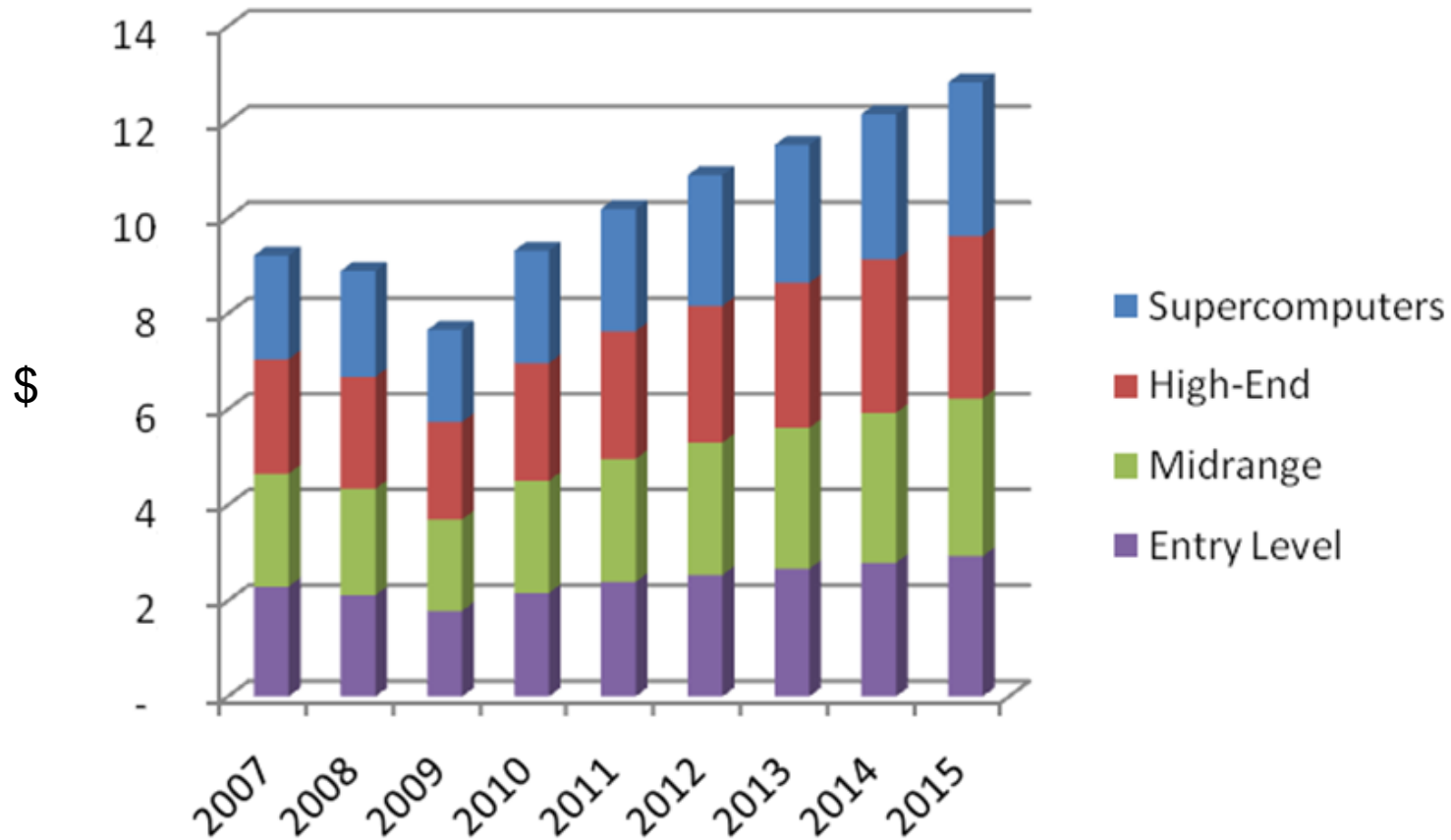
HPC Market Revenue – Products (\$Billion)



- **Note: The Networks revenue represents only networking that is purchased separately from other components. The Servers and Storage revenue include portion of networks as well (when network is purchased together with servers or storage)**

Source: Intersect360 Research, 2011

HPC Server Market Revenue – Class (\$Billion)



- Covers the entire HPC market - Includes both HPTC (71%) and HPBC (29%)
- 2010: Supercomputers 25%, High-End 26%, Mid-Range 25%, Entry-Level 23%

Source: Intersect360 Research, 2011

Total HPC Market Revenue - Geographic

Total HPC Regions	2010	2011	2012	2013	2014	2015	CAGR
North America	47.0%	46.6%	46.1%	45.5%	44.8%	44.1%	5.7%
EMEA	30.6%	30.8%	31.1%	31.4%	31.8%	32.2%	8.2%
Asia-Pacific	19.9%	20.0%	20.2%	20.4%	20.6%	20.8%	8.0%
Latin America	2.5%	2.6%	2.6%	2.7%	2.8%	2.9%	10.3%

- **North America continues to lead, but declining in share**
- **EMEA and Asia-Pacific have similar high growth rates**
- **U.S. growth in government and academia is hindered by current budgetary climate in Congress**

Source: Intersect360 Research, 2011

For more information

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