









Aruba Market Position Update

EMEA enterprise wireless LAN segment Leading vendors				
Vendor	Market share Q1 2010	Market share Q1 2011	Value growth %	Share indicator
All vendors	\$169 million	\$201 million	19.0%	
Cisco	60.5%	64.8%	27.4%	
HP Networking	8.2%	8.2%	18.8%	—
Aruba Networking	4.9%	7.5%	83.8%	
Motorola	6.7%	3.4%	-38.9%	
Enterasys	3.2%	2.6%	-1.3%	
Alcatel-Lucent	3.9%	2.4%	-25.2%	
Meru Networks	1.4%	1.8%	51.7%	
D-Link	1.7%	1.4%	-5.1%	
Netgear	1.1%	1.1%	19.4%	—
Juniper Networks	1.3%	0.9%	-13.7%	

Source: Canalys, Enterprise Networking Analysis, May, 2011

EMEA wide, the total networking market has declined in Q1 2011 (from Q1 2010) by -5.3% with a revenue drop of \$46m. Conversely, the chart above for Enterprise Wireless shows positive growth of 19% with an associated revenue increase of \$32m.

Cisco has grown but the growth is small compared to Aruba's performance of over 83% growth QoQ. Another useful metric is 30% of Cisco APs sold are 'n', whereas approximately 80% of Aruba APs are 'n', this indicates that Aruba are winning new business, whereas Cisco are servicing existing accounts, a business which will decline as 'n' upgrades will normally provide a window for the customer to re-evaluate their vendor choice and Cisco are not winning in this scenario; this is where Aruba are winning market share.

Another comment made by Canalys was the WLAN market is being driven by the uptake of Smartphones and iPads. This backs Aruba's decision to purchase Amigopod and provide the mechanism for BYOD (bring your own device) and MDAC (mobile device access control) providing IT with a secure, measurable and low cost / low IT impact mechanism for authenticating these devices onto the corporate network.

The following link demonstrates that it does not have to be an existing Aruba network to implement MDAC / BYOD. Aruba can do this on a Cisco network for 85% less than the cost of Cisco Trustsec.

<http://www.arubanetworks.com/solutions/by-application/byod-services-on-your-existing-wi-fi/>

Further details can be viewed using the below link:

<http://www.arubanetworks.com/news-releases/aruba-mobile-device-access-control-solution-now-available-for-cisco-wi-fi-networks/>

Gartner Report

The Gartner report can have a positive impact with your customers and the reassurance it brings to their purchase decision, Aruba are furthest to the right in terms of visionary and only just behind Cisco in terms of ability to execute (metrics for judging this include number of employees etc. The full report can be downloaded by following the link below:

<http://www.arubanetworks.com/news-releases/aruba-networks-positioned-in-leaders-quadrant-of-magic-quadrant-for-wireless-lan-infrastructure-global/>

Many end users place a lot of credence in the Gartner Magic Quadrant and will make purchasing decisions based on a vendor's positioning here;