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[http://www.juniper.net/company/investor\\_relations/index.html](http://www.juniper.net/company/investor_relations/index.html) and click on the link entitled "Analyst Day 2008 – Non-GAAP reconciliations".



# IP-Revolution: An application aware NGN, SOA and BPM based approach to transforming T-Systems

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# Content

- T-Systems - a short overview
- Business and market background to IP-Revolution
- IP-Revolution: The project to change the way we run our business
- IP-Revolution with Juniper Networks service-enabling network infrastructure; monetizing the network
- A look ahead: Profiting from the IP-Revolution experience

# T-Systems, the international business customer brand of Deutsche Telekom.

And our customers benefit from this strength.



...T... Systems

Business Customers

...T... Mobile

Mobile Communications

...T... Home

Consumers

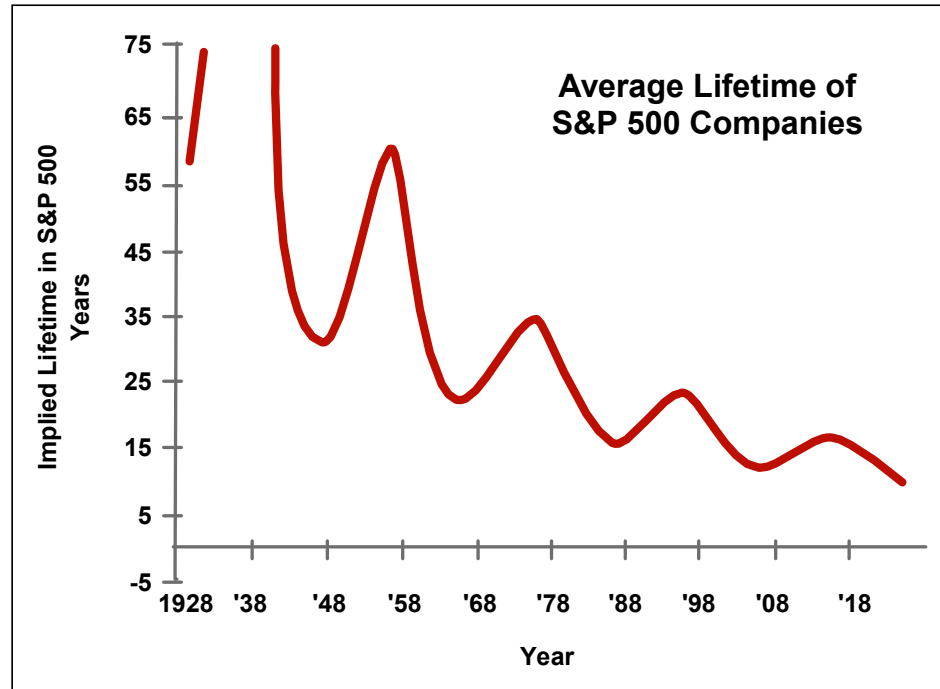


...T... Systems



## Business and market background to IP-Revolution

# Change happens!



Source: *Creative Destruction*, Richard Foster

***“It is not the strongest that survive, nor the most intelligent, but the ones most responsive to change”***

Charles Darwin, (*Origin of the Species*)

# The new paradigm...

## A new innovation environment...

Production  
Fragmentation  
and innovation  
dissemination

- Focus shift from supply and production of comparable standalone product and monolithic offering to demand and development of services and solutions
- Fragmentation of the production process separating code, software, hardware and protocol
- Dissemination of Innovation no longer necessarily carried out at the production site

Stimulate  
Innovation  
but increase  
integration  
complexity

- Emergence of new and diverse technologies supporting enterprise business processes
- Emergence of new companies
- Emergences of complexes and dense network of customer / supplier relationship

and impose  
networking  
structure

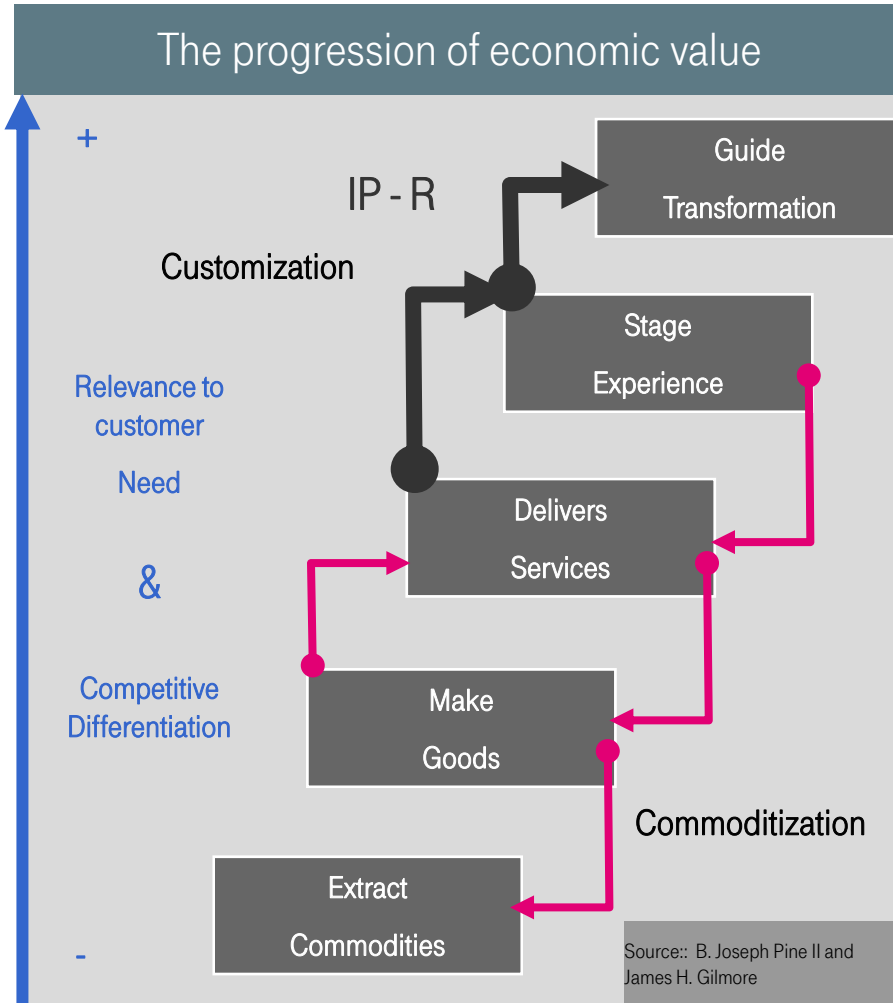
- Today's business environment demands organizations to become a networking structure comprising internal core processes & external support processes provided by specialized partners. (Coase's Law)



IP-Revolution:  
The project to change the way we run  
our business

• • **T** • • Systems • • • • •

# T-Systems approach. Move to all IP strategy based on Next Generation Network: IP-Revolution project



## IP advanced services based on NGN:

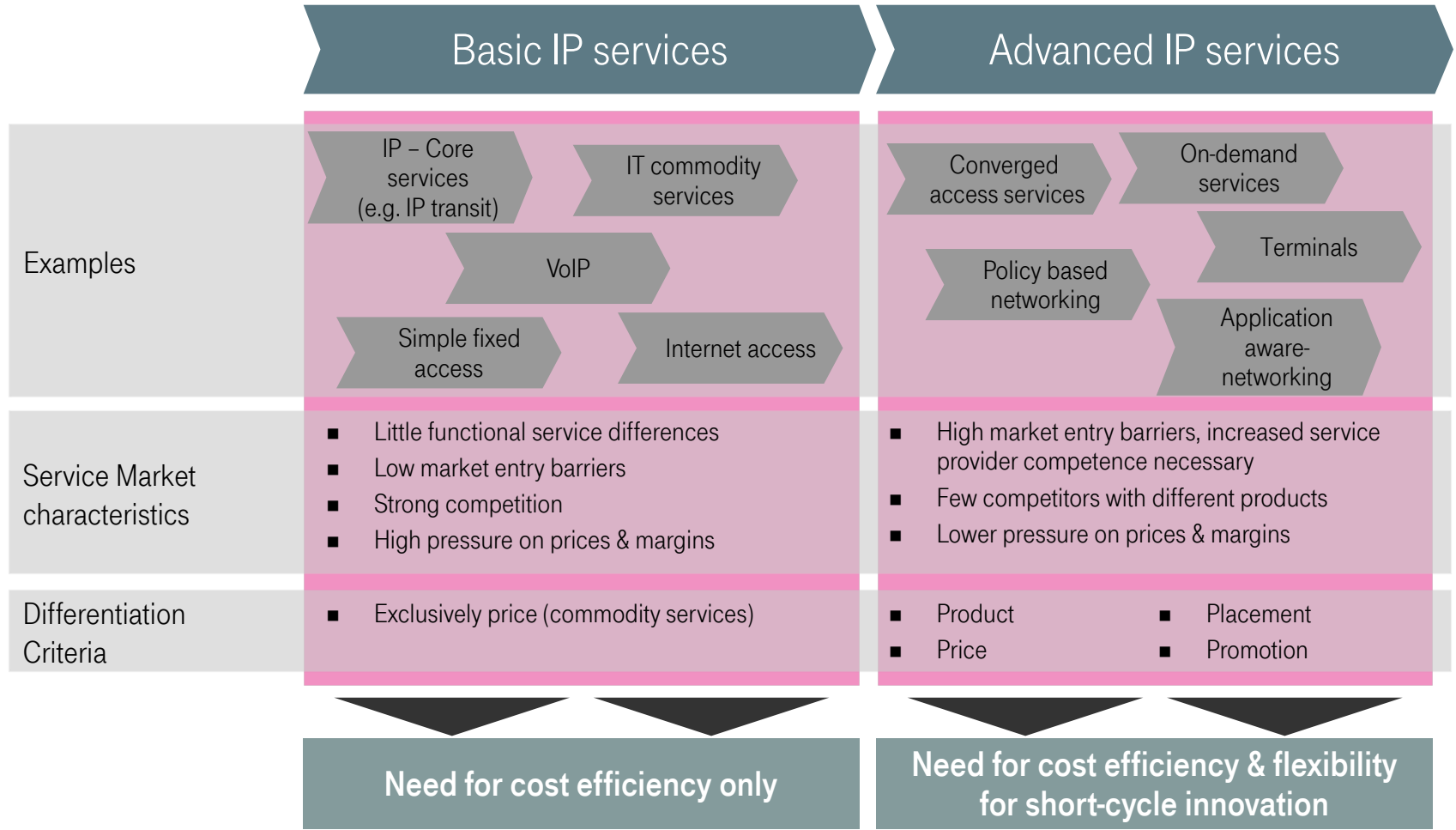
- On demand services
- Converges Access and Terminal
- Policy based networking
- Application aware networking

## Global IP based services

- IP connectivity services
- Intranet
- extranet
- voice and data convergence
- Security services:
  - Internal, Perimeter
  - web security
  - IT services

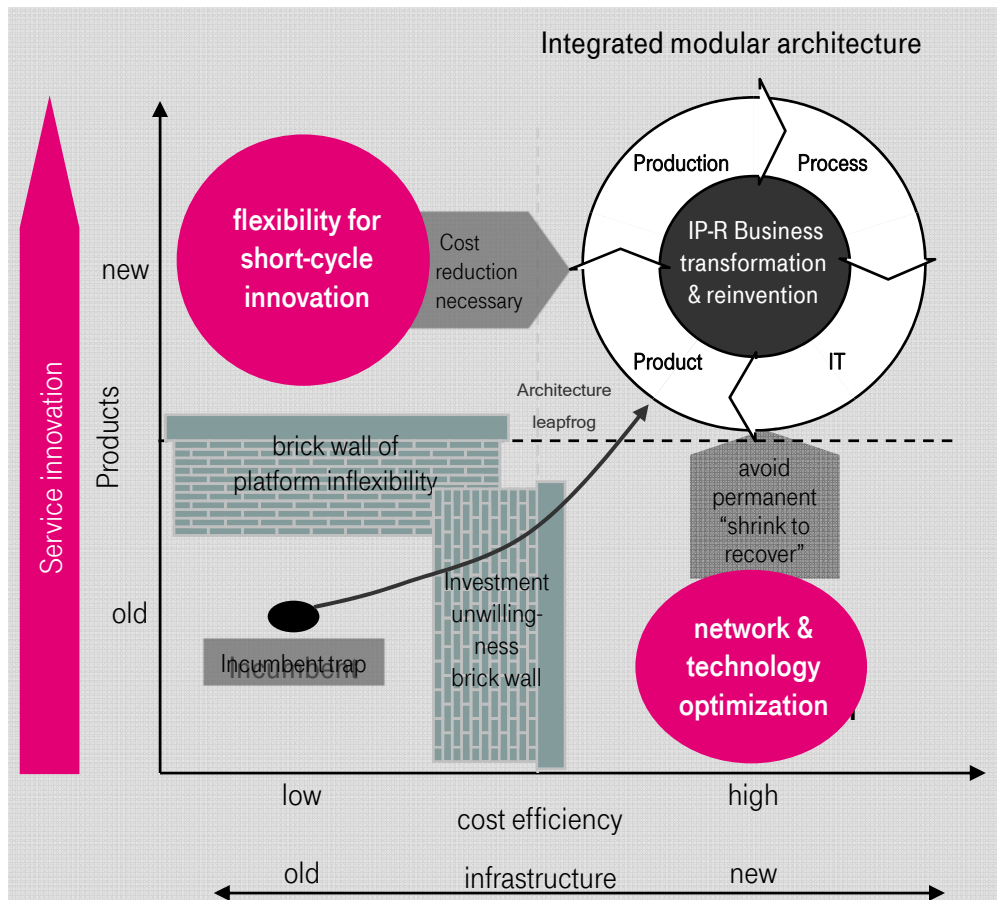
# Move to NGN is solution.

The IP technology life cycle has begun. Moving to IP is often confused to be a mere measure to increase cost efficiency only. That's wrong!



# AI-IP Strategy.

IP-Revolution aims at a complete business transformation to achieve both short-cycle innovation and infrastructure efficiency.



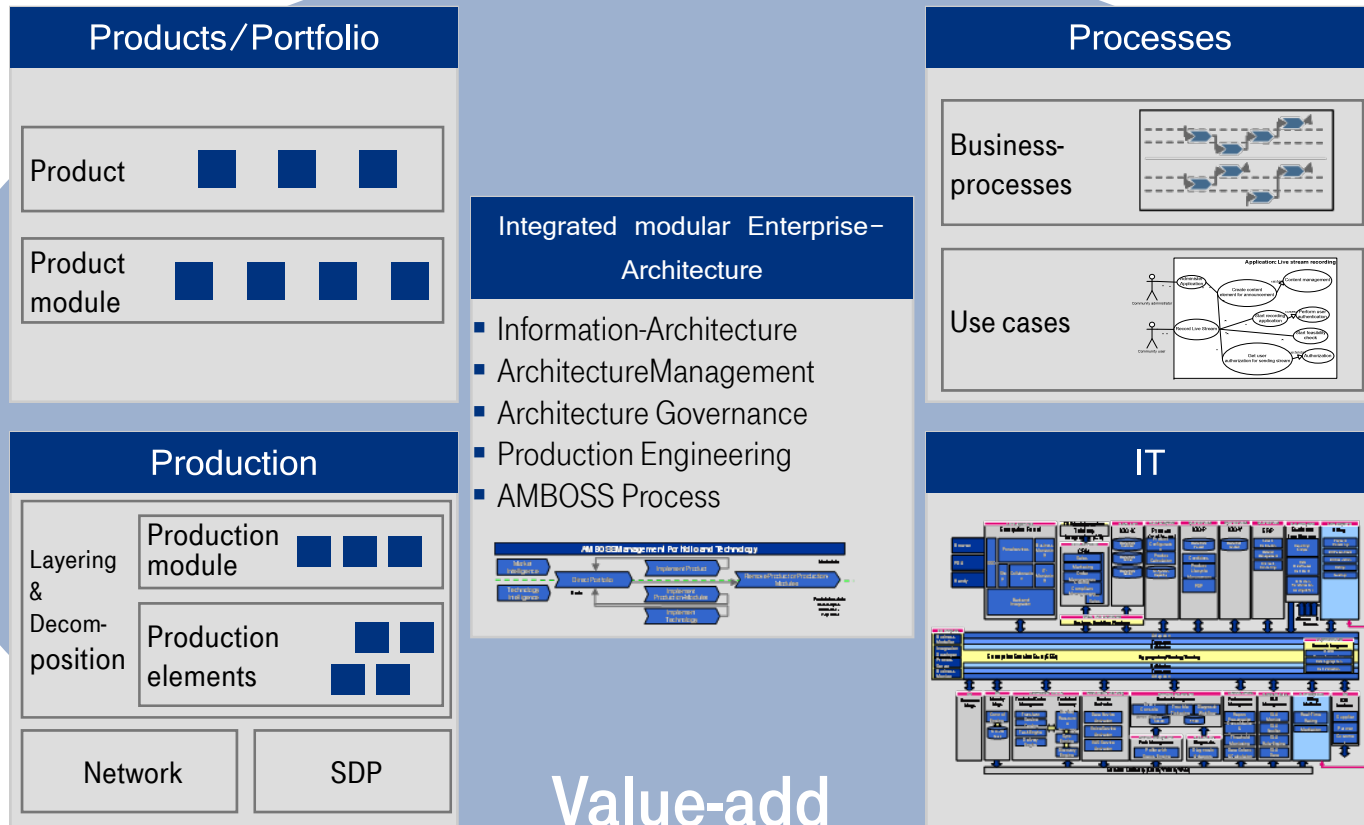
Source: Detecon analysis

## IPR as the only long term "mortgageable" solution

- The IP-Revolution vision is business transformation with the major goals of
  - revenue increase and
  - cost reduction.
- IP-Revolution will put into operation a highly efficient NGN - service provider that focuses on global business customers .
- A revolutionary architecture approach will result in a sustainable competitive advantage. Consequent modularization enables in high reusability of
  - product modules
  - production modules
  - processes elements
  - IT components
 and results in cost efficiency as well as flexibility.

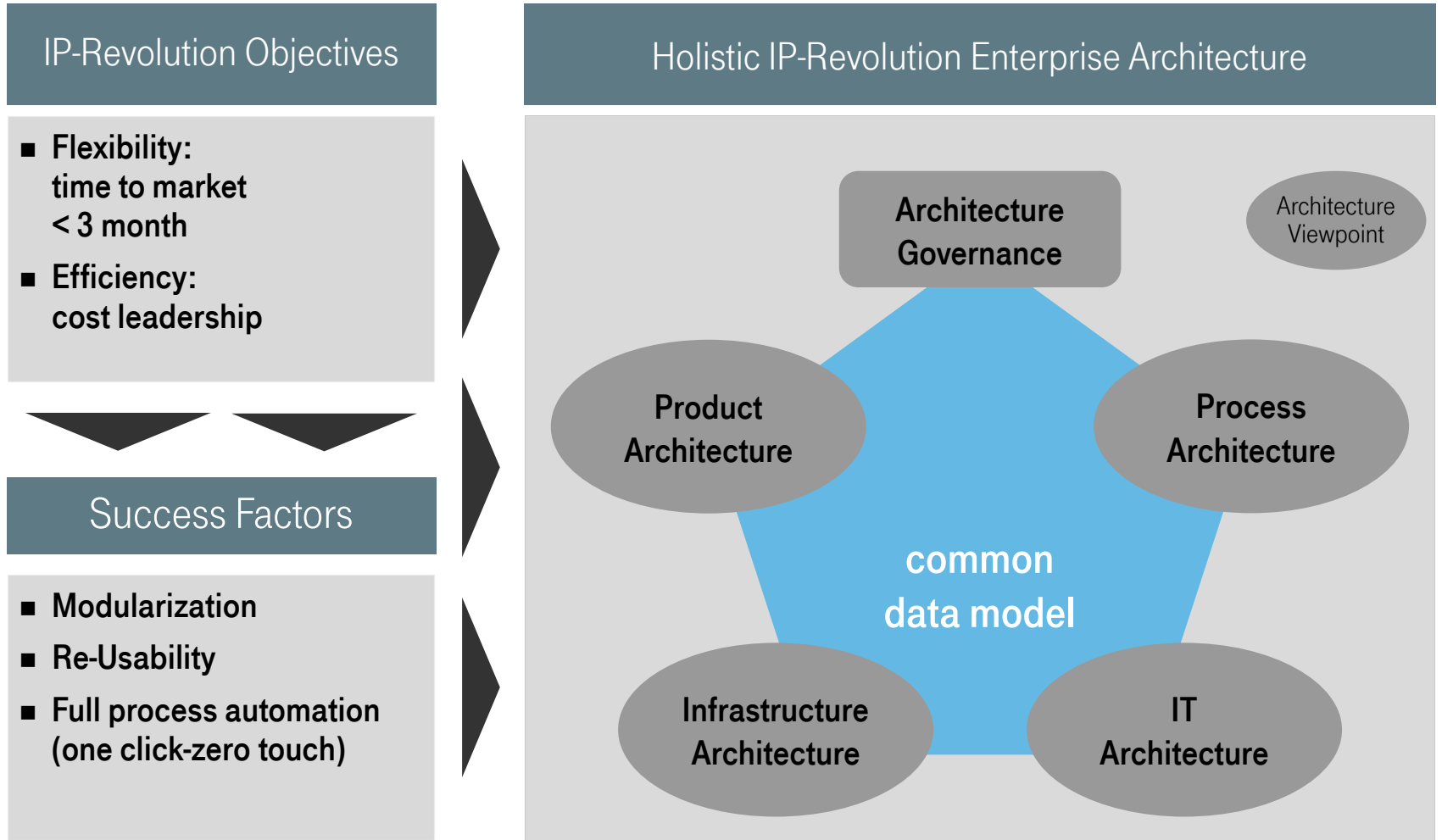
# IP-R fundamental:

All Enterprise-Architecture dimensions are directly linked to each other...



# Solution: Integrated Enterprise Architecture Approach.

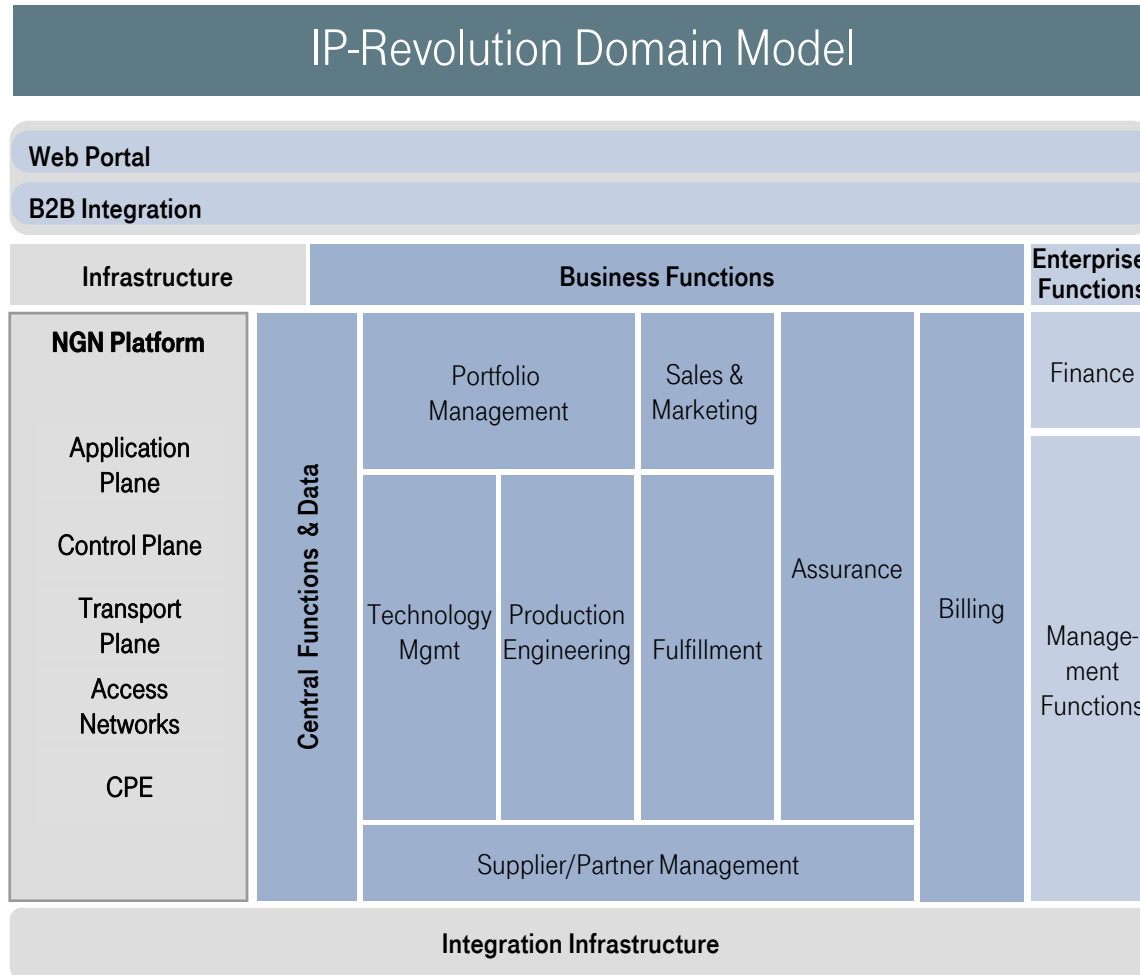
As part of the IP-Revolution T-Systems will re-invent its operations on the basis of a holistic enterprise architecture.





# The IP-Revolution Business Architecture.

IP-Revolution is organized into complete, non-overlapping domains linking infrastructure and business functions, IT, and processes.

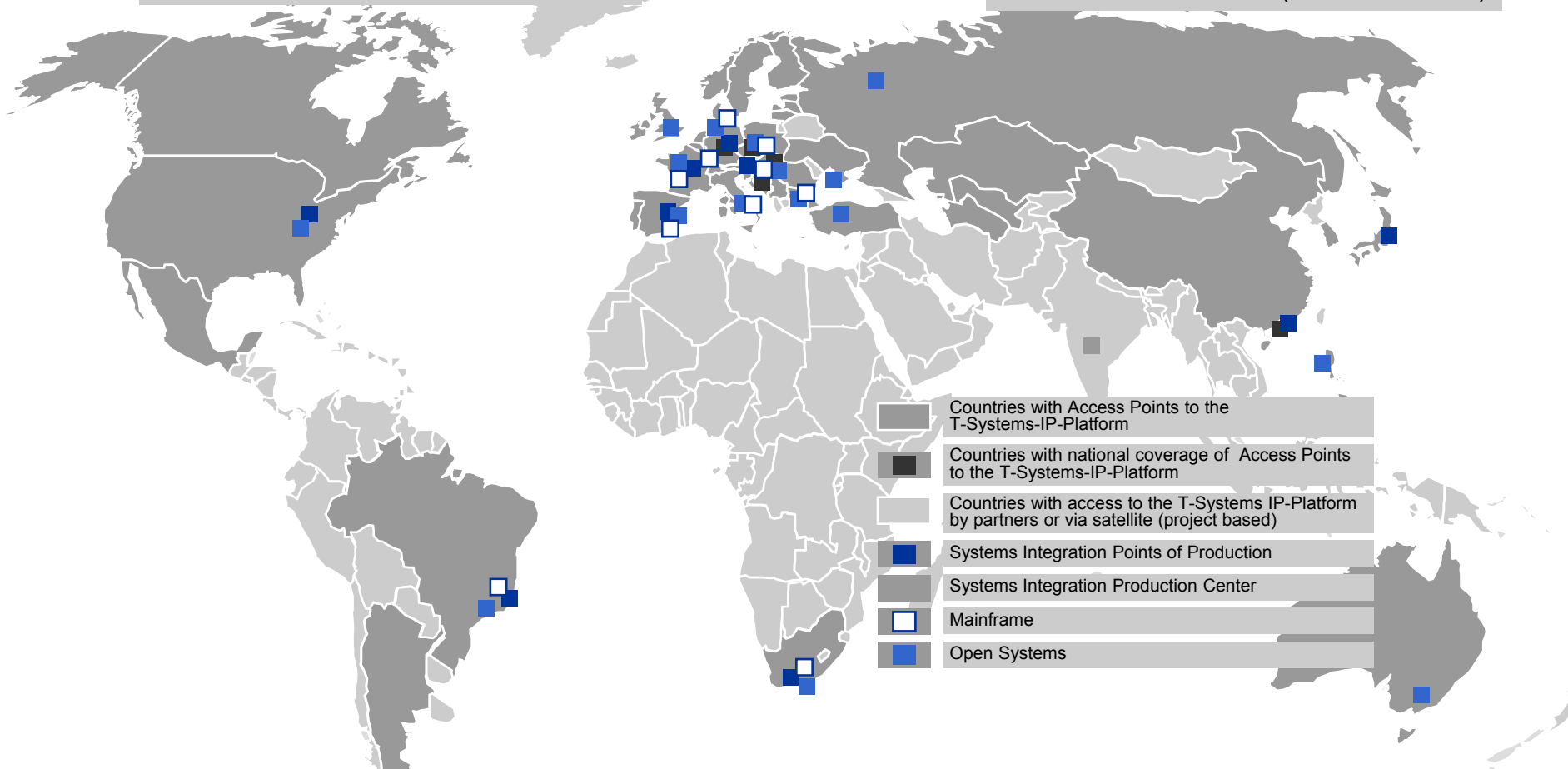


- ## Characteristics
- Clear accountability/responsibility through well-defined simultaneous ownership for business, processes and IT within one domain
  - Complexity reduction and manageability through clear separation of domains
  - E2E-aspects through integration infrastructure and overarching architecture management

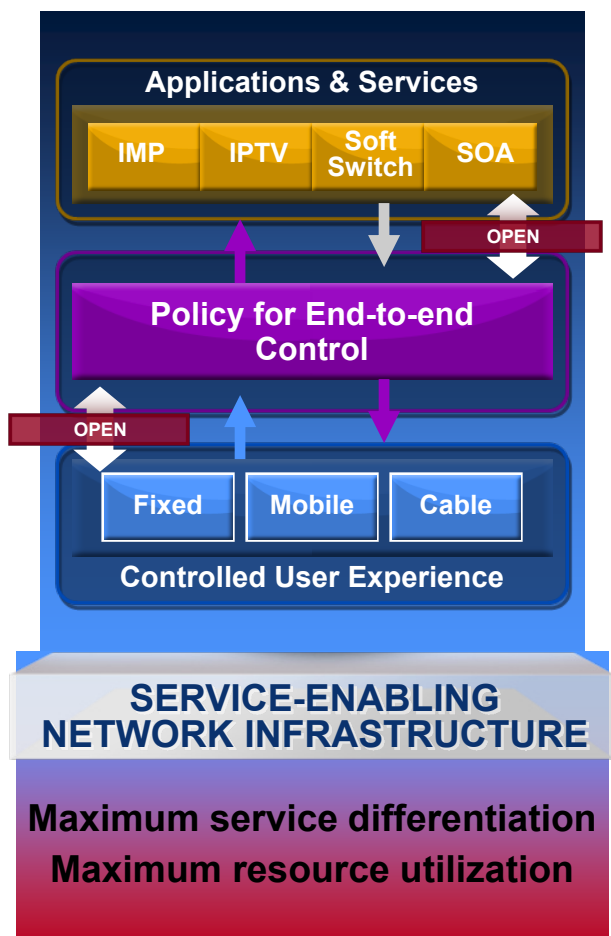
# T-Systems: Juniper High-Performance Network Coverage

High-performance data center network  
1.3 Mio work places in service worldwide

Global access to the T-Systems-IP-  
Infrastructure with QoS (based on MPLS)



# Juniper Service-Enabling Network Infrastructure; Monetizing the Network



## Expand and Accelerate Service Model Innovation

- Extend breadth of services
- Expand partner and market opportunities
- Enrich user experience
- Expedite deployment of new applications
- Reduce complexity, cost and risk

## High-Performance at Global Scale

- Open IP at network, policy and service layers
- Network intelligence, policy control and identity management
- Layered security
- Purpose-built Network OS, JUNOS
- Core to Edge routing



A look ahead:  
Profiting from the IP-Revolution experience

# T-Systems' new objectives.

Our customers will benefit significantly from IP business transformation and T-Systems will extend its competitive advantage.

## Unique selling proposition of IP-R

- **Strong loyal customer base** that will be migrated onto IP services
- **Economies of scale & scope** through large customer base and extensive coverage in Germany
- **High flexibility through consequent re-use** of modules in NGN architecture and resulting short-cycle innovation
- Highly skilled staff & **excellent integration capability**



## Immediate customer value add

- **Better services**
  - Advanced IP services
  - QoS as demanded
- **Better responsiveness**
  - On-demand services
  - Ad-hoc relationship management
  - Policy-based networking supported
- **Better prices**
  - Improved competitiveness based on reduced cost structure

# Summary.

## IP-Revolution key believes.

Powerful IT transforms business landscape

- Organisations move towards becoming a networking structure comprising internal core processes & external support processes provided by specialized partners.
- SOA architectures enable businesses to standardize processes and to outsource non-core processes, and by that to save costs and increase flexibility.
- Building efficient on-demand service delivery capacities for flexible, convergent services that enable policy based and application aware networking is the key task for business customer service provider.

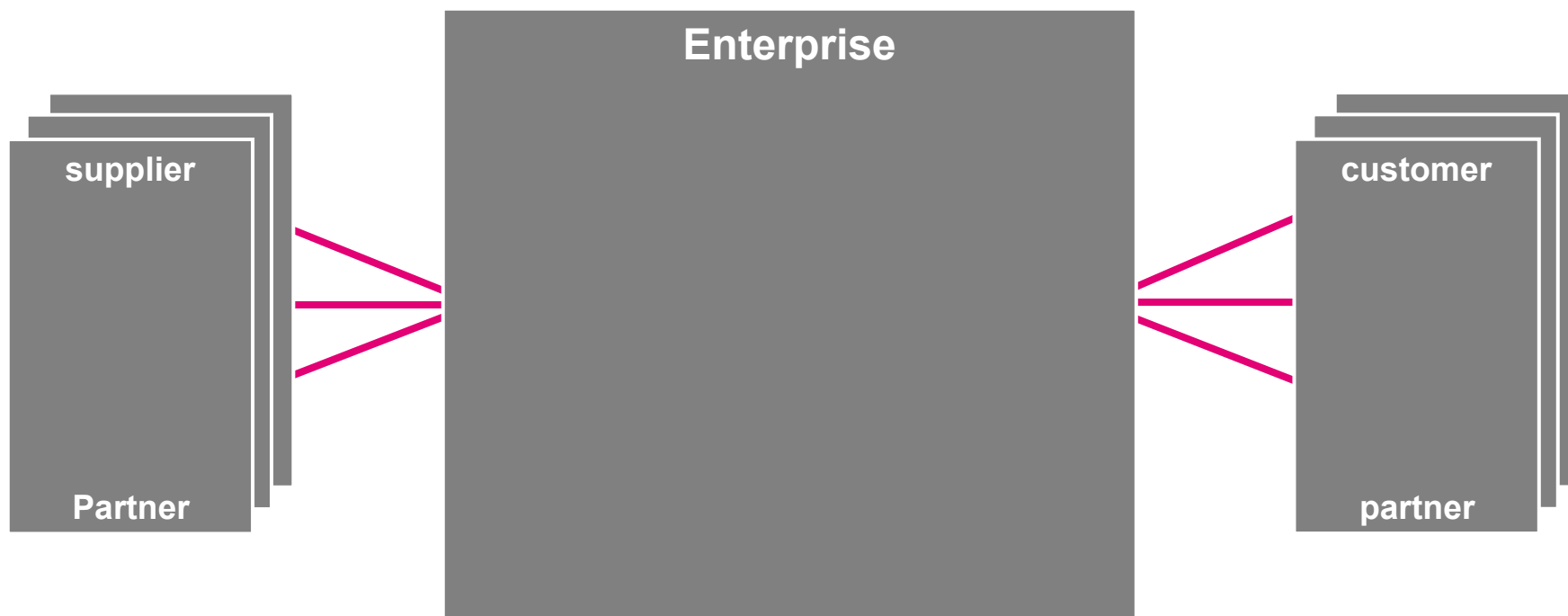
NGN architecture is the key

- Specialized legacy networks won't allow the necessary business transformation, therefore migration towards shared - "multi-service" IP networks is inevitable.
- It is not about IP only. The whole business architecture of managed service providers will change. Modularization & reuse are key points in multiple dimensions.

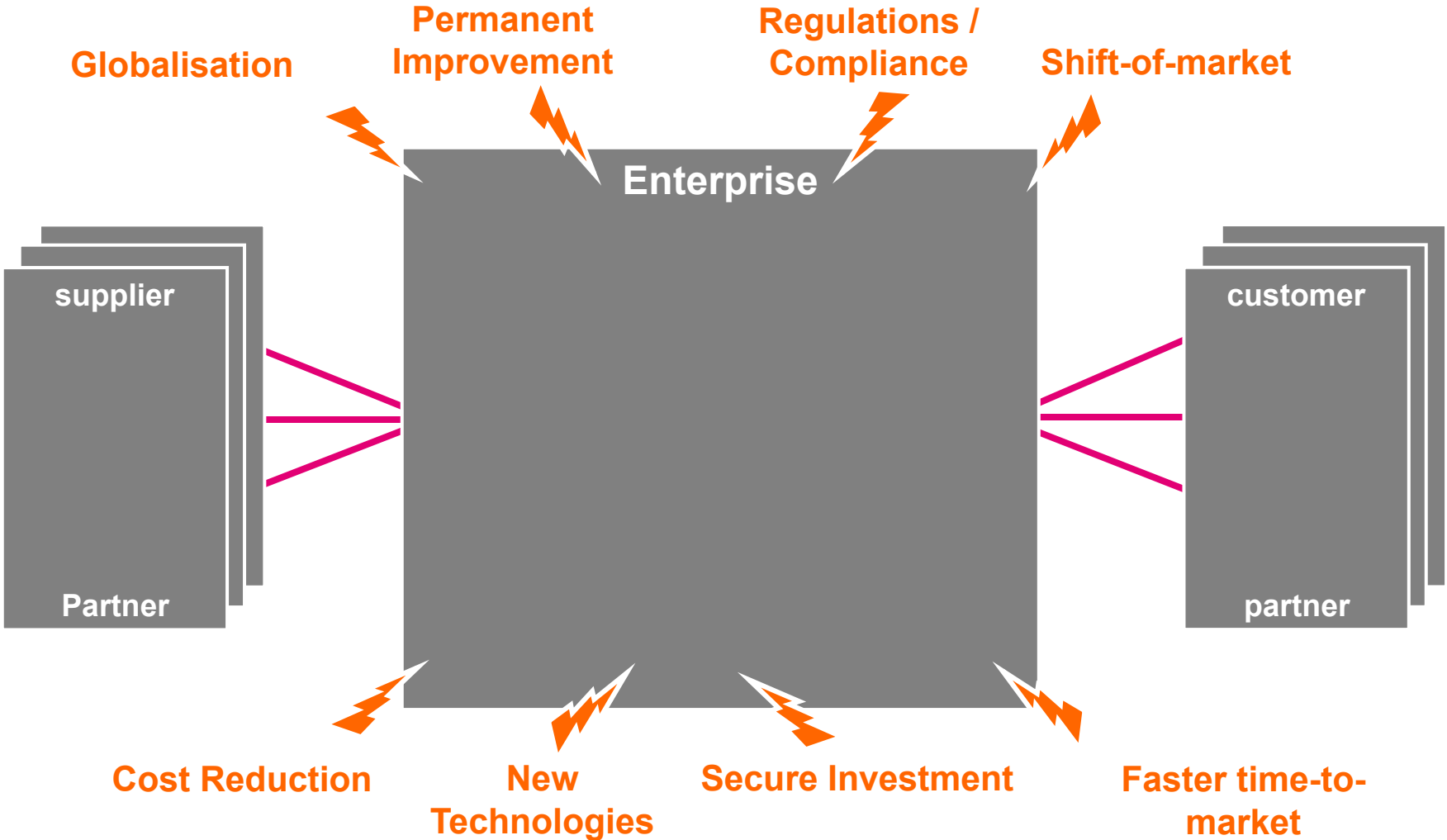
A win-win situation for customers & T-Systems

- T-Systems positions itself consequently and fast.
- T-Systems will migrate its customers within 5 years from legacy to IP services.
- Customers will benefit significantly from IP business transformation and T-Systems will extend its competitive advantage.

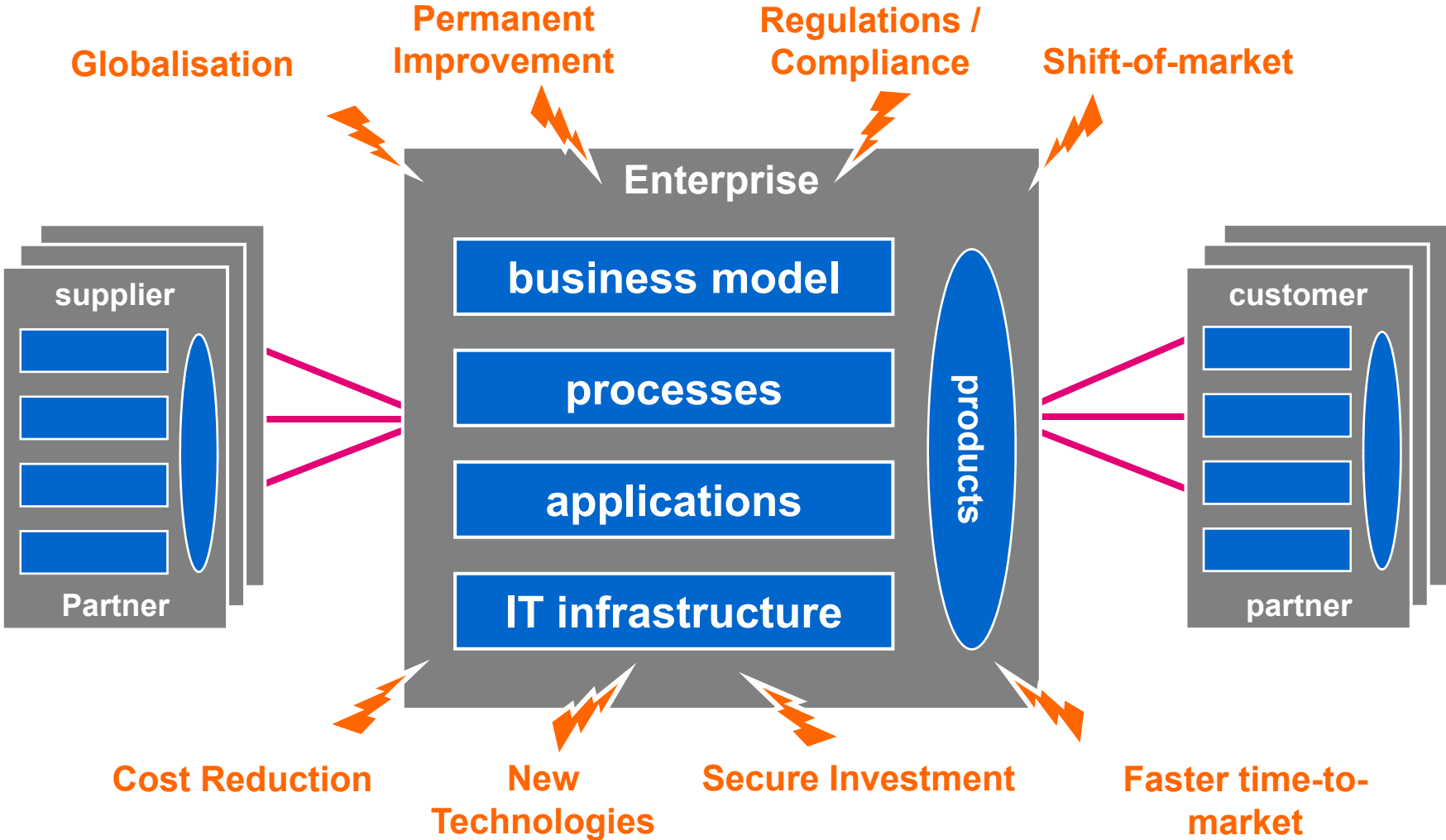
# Permanent Changes...will be our strength



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