



Product Line and Market Expansion Briefing

Phase 1 – The Entry Market

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March 31, 2004



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Securities Litigation Reform Act – Safe Harbor

- This presentation includes forward-looking statements regarding Brocade's new product introductions and SAN market growth opportunities.
- These statements are only predictions and are subject to risks and uncertainties. Brocade's actual results may differ materially from the results discussed in these forward-looking statements as a result of the risks set forth in our SEC reports, including our most recent quarterly report on Form 10Q for the quarter ended January 25, 2004.
- Brocade assumes no obligation to update these forward-looking statements.



Today's Agenda

- SAN Market Dynamics
- New Product Introductions
- Opportunities for Entry-level Products
 - Entry products in the enterprise
 - Entry products in Small-to-Medium Businesses
- Summary





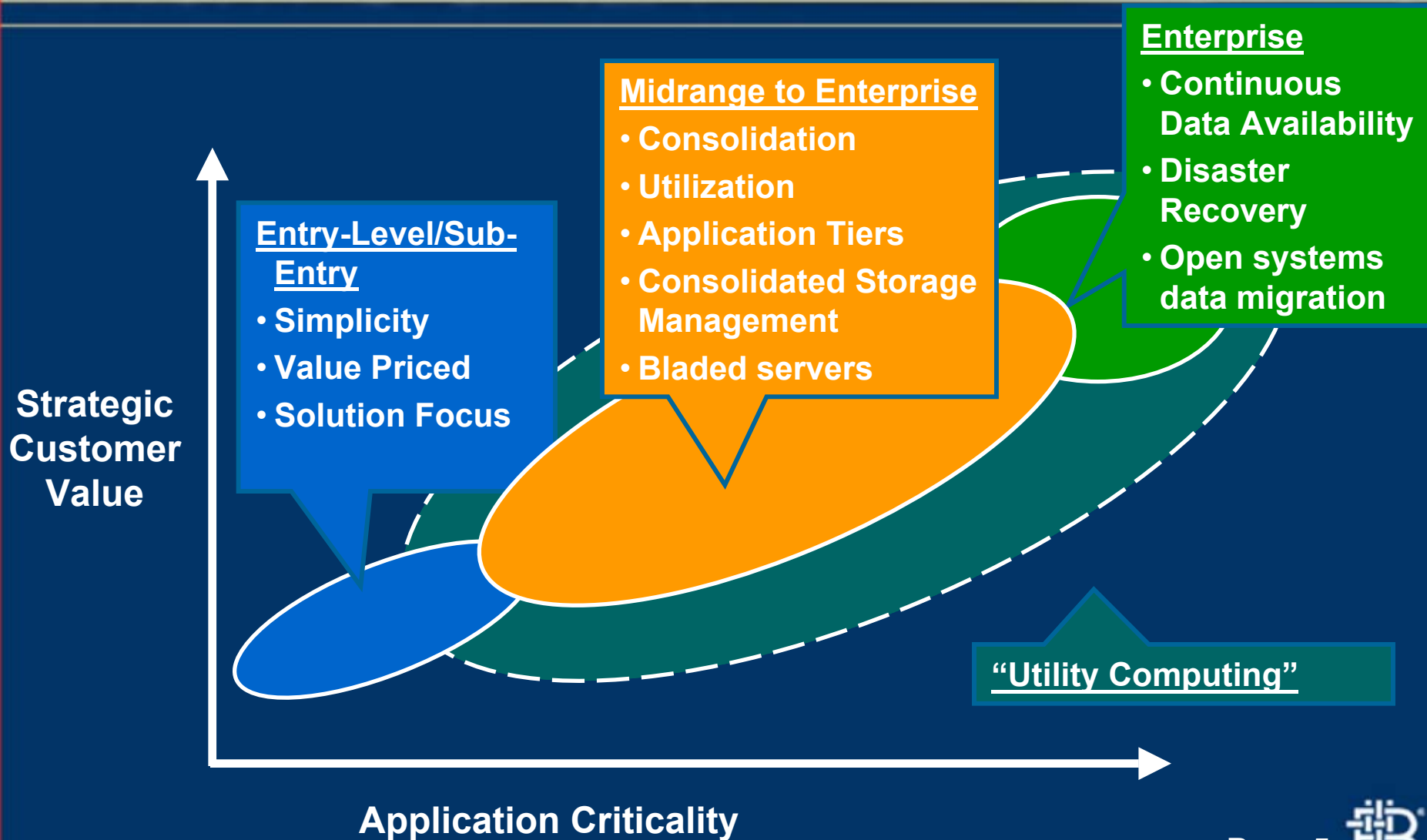
SAN Market Dynamics



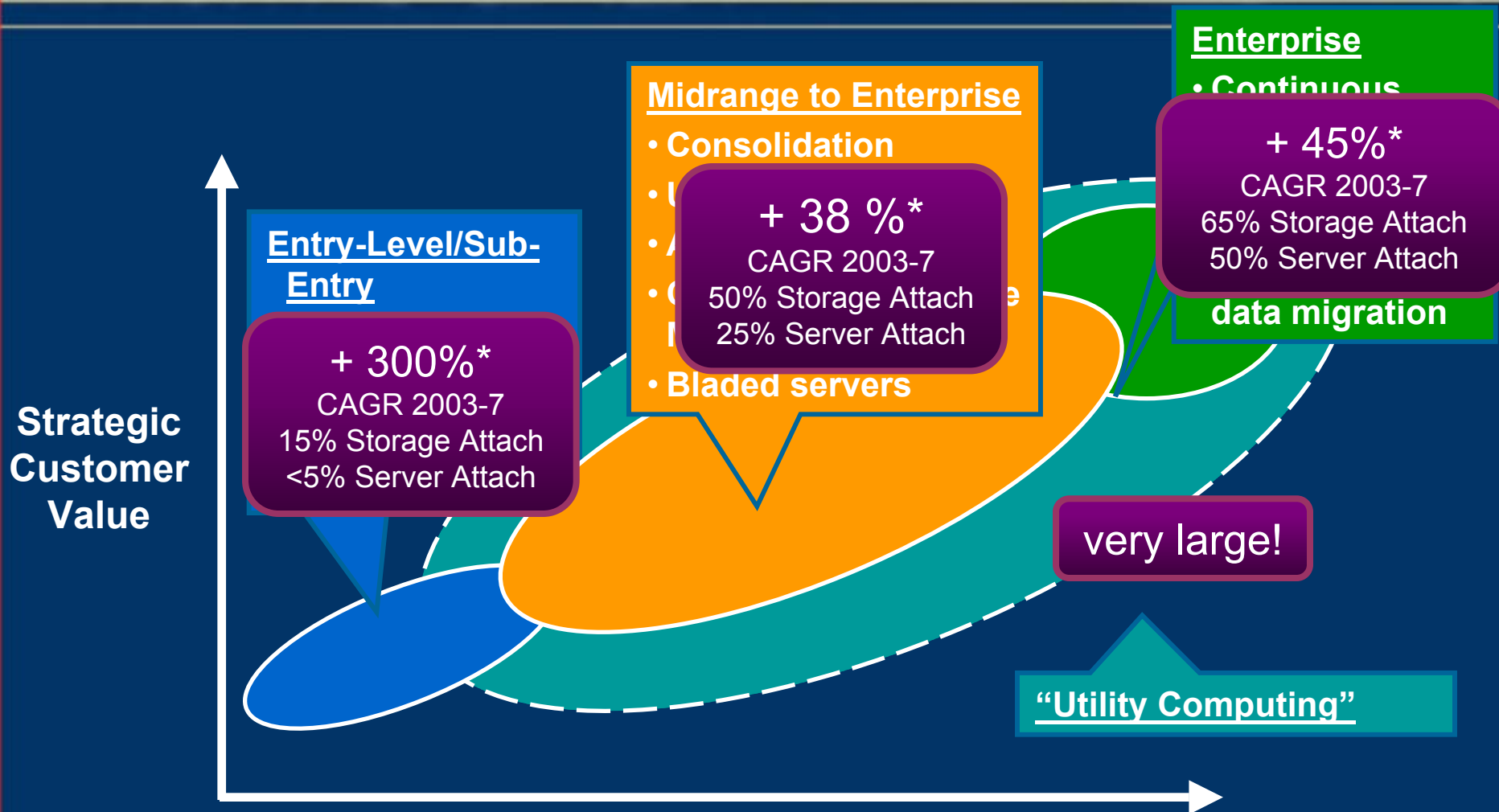
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The SAN Market is Rapidly Segmenting



Significant Growth Opportunities Per Segment



* Port growth

Application Criticality





Opportunities for Entry-level Products



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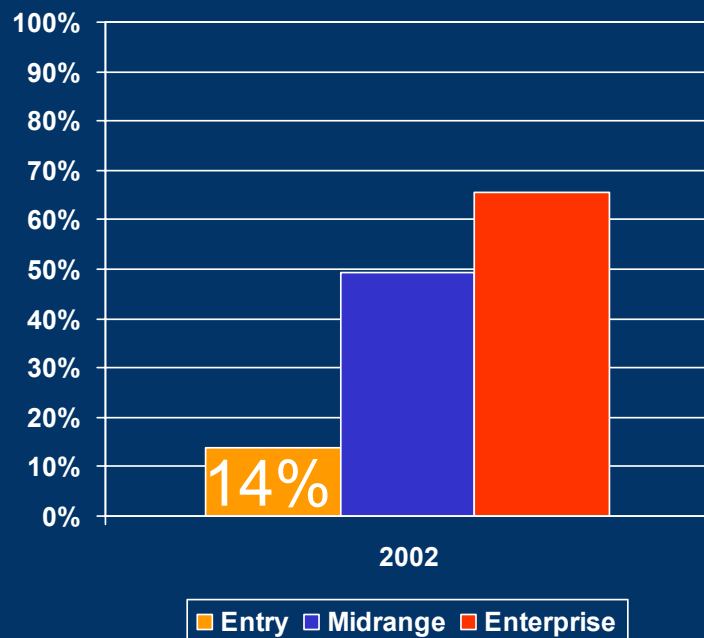
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Entry-Level SAN Segment

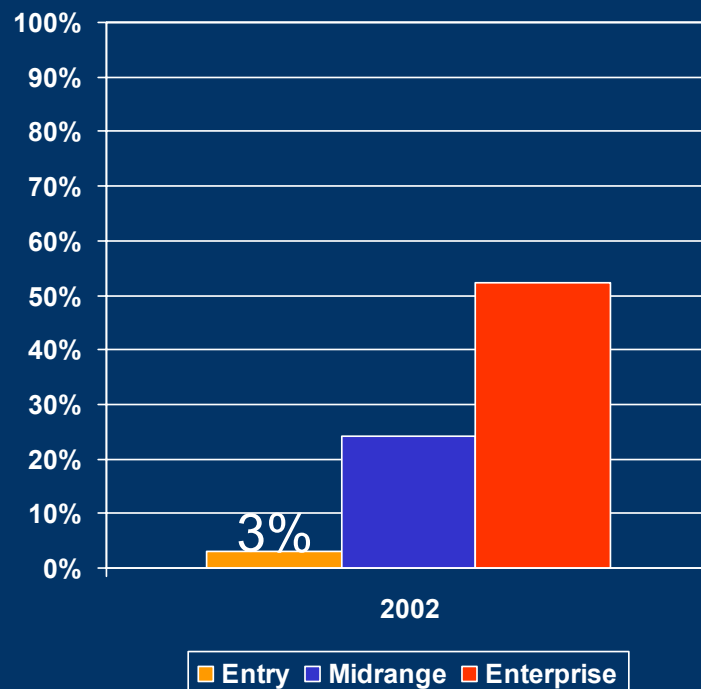
A Significant Growth Opportunity

- FC Attached **Storage Penetration** only **14%** Entry-Level
- FC SAN **Server Penetration** only **3%** Entry-Level

FC SAN-Attached Storage Penetration



FC SAN Server Penetration



Sources: Dataquest and IDC

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SMB Customer Requirements

They Don't Want SANs, They Want the Benefits of SANs...

SMB Customers Need:

- Reduced cost of connectivity and complexity for SANs
- Improved ease-of-use for setup and administration
- Resource sharing and greater distance over existing networks
- Seamless growth path

Brocade Response:

- Provide increased flexibility through a wide range of price points
- Develop utilities to simplify SAN installation, configuration & management
- Implement single code base from entry to enterprise
- Deliver non-disruptive upgrade path



Brocade Experience & Leadership in Entry Level SANs

Jan 2003

Gold winner for Best Product of the Year—networking equipment, TechTarget's Storage magazine and SearchStorage.com



Dec 2003

Best Joint Partner Solution with DELL/EMC Clariion CX200 from "01 Réseaux"



Feb 26, 2002

Introduced the SilkWorm 3200



April 2003

Began shipping w/ HP MSA 1000



Mar 2004

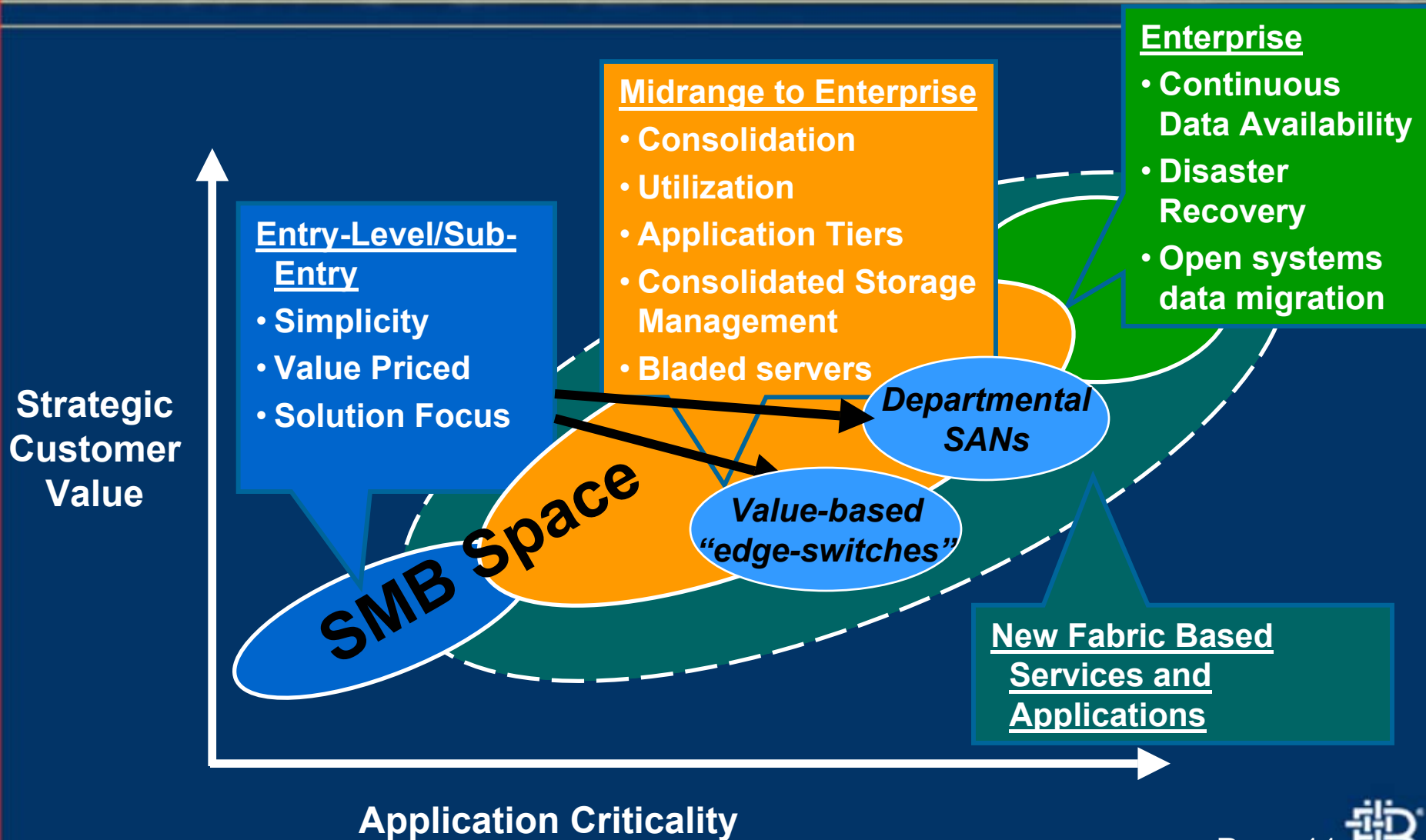
Introducing the SilkWorm 3250 and 3850



Jan 2002 April July Oct Jan 2003 April July Oct Jan 2004 April



Entry Products Have Multiple Use Cases





Today's Announcement



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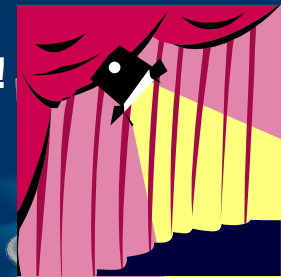
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Expansion and Extension

Lower at the Low End – Higher at the High End

- Entry-level to enterprise solutions
- Fully compatible building blocks
- Based on a common, intelligent technology
- Advanced software services and management

Coming Soon!



SilkWorm 12000



SilkWorm 3900



SilkWorm 3800



SilkWorm 3850



SilkWorm 3250



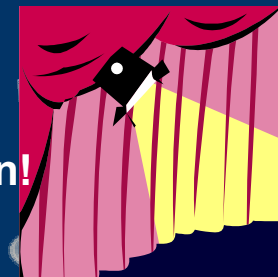
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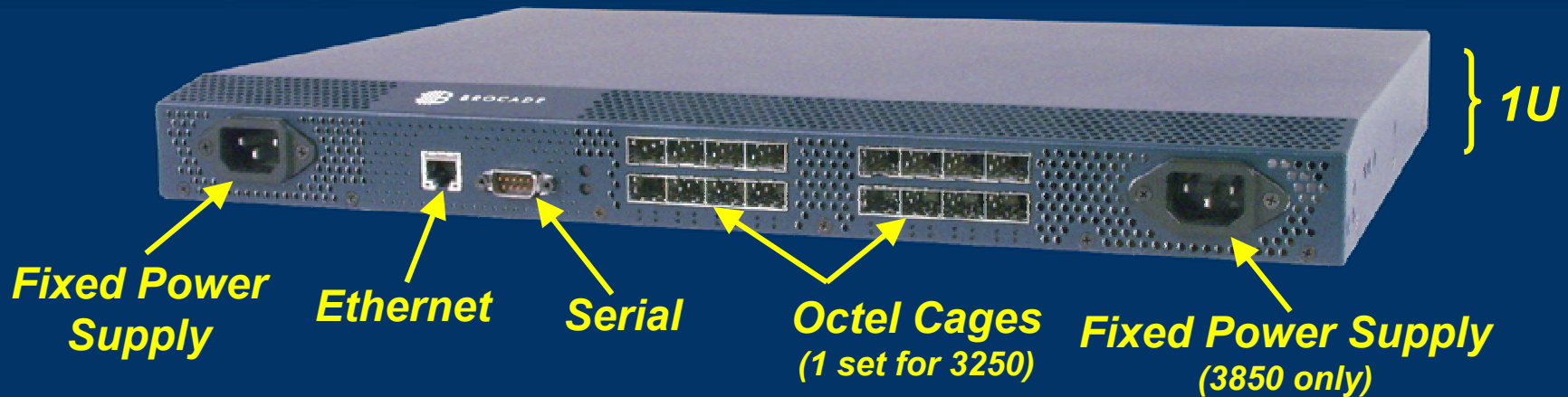
Coming Soon!



Coming Soon!



New Cost Points, Advanced Simplicity



Hardware Platform

- 8 & 16port Versions
- 1 or 2 Gb/sec
- Fully non-blocking switch
- 1U – T/T and Rack Mount
- 4th Generation Bloom II ASIC
- Entire Switch is FRU
- SW & LW SFP Support

Fabric OS Software

- Version 4.2
- Compatible to FOS 2.6.1
- Hot Code Activation
- Common Code Stream

Optional Software

- Secure Fabric OS
- Extended Fabric
- Remote Switch
- Fabric Watch
- Performance Monitoring
- ISL Trunking

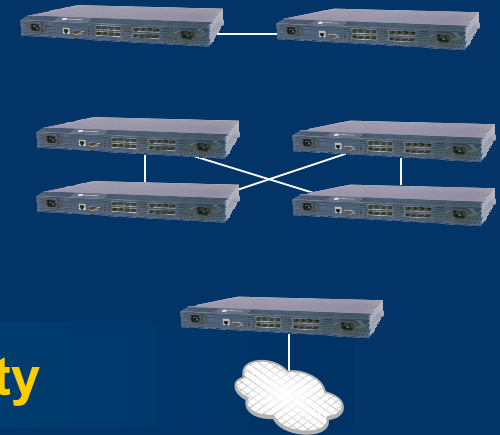


SilkWorm 3250 & 3850

Key Differentiation and Benefits

Ease of Use: From Setup to Administration

- Rapid deployment with minimal configuration
- Easy growth and integration into IT environments
- Little or no management required in small fabric configurations



Reduced Cost and Maximum Growth and Flexibility

- Brocade's lowest-cost 8-port and 16-port SAN switches
- 5 price-performance points across 2 platforms
 - Differentiate by size of fabric
- Simple upgrade packs as needs evolve

5 Configuration
Options
in Only 2 SKUs



Entry-level Customer Use Cases

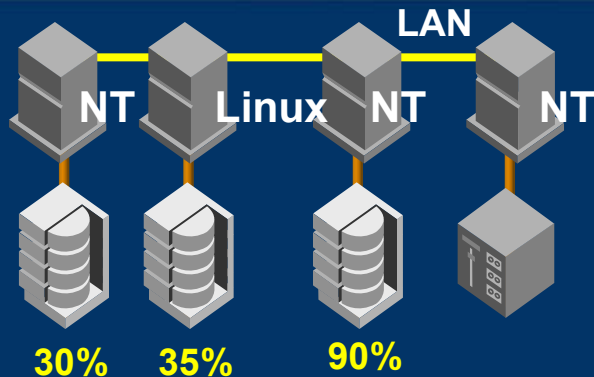


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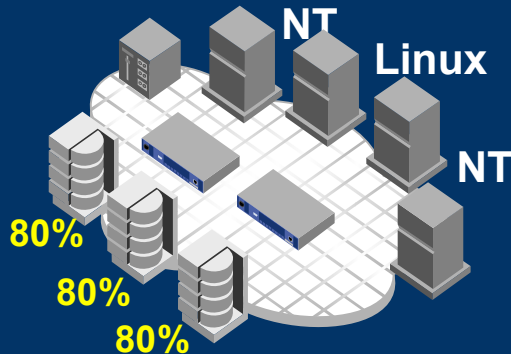
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Entry products in SMB

Increased Storage Utilization through DAS-SAN Migration



Existing external direct-attached
Fibre Channel RAID storage



New SAN-attached
Fibre Channel RAID storage

Sample Customer Profile

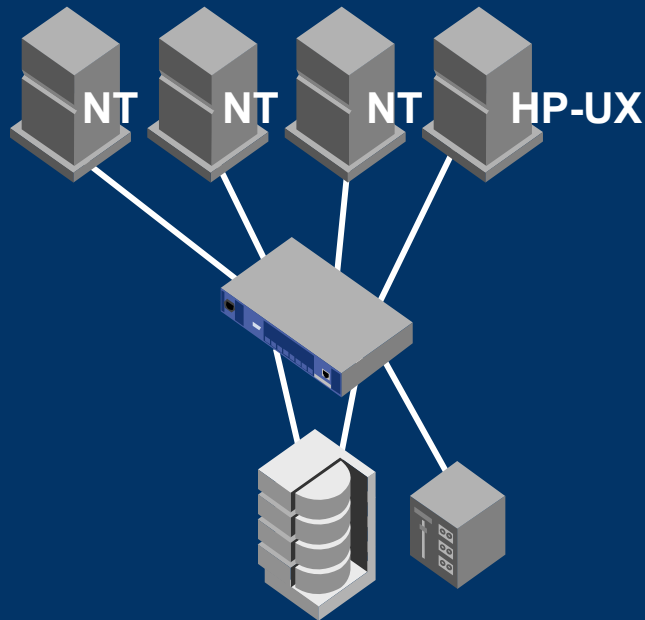
Customer	Electronic Instrument Control Company
Employees	350
Revenue	\$82M
SAN	Dual SilkWorm 3850
SAN Applications	Microsoft SQL Server Database Oracle 9i Database on Linux Windows NT File & Print Services
Servers	Linux / Windows NT
Key SAN Purchase Drivers	Improved Capacity Utilization Centralized Backup Continuous Data Availability Open systems data migration



Entry Products in SMB

Lower Cost of Management through Storage Consolidation

Many hosts share storage resources, resulting in easier storage management and lower TCO



Disk and Tape resources are consolidated into a centralized storage environment

Sample Customer Profile

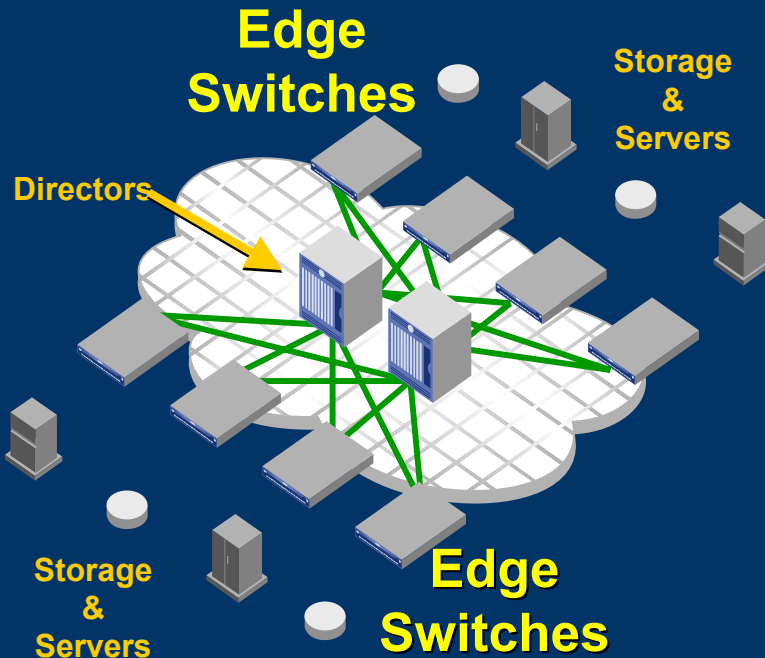
Customer	Small Communications Services Company
Employees	75
Revenue	\$20M
SAN	Single 8 Port SilkWorm 3250
SAN Applications	Microsoft Exchange Storage Consolidation Backup
Servers	Windows / HP-UX
Key SAN Purchase Drivers	Rapid E-mail Growth Reduced Systems Management –Storage Consolidation –Centralized Backup



Entry Products in the Enterprise

Low-cost Edge connectivity for Core-to-Edge SANs

Sample Customer Profile

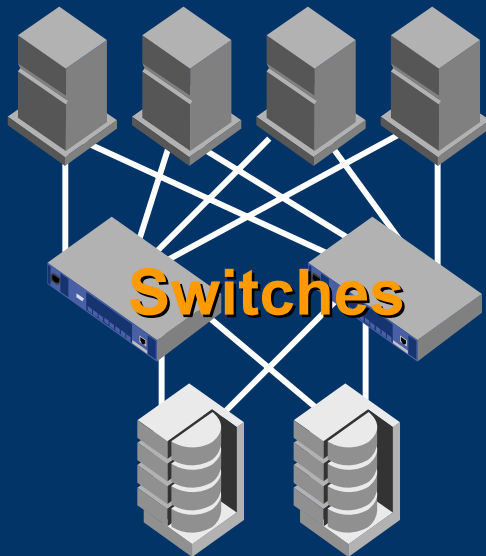


Customer	Large Consumer Package Goods Company
Core Network	4 SilkWorm 12000's 10 Edge switches integrated with EMC storage solution
SAN	100's of ports
SAN Applications	SAP ERP & Data warehouse Database (SQL/Oracle) Clustering Storage Consolidation Distance Back-Up/Disaster Recovery
Servers	Unix / Windows / Linux
Key SAN Purchase Drivers	Scalability Storage Consolidation Continuous availability Disaster recovery Open systems data migration

Entry Products in the Enterprise

Cost Effective SAN Islands for Departmental Applications

Many hosts share storage resources, resulting in easier storage management and lower TCO



Storage resources are consolidated into a centralized storage environment

Sample Customer Profile

Customer	Large Financial Services Company Departmental SAN
SAN	Dual SilkWorm 3250
SAN Applications	Sybase Adaptive Server Database VERITAS Cluster Server Custom Trading Application (Java)
Servers	Solaris
Key SAN Purchase Drivers	Continuous Data Availability Storage Capacity Expansion

Summary of Today's Announcement

- SAN Market Segmentation Leads to New Opportunities
- Entry-level is a Large Incremental Growth Engine for Brocade
- Brocade is Delivering Best-in-Class Entry Level Products
- Brocade Will Capitalize on Product Line and Market Expansion

We'll be back to you to talk about the
Next Phases of Product Line & Market Expansion



Thank You!



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