



Rating assessment: 3,0

From three blades it starts to be unlikely to experience a failure in operations. Provider's capabilities are well suited for specific use cases.

Provider X

ASCAMSO Rating Report (unsolicited)

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Executive Summary

Provider X, founded in YYYY in X, emerged as a pure IaaS provider with affinity for innovation. This is exactly how the company is seen within the cloud industry with its utility approach and open platform. With its relatively small team with approximately XY people, the company operates eight data centers in X and Y. Based on its multi-continent presence, Provider X is reflecting on the data security issues offering strict legal separation between its Y locations, subject to the Y law, and its X locations, subject to the local X regulations.

In a world of intense competition and strong pressure by the biggest players in the industry, the company is stressing its focus on its core IaaS. Even though, not the biggest player on the market, Provider X is showing strong commitment to innovation. The company has been one of the first in the industry to adopt a ground-up strategy to build a computing platform with a low environmental impact.

In terms of security and compliance Provider X comes with a long list of accreditations. All data centers have been certified for ISO 27001, SOC-1 and PCI DSS (Payment Card Industry Data Security Standards). Additionally, its Y data center is holding "Silver Leed Certification". On the technical front we see Provider X offering average performance with well-distinguishable strong and weak points.

On the Service front, Provider X is committed to a quality service through its Service Level Agreement based on 3 different pillars – virtual server availability (100%), network uptime guarantee (100%) and latency (1ms or less). The breach of whichever of the 3 pillars leads to a refund capped at the monthly fee paid. The company provisions a number of limitations and exceptions where the SLA commitment will not apply. In our opinion, the SLAs are within the lines of the required minimum for corporate usage, never the less, caution should be applied as exceptions from the SLAs are provisioned in cases of maintenance announced at least 24 hours in advance.

On the price performance side, Provider X surprises with its results especially in the small size segment. The EUR/MASC rate for 1 Core 4GB setting is excellent, showing considerably better results than the market average. The performance in the medium class of 4 Cores – 16GB RAM shows results comparable to the market average. Unlike the small resource types offered by the company, the larger resource instances are at higher price levels per MASC compared to the market offering.

Recommended use cases: In our opinion, based on the technical capabilities and technical performance of Provider X is a good fit for both Simple and Complex web applications.

Detailed Rating Observations

Our model takes into consideration four different dimensions which contain essential features measuring the performance, the capability and the current and the future prospects of every cloud platform. These dimensions explore in details the technical capabilities, the technical performance, the service performance and the "Restainability"¹ of every service provider. In terms of factor importance or weights, the technical aspects count for 60% of the total score while the service and Restainability parts count for 40% of the total score.

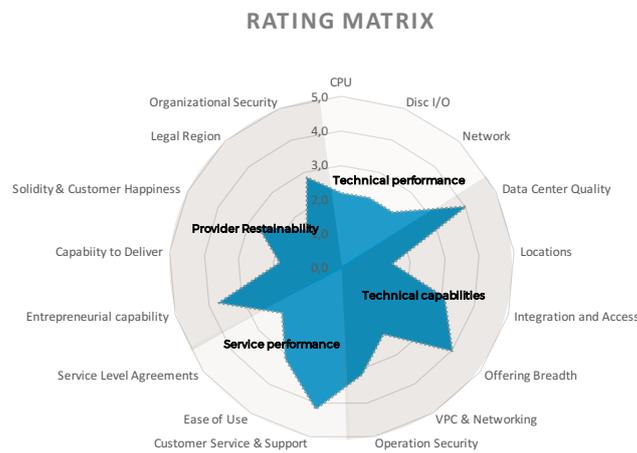


diagram 1: Rating Overview - all dimensions

The net diagram shows clearly the strong points Provider X has in terms of Customer Service and support and Offering breath. The company provides its customers with a dedicated support center located in X with 24 hours ongoing free support. Additionally, Provider X offers relatively good variety of Linux and Windows system with max CPU capacity at 32 cores and 128 RAM. Yet, the company does not offer great variety of locations, with most data centers being located in X and Y. This might be an issue especially with customers aiming for the Z market.

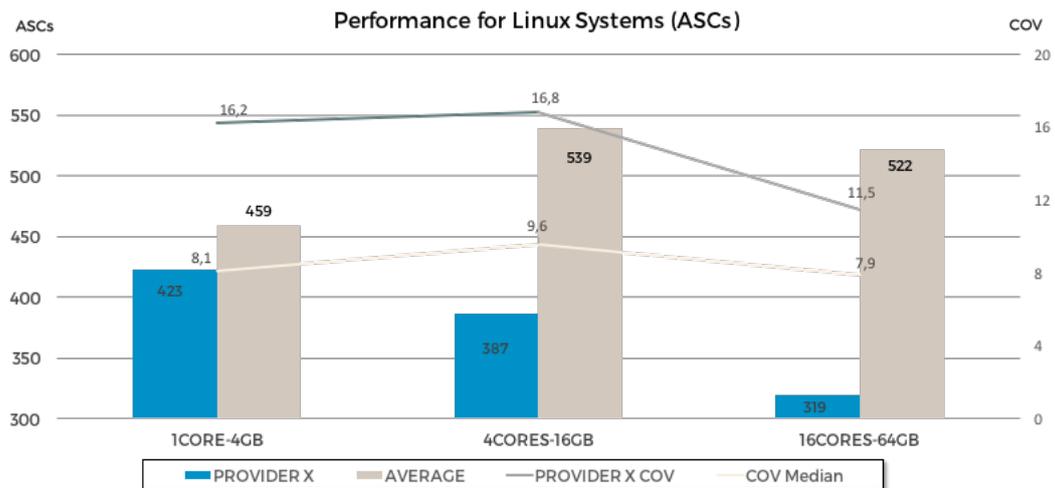


diagram 2: Performance Assessment²

¹ The term Restainability is a combination of the reliability and sustainability of the provider, in our view equally important features for a suitable partner for a business enterprise.

² The analysis is based on the tests carried up to date. Output may vary in the future/ The CPU performance is presented as ASCs per core for data center location - country x.

The Technical performance has been validated by our in-house benchmarking study, where we have compared a set of providers versus the “Market Average”. Provider X gets very close to the market average in the segment of small instances with 1 Core and 4 GB RAM, but is lagging behind in the medium and larger instances. In terms of variability the company is showing higher than the market variance especially in the small instance classes.

SWOT Analysis

Assessing Provider X position, several aspects appear to be worth looked at in detail. The following table outlines the core strengths and weaknesses we have identified.

| STRENGTHS | WEAKNESSES |
|--|---|
| <ul style="list-style-type: none"> ▶ Dedicated Customer Support Center in X, to provide consistent service for all customers regardless of their geographical presence. ▶ Simple and user-friendly platform, suitable for inexperienced users. | <ul style="list-style-type: none"> ▶ Lacking local data center in Z. Even though there is a dedicated center in Q serving the Z market, it does make an issue for the customers looking for regional Z data center, |

Even though Provider X positions itself beyond purely regional player through its dedicated data centers in Y and X, in order to transform itself to a true global player the company needs to invest in its data center locations, more heavily so it may have the means to tackle the game of the big players on the market and offer wide zoning that is associated with the best in the industry.

Compliance and Security

The public awareness stamped “Cloud” and “Security” as two almost incompatible subjects. However, from our point of view this statement does not necessarily hold true. Solid Data center design can be achieved on public infrastructure as well as on private one. We do recognize, however, that the public infrastructure is prone to unexpected performance impacts and dedicated attacks, probably on much grader scale than the private infrastructure. Furthermore, as an additional issue, on many occasions the security protocols and true capabilities of the providers are not always transparent to the general public.

We, as an analyst are overcoming this obstacle by providing a number of relevant security certifications. The Certifications can be categorized, in terms of importance as “Important”, “ideal” and “nice to have”. Provider X has certified its compliance in terms of security by providing the following certifications:

| IMPORTANT | IDEAL | NICE TO HAVE |
|---|------------------------------|--|
| <input checked="" type="checkbox"/> ISO/27001 | <input type="checkbox"/> CSA | <input type="checkbox"/> SOC Reports |
| <input type="checkbox"/> EU Model Clauses | | <input type="checkbox"/> PCI |
| | | <input type="checkbox"/> COBIT |
| | | <input type="checkbox"/> ISO/IEC 20000 |

The SOC 1 Type 2 and PCI certifications are widely adopted across all data center locations. The ISO Certifications are awarded to the majority of data centers, Q being the only one without ISO 27001 certification. Additionally, Y holds Silver Leeds certificate – specialized and extensive security certification. Provider X does offer to its customers copies of all certifications upon request.

Pricing Analysis

Besides all functional aspects, the pricing model plays an important role on grasping a cloud provider true standing. To provide reasonable decision support information we are considering two separate aspects – on one hand, we explore the analysis of the price/performance ratio, on the other hand, the price sensitivity for outgoing traffic.

To judge the first aspect – the price/performance ratio, we measure a fixed amount of work to be executed. This is represented by the “Meta ASC”. Knowing the computing capacity (ASC) of a particular system configuration provides, the EUR/hour price can be nominated and therefore captured.

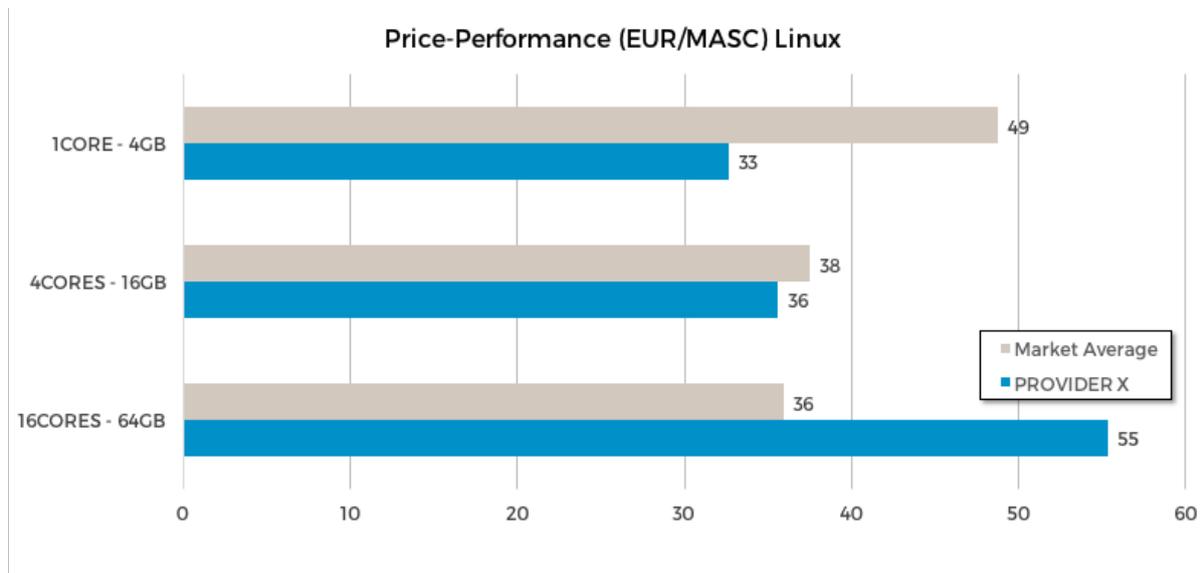


diagram 3 : Price-Performance Comparison

The overview of the selected system classes shows better price performance in the smaller instances compared to the positioning of the market average. It is exactly in the small systems that Provider X has significantly better EUR/MASC standing, however we should note that this instance is the one that shows most variation in performance. The larger instances keep their price/performance efficiency at disadvantageous position compared with the market average.

Rating Card

The Rating Card has been introduced to give a detailed overview of a particular provider capabilities in a concise and understandable manner. To get a grip on the dimensions and criteria rated on this card you may refer to the whitepaper on our Rating Model.

| | | <- Very poor (0) | Average (2.5) | (5.0) Excellent -> | |
|-----------------------|----------|------------------|---------------|--------------------|---|
| Technical Performance | CPU | | 2,2 | | Technical performance in line with the market average |
| | Disk I/O | | 2,2 | | |
| | Network | | 2,2 | | |

| | | <- Very poor (0) | Average (2.5) | (5.0) Excellent -> | |
|---------------------|----------------------------|------------------|---------------|--------------------|--|
| Service Performance | Customer Service & Support | | | 4,2 | Dedicated Service center achieving consistency of service across all regions |
| | Service Level Agreements | | 2,2 | | SLA in line with the market average |
| | Ease of Use | | 2,2 | | Relatively simple and easy to use platform |

| | | <- Very poor (0) | Average (2.5) | (5.0) Excellent -> | |
|------------------------|------------------------|------------------|---------------|--------------------|--|
| Technical capabilities | Data Center Quality | | | 4,0 | Good data center quality - majority of DCs designed as Tier 3 and Tier 4 |
| | Locations | | 1,5 | | Presence in X and Y |
| | Integration and Access | | | 3,1 | Relatively good secure access features |
| | Offering Breadth | | | 4,0 | Good mix of Linux and Windows operating systems |
| | VPC & Networking | | 2,3 | | VPC & Networking in line with the market average |
| | Operation Security | | | 3,2 | Relatively good coverage of security certifications |

| | | <- Very poor (0) | Average (2.5) | (5.0) Excellent -> | |
|---------------------------|-------------------------------|------------------|---------------|--------------------|---|
| Provider "Restainability" | Entrepreneurial capability | | | 3,7 | Noticable R&D Spending |
| | Capability to Deliver | | 1,8 | | Comparable with the market average |
| | Solidity & Customer Happiness | | 2,7 | | In line with the market average |
| | Legal Region | | 1,5 | | X DC Locations across Y continents |
| | Organizational Security | | 2,8 | | Organizational security in line with the market average |

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