

RAISING FY22 EPS OUTLOOK DUE TO ROBUST DEMAND AND PROFITABILITY



“The quarter was characterized by robust customer demand and profitability, demonstrating the strength of our differentiated edge-to-cloud strategy and portfolio innovation,” said **Antonio Neri**, president and CEO of Hewlett Packard Enterprise. “It is clear from strong customer feedback and momentum across our businesses that we are increasingly well positioned to capitalize on the significant megatrends through our HPE GreenLake platform.”

Orders

20% y/y growth

Revenue⁽¹⁾⁽²⁾

\$7.0 billion
↑ 2% y/y

Non-GAAP Operating Profit⁽³⁾

\$768 million

Non-GAAP Diluted net EPS⁽³⁾

\$0.53

Free Cash Flow⁽³⁾⁽⁴⁾

(\$577) million



Third consecutive quarter of **20%+** y/y orders growth, driven by strong customer demand for our differentiated edge-to-cloud solutions



Revenue of **\$7.0** billion up **2%** y/y⁽¹⁾⁽²⁾ and in line with Q1 outlook



Strong non-GAAP gross and operating profit margins⁽³⁾, despite ongoing industry-wide supply and logistics challenges



Non-GAAP diluted net EPS⁽³⁾ of **\$0.53**, above the high-end of the Q1 outlook range guidance



Free cash flow⁽³⁾⁽⁴⁾ of **(\$577)** million, reflecting normal seasonality and strategic inventory investments in support of strong customer demand



Raising FY22 non-GAAP diluted net EPS guidance⁽²⁾⁽⁶⁾ to **\$2.03 - \$2.17**

ORDERS GROWTH BY SEGMENT (Y/Y)



136% as-a-service⁽⁴⁾

>20% Compute

>15% Storage products

>35% Intelligent Edge

>20% HPC & AI products

aaS PIVOT ACCELERATION



↑ **1,350+** HPE GreenLake customers

↑ **>\$6.5** billion HPE GreenLake contract value

↑ aaS ARR⁽⁵⁾ rose **23%** y/y despite supply constraints that limited installations

OUTLOOK

Non-GAAP diluted Q2 FY22 net EPS⁽²⁾⁽⁶⁾

FY22 net EPS⁽²⁾⁽⁶⁾

GAAP diluted Q2 FY22 net EPS

FY22 net EPS

Free Cash Flow⁽²⁾⁽⁴⁾ \$ billions

\$0.41

\$0.49

\$2.03

\$2.17

\$0.18

\$0.26

\$1.36

\$1.50

\$1.8

\$2.0

1- Adjusted to eliminate the effects of currency.

2- A description of HPE's use of non-GAAP financial information is provided in the earnings presentation at <https://investors.hpe.com>.

3- Reconciliation of specific adjustments to GAAP results for the current and prior periods, a reconciliation of Cash flow from Operations to Free Cash Flow, and a description of HPE's use of non-GAAP financial information are included in the earnings presentation at <https://investors.hpe.com>.

4- Free cash flow = cash flow from operations less net capital expenditures; net capital expenditures = investments in property, plant and equipment less proceeds from the sale of property, plant and equipment.

5- For definition of As-a-Service orders, ARR and Total Contract Value (TCV), please refer to the earnings presentation at <https://investors.hpe.com>.

6- For reconciliation of non-GAAP to GAAP diluted net EPS, please see the earnings presentation at <https://investors.hpe.com>.