HPE delivers record-setting performance and raises fiscal 2023 guidance

"HPE delivered exceptional results in Q1, posting our highest first quarter revenue since 2016 and best-ever non-GAAP operating profit margin. Powered by our market-leading hybrid cloud platform HPE GreenLake, we unlocked an impressive run rate of $1 billion in annualized revenue for the first time. These results, combined with a winning strategy and proven execution, position us well for FY23, and give us confidence to raise our financial outlook for the full year."

Antonio Neri
President & CEO

Net Revenue	Non-GAAP operating margin(1)	Non-GAAP diluted net earnings per share(1)	Free cash flow(1)(2)
$7.8 billion	**11.8%**	**$0.63**	**($1.3)** billion, reflecting working capital needs

Key Points

- Revenue climbed 18%(3) y/y, resulting in HPE's **highest first quarter revenue since 2016 and best-ever non-GAAP operating profit margin**.

- **Increased year-over-year revenue across all key segments**.

- Focus on growth opportunities and pricing discipline produced HPE's **highest-ever non-GAAP diluted net earnings per share**.

- Traction of the HPE GreenLake edge-to-cloud platform unlocked Annualized Revenue Run Rate **(ARR) of $1 billion dollars** for the first time.

- **Raised full year revenue and non-GAAP diluted net EPS guidance**, reflecting confidence in strategy and execution.
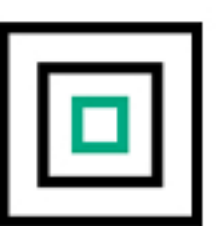
HPE GreenLake Highlights

- ↑ ARR(4) rose **31%** y/y(3), exceeding **$1 billion** for the first time

- ↑ Increased new HPE GreenLake logos, growing our customer base by **7%** y/y

- ↑ More than doubled as-a-service total contract value (TCV) over the last two years, reaching nearly **$10 billion** through the end of Q1

Business Segments

Compute: Offers both general purpose servers for multi-workload computing and workload optimized servers to deliver the best performance and value for demanding applications.
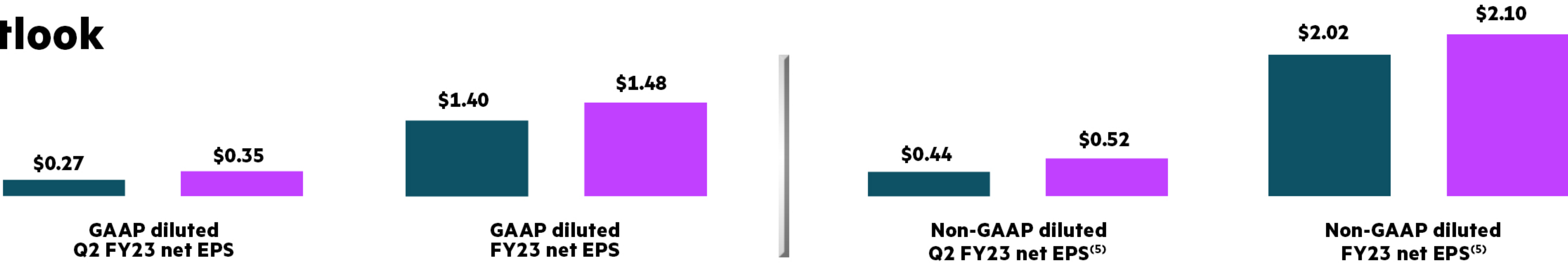
HPC & AI: Delivers standard and custom hardware, software, and data-management solutions designed to support supercomputers, high-performance compute, edge compute, and data-intensive workloads like data analytics and artificial intelligence applications.

Storage: Transforms the customer experience with storage as-a-service and cloud data services with portfolio offerings like primary storage, hyper-converged infrastructure, disaster and ransomware recovery, big data solutions and storage for unstructured data and analytics workloads, plus traditional tape, storage networking and disk products.

Intelligent Edge: Operates platforms and services at network edges, connecting devices and applications via Aruba solutions such as wired and wireless local area network, campus and data center switching, software-defined wide area networking, and network security.

HPEFS: Serves as the financial engine behind HPE's offerings to provide financial solutions including leasing offers, asset management, and asset upcycling.

Outlook

GAAP diluted Q2 FY23 net EPS	GAAP diluted FY23 net EPS	Non-GAAP diluted Q2 FY23 net EPS(5)	Non-GAAP diluted FY23 net EPS(5)
$0.27 / $0.35	$1.40 / $1.48	$0.44 / $0.52	$2.02 / $2.10