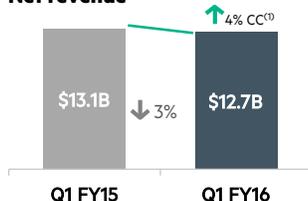


# HPE Reports Fiscal 2016 First Quarter Results

## Highlights

### Net revenue



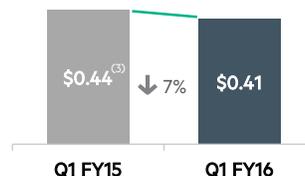
**\$12.7 billion**

### GAAP diluted net EPS



**\$0.15**

### Non-GAAP and adjusted non-GAAP diluted net EPS<sup>(2)</sup>



**\$0.41**

## Geography



### Americas

45% of net revenue

↓ 2% y/y  
↑ 1% CC<sup>(1)</sup>

Non-US net revenue was 63% of total net revenue



### EMEA

36% of net revenue

↓ 5% y/y  
↑ 4% CC<sup>(1)</sup>



### Asia Pacific

19% of net revenue

↑ 1% y/y  
↑ 9% CC<sup>(1)</sup>

## Capital Allocation



### Dividend payment

**\$96 million**

\$0.055 per share



### Stock repurchase

**\$1.2 billion**

approximately 72.5 million shares



### Operating company net cash<sup>(2)(4)</sup>

**\$3.1 billion**

↓ \$1.3 billion q/q

## Cash Flow



### Free Cash Flow<sup>(2)</sup>

**-\$831 million**

↓ 70% y/y<sup>(3)</sup>

=



### Cash Flow from Operations

**-\$75 million**

↓ 130% y/y<sup>(3)</sup>

-



### Net Capital Expenditures<sup>(2)</sup>

**\$756 million**

↑ 2% y/y<sup>(3)</sup>



## Asset Management



### Cash conversion cycle

**31 days**

=



### Days receivables

**56 days**

-



### Days payable

**48 days**

+



### Days inventory

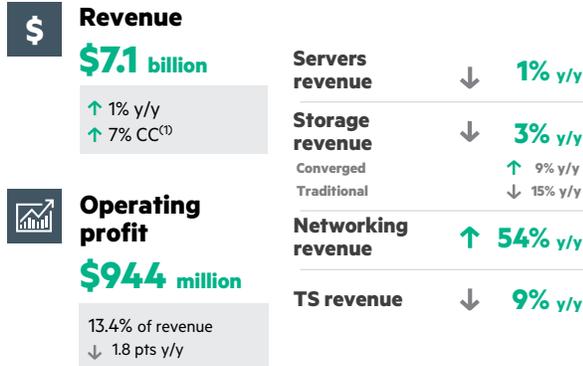
**23 days**

1. Adjusted to eliminate the effects of currency  
 2. All non-GAAP numbers have been adjusted to exclude certain items. A reconciliation of specific adjustments to GAAP results for the current and prior periods is included as a part of Q1 '16 earnings presentation available at [www.hpe.com/investor/home](http://www.hpe.com/investor/home)  
 3. For further details on the basis of presentation differences of adjusted non-GAAP diluted net earnings per share, adjusted cash flow from operations and adjusted free cash flow, refer to HPE's FY15 adjusted financial measures presentation that was filed with the SEC on March 2, 2016  
 4. Operating company net cash is defined as total company net cash excluding the cash and debt associated with Financial Services

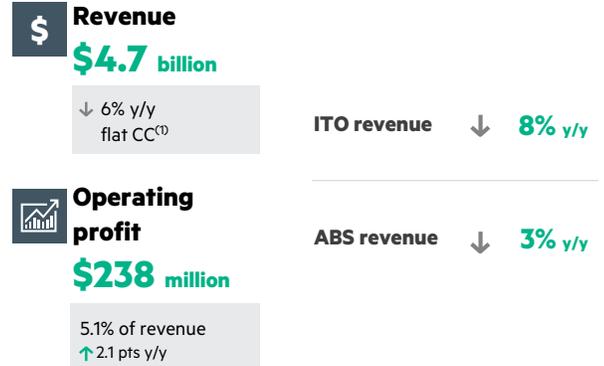
# HPE Reports Fiscal 2016 First Quarter Results



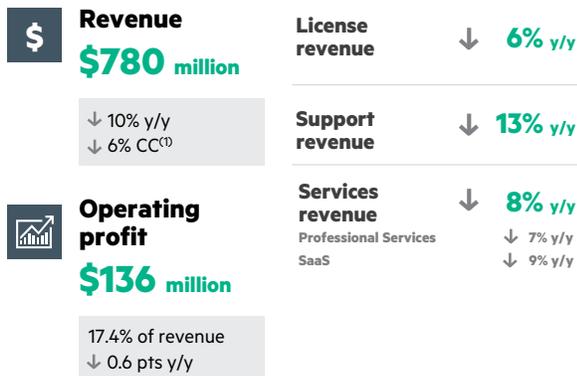
## Enterprise Group



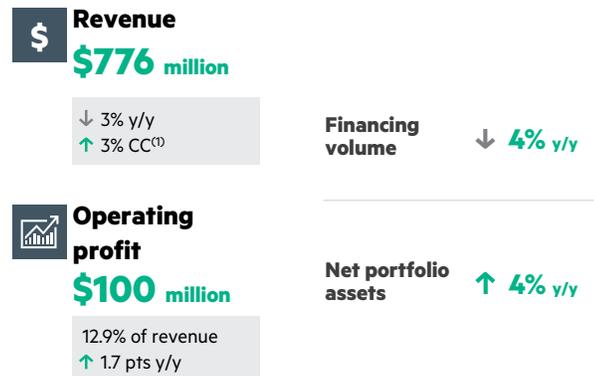
## Enterprise Services



## Software

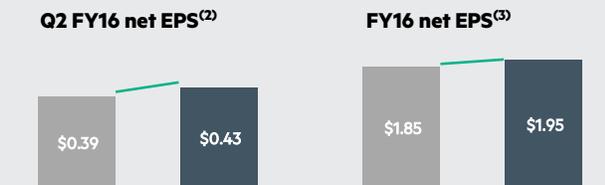


## Financial Services

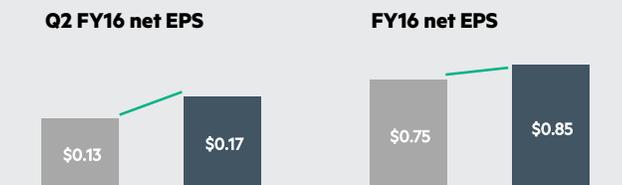


## Outlook

### Non-GAAP diluted



### GAAP diluted



1. Adjusted to eliminate the effects of currency

2. Second quarter fiscal 2016 non-GAAP diluted net EPS estimates exclude after-tax costs of approximately \$0.26 per share, related to restructuring charges, amortization of intangible assets, separation costs and acquisition and other related charges

3. Full year fiscal 2016 non-GAAP diluted net EPS estimates exclude after-tax costs of approximately \$1.10 per share, related to restructuring charges, amortization of intangible assets, separation costs, acquisition and other related charges and tax indemnification adjustments