



Hewlett Packard Enterprise

SEC Form 10 Filing

Investor Presentation

July 1, 2015 (amended September 15, 2015)

Forward looking statements

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks, uncertainties and assumptions. If such risks or uncertainties materialize or such assumptions prove incorrect, the results of Hewlett-Packard Company (“HP Co.”) and its consolidated subsidiaries could differ materially from those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including the expected benefits and costs of the separation of Hewlett Packard Enterprise Company from the rest of HP Co.; the expected timing of the completion of the separation; the ability to complete the separation considering the various closing conditions; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Risks, uncertainties and assumptions include the possibility that expected benefits may not materialize as expected; that the separation may not be timely completed, if at all; that, prior to the completion of the separation, HP Co.’s business may not perform as expected due to separation-related uncertainty or other factors; that the parties are unable to successfully implement separation strategies; and other risks that are described in HP Co.’s and Hewlett Packard Enterprise Company’s Securities and Exchange Commission filings, including but not limited to the risks described in (i) HP Co.’s Annual Report on Form 10-K for its fiscal year ended October 31, 2014, (ii) HP Co.’s Quarterly Report on Form 10-Q for its fiscal quarter ended July 31, 2015, and (iii) the “Risk Factors” section of the preliminary information statement included in the Registration Statement on Form 10 filed by Hewlett Packard Enterprise Company. HP Co. and Hewlett Packard Enterprise Company assume no obligation to update these forward-looking statements.



Amendment No. 3 filed September 15, 2015

New disclosures

- Expected cash balance of \$11.5 billion immediately following the separation
 - The actual amount of cash and debt balances on the distribution date will depend on a number of factors, including business performance and financial market conditions
 - HP Inc. cash and debt balances cannot be derived from Hewlett Packard Enterprise Form 10 disclosures
- Expected dividend policy
 - Return at least 50% of free cash flow in fiscal year 2016 to shareholders through approximately \$400 million in dividends and the remainder in share repurchases
- Financial statements include results through the first three quarters of fiscal 2015
 - Historical financial statements and footnotes for fiscal year 2012, 2013, 2014 and the first nine months of fiscal 2015
 - Pro forma statement of earnings for the fiscal year ended October 31, 2014 and the first nine months of fiscal 2015 and balance sheet as of July 31, 2015
- Announced restructuring plan in connection with the separation which will be implemented through fiscal 2018
 - Estimated pre-tax charges of approximately \$2.7 billion in connection with the plan
- Filed Form of IT service agreement



Form 10 overview

SEC registration statement for the common stock of Hewlett Packard Enterprise

- Provides information as if Hewlett Packard Enterprise operated on a stand-alone basis
- Describes Hewlett Packard Enterprise's strategy, business segments, and risks
- Includes extensive set of disclosures and the following financial statements:
 - Historical financial statements and footnotes for fiscal year 2012, 2013, 2014 and the first nine months of fiscal 2015
 - Summary historical data for fiscal year 2010 and 2011
 - Pro forma statement of earnings for the fiscal year ended October 31, 2014 and the first nine months of fiscal 2015 and balance sheet as of July 31, 2015
- Filing and SEC review process is iterative with future amendments expected
- HP Co. is not required to file a similar disclosure document as the parent company
 - It will file a Form 8-K with pro forma financials reflecting the disposition of Hewlett Packard Enterprise after the separation occurs



Financial statement considerations

Interpreting the results presented in the Form 10

- Audited financial statements are reported per SEC rules on a **'carve-out' basis** that recognize items directly attributable to Hewlett Packard Enterprise and include allocations of some but not all corporate items *(see slide 6 for further detail)*
 - All audited 'carve-out' results are presented on a GAAP basis and exclude non-GAAP adjustments
 - HP Inc. results cannot be precisely derived by subtracting Hewlett Packard Enterprise Form 10 results from HP Co. previously filed 10-Q/Ks
 - Post-separation Hewlett Packard Enterprise Form 10-Q/K filings will include final 'carve-out' financials for prior year data
- Unaudited **pro forma statements** are presented to adjust the 'carve-out' financials to better reflect results as if the separation already occurred *(see slide 7 for further detail)*
 - Consistent with SEC rules, no pro forma statement of cash flow is included in the Form 10 filing
 - Per SEC rules, the resulting pro forma financial statements will not include all adjustments necessary to represent Hewlett Packard Enterprise as if the separation already occurred including:
 - Imputed interest income associated with the pro forma adjustment for cash on the balance sheet
 - Post-separation dis-synergy costs
- Future performance cannot be derived from the Form 10, and forward-looking outlooks are expected to be provided at HP's Security Analyst Meeting on September 15, 2015 in the San Francisco Bay Area



Accounting basis of 'carve out' financial statements

Historical 'carve out' financial statements presented do not reflect results as if the separation had already occurred

Statement of earnings

- Reflects the segment operating results of the primary businesses with minor adjustments
- Includes allocations of general corporate expenses (e.g. finance, legal, IT, shared services, etc.)
- Does not include EPS measure since HP Co. is the sole shareholder

Balance sheet

- Reflects assets and liabilities specifically attributable to Hewlett Packard Enterprise
- Excludes several HP Co. balance sheet items that are expected to be transferred to Hewlett Packard Enterprise post-separation including:
 - Cash
 - Debt
 - Real-estate, IT assets
 - Net pension obligations

Statement of cash flow

- Reflects income taxes paid by legal entities within Hewlett Packard Enterprise that do not file a consolidated tax return
 - Remaining tax payments are not reflected and remain with HP Co.
- Includes only contributions to pension plans identified as directly attributable to Hewlett Packard Enterprise, and not those that may be transferred



Pro forma adjustments

The unaudited pro forma financial statements include adjustments to the 'carve-out' financial statements to better reflect results as if the separation had already occurred

Adjustment	Description
Cash and debt	<ul style="list-style-type: none">• Allocation of cash and debt as part of the capitalization plan to maintain investment grade credit ratings
Pension and post-retirement benefit obligations	<ul style="list-style-type: none">• Transfer of certain plan assets and liabilities
Corporate and other assets / liabilities	<ul style="list-style-type: none">• Transfers include a portion of HP Co.'s global real estate portfolio and IT assets
Marketing optimization software product group	<ul style="list-style-type: none">• HP Co. (and post-separation HP Inc.) will retain this business which was previously reported in the Software segment
Non-recurring separation costs	<ul style="list-style-type: none">• Removes costs incurred that directly relate to the separation
Income and transaction taxes	<ul style="list-style-type: none">• Incurrence of taxes in certain jurisdictions as a result of an internal reorganization undertaken for the sole purpose of facilitating the separation and distribution
Common stock and additional paid-in capital	<ul style="list-style-type: none">• Reflects the distribution of common stock to shareholders and resulting impact to historical net investment

