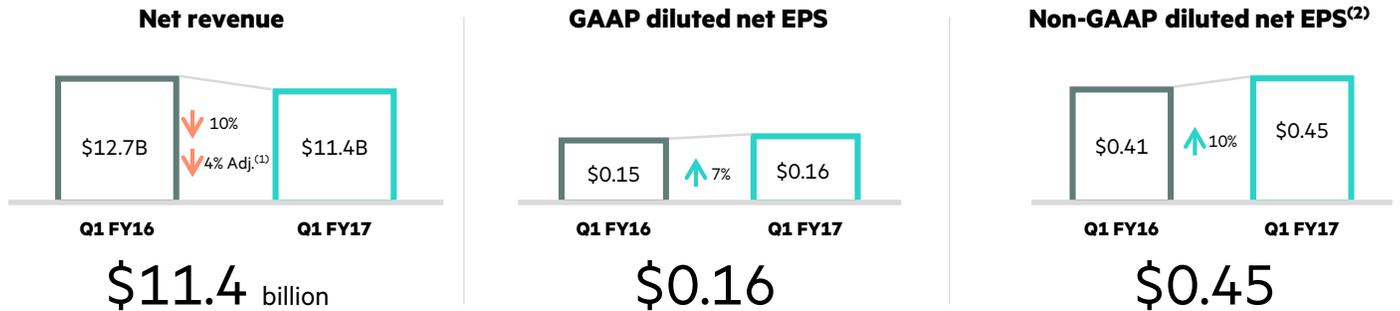




Hewlett Packard Enterprise

HPE Reports Fiscal 2017 First Quarter Results

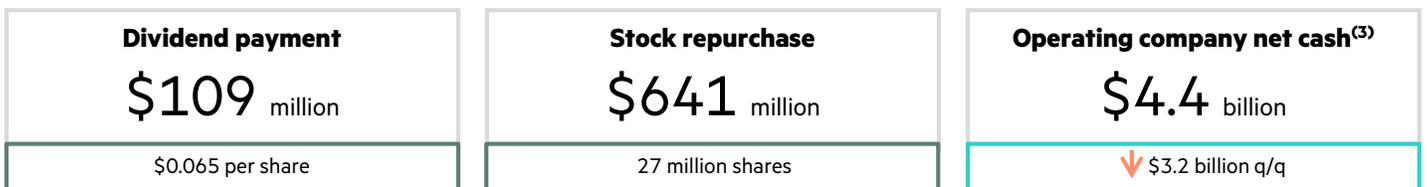
Highlights



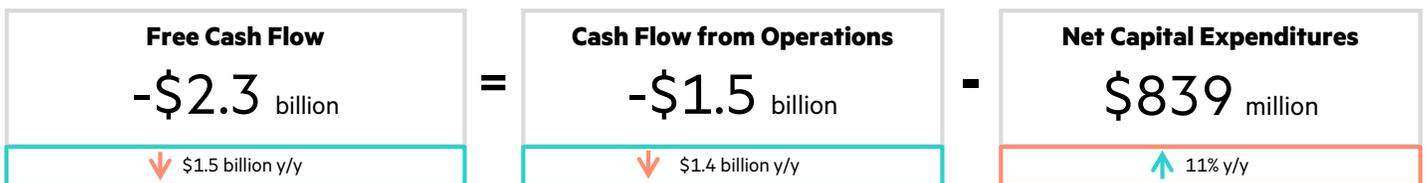
Geography



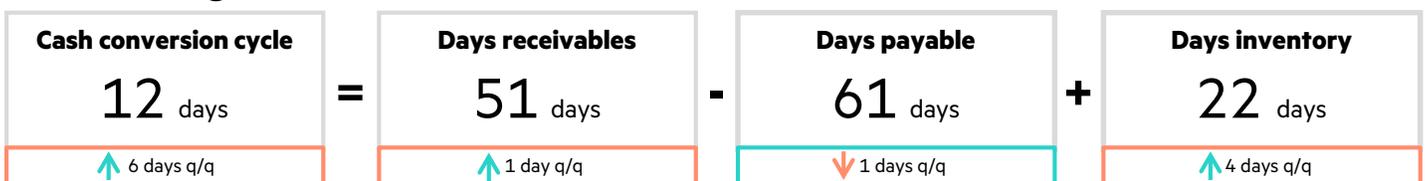
Capital Allocation



Cash Flow



Asset Management



1. Adjusted to eliminate the effects of divestitures and currency
 2. All non-GAAP numbers have been adjusted to exclude certain items. A reconciliation of specific adjustments and basis of presentation differences to GAAP results for the current and prior periods is included as a part of Q1 '17 earnings presentation available at www.hpe.com/investor/home
 3. Operating company net cash is defined as total company net cash excluding the cash and debt associated with Financial Services

HPE Reports Fiscal 2017 First Quarter Results

Enterprise Group

Revenue

\$6.3 billion

↓ 12% y/y ↓ 6% Adj.⁽¹⁾

Operating profit

\$802 million

12.7% of revenue
↓ 0.7 pts y/y

Servers revenue ↓ 12% y/y

Storage revenue ↓ 13% y/y

Converged ↓ 12% y/y

Traditional ↓ 14% y/y

Networking revenue ↓ 33% y/y

TS revenue ↓ 2% y/y

Enterprise Services

Revenue

\$4.0 billion

↓ 11% y/y ↓ 6% Adj.⁽¹⁾

Operating profit

\$283 million

7.0% of revenue
↑ 2.2 pts y/y

ITO revenue ↓ 8% y/y

ABS revenue ↓ 17% y/y

Software

Revenue

\$721 million

↓ 8% y/y ↓ 1% Adj.⁽¹⁾

Operating profit

\$154 million

21.4% of revenue
↑ 4.0 pts y/y

License revenue ↓ 9% y/y

Support revenue ↓ 9% y/y

Services revenue ↓ 2% y/y

Professional Services ↓ 7% y/y

SaaS ↑ 4% y/y

Financial Services

Revenue

\$823 million

↑ 6% y/y

Operating profit

\$78 million

9.5% of revenue
↓ 3.4 pts y/y

Financing volume ↓ 10% y/y

Net portfolio assets ↑ 2% y/y

Outlook

Non-GAAP diluted

Q2 FY17 net EPS⁽²⁾

FY17 net EPS⁽³⁾

\$0.41

\$0.45

\$1.88

\$1.98

GAAP diluted

Q2 FY17 net EPS

FY17 net EPS

(\$0.03)

\$0.01

\$0.60

\$0.70



1. Adjusted to eliminate the effects of divestitures and currency

2. Second quarter fiscal 2017 non-GAAP diluted net EPS estimates exclude after-tax costs of approximately \$0.44 per share, related primarily to separation costs, restructuring charges and amortization of intangible assets

3. Full year fiscal 2017 non-GAAP diluted net EPS estimates exclude after-tax costs of approximately \$1.28 per share, related primarily to separation costs, restructuring charges and amortization of intangible assets