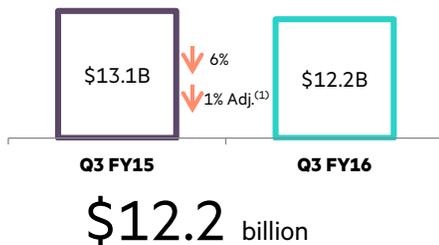


HPE Reports Fiscal 2016 Third Quarter Results

Highlights

Net revenue



GAAP diluted net EPS



Non-GAAP and adjusted non-GAAP diluted net EPS⁽²⁾



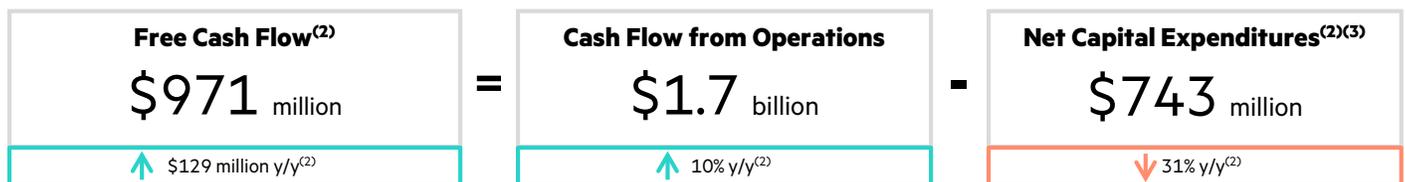
Geography



Capital Allocation



Cash Flow



Asset Management



1. Adjusted to eliminate the effects of divestitures and currency
 2. All non-GAAP and adjusted 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 Q3 '16 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 2016 Third Quarter Results

Enterprise Group

Revenue \$6.5 billion ↓8% y/y 0% Adj. ⁽¹⁾	Operating profit \$815 million 12.6% of revenue flat y/y
Servers revenue	↓4% y/y
Storage revenue	↓8% y/y
Converged	↓2% y/y
Traditional	↓14% y/y
Networking revenue	↓22% y/y
TS revenue	↓7% y/y

Enterprise Services

Revenue \$4.7 billion ↓5% y/y ↓3% Adj. ⁽¹⁾	Operating profit \$393 million 8.3% of revenue ↑2.6 pts y/y
ITO revenue	↓6% y/y
ABS revenue	↓4% y/y

Software

Revenue \$738 million ↓18% y/y ↓3% Adj. ⁽¹⁾	Operating profit \$131 million 17.8% of revenue ↓2.7 pts y/y
License revenue	↓28% y/y
Support revenue	↓17% y/y
Services revenue	↓7% y/y
Professional Services	↓8% y/y
SaaS	↓5% y/y

Financial Services

Revenue \$812 million ↑1% y/y	Operating profit \$80 million 9.9% of revenue ↓0.9 pts y/y
Financing volume	↓6% y/y
Net portfolio assets	↑7% y/y

Outlook

Non-GAAP diluted
Q4 FY16 net EPS⁽²⁾



GAAP diluted
Q4 FY16 net EPS



- Adjusted to eliminate the effects of divestitures and currency
- Fourth quarter fiscal 2016 non-GAAP diluted net EPS estimates exclude an after-tax gain on the divestiture of Mphasis and other of approximately \$0.23, and after-tax costs of approximately \$0.37 per share, related to restructuring charges, separation costs, amortization of intangible assets, loss from equity interests, and acquisition and other related charges
- Full year fiscal 2016 non-GAAP diluted net EPS estimates exclude an after-tax gain on the divestiture of H3C Technologies, Mphasis and other of approximately \$1.42, and after-tax costs of approximately \$1.23 per share, related primarily to restructuring charges, amortization of intangible assets, separation costs, acquisition and other related charges, loss from equity interests and tax indemnification adjustments