

Hewlett Packard Enterprise

HPE Closes Juniper Networks Acquisition

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CORPORATE PARTICIPANTS

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PRESENTATION

Operator

Good day, and welcome to the Hewlett Packard Enterprise live audio webcast on Juniper Networks acquisition. All participants will be in a listen-only mode. Should you need assistance, please signal a conference specialist by pressing the star key followed by zero. After today's presentation, there will be an opportunity to ask questions. To ask a question, you may press star then one on a touchtone phone. To withdraw your question, please press star then two. Please note that this event is being recorded.

I would now like to turn the conference over to Paul Glaser, Head of Investor Relations. Please go ahead, sir.

Paul Glaser

Good morning. I am Paul Glaser, Head of Investor Relations for Hewlett Packard Enterprise. I would like to welcome you to Hewlett Packard Enterprise webcast on the close of the acquisition of Juniper Networks. In this session, you will hear Antonio Neri, President and CEO, discuss the closing of the Juniper Networks acquisition which positions HPE to capture the growing AI and a hybrid cloud market opportunity by creating an industry-leading and cloud-native and AI-driven IT portfolio, including a full modern network stack. Marie Myers, Executive Vice President and CFO and Rami Rahim, Executive Vice President and President and General Manager of HPE Networking will join Antonio following his remarks for brief Q&A.

During this call, we will not provide an update on our fiscal Q3, update financial disclosures or provide detailed financial information. We will be hosting our securities analyst meeting on October 15th, where we will provide more information, including a three-year outlook on a combined basis. Before I pass the call to Antonio, please, let me start with the disclosures.

This event may include forward-looking statements involving risks, uncertainties, estimates and assumptions. If the risks and uncertainties ever materialize, or our estimates or assumptions proven correct, our results may differ, perhaps materially, from those expressed or implied by such forward looking statements. HPE assumes no obligation to update such statements, except as otherwise required by securities and other applicable laws. Please find more information regarding forward-looking statements on our website at investors.hpe.com.

With that, let me please welcome Antonio.

Antonio Neri

Thank you, Paul, and good morning, everyone. We appreciate you joining us today. Last week, Hewlett Packard Enterprise achieved a significant milestone with a successful closing of our acquisition on Juniper Networks. Juniper is a recognized leader in AI networking at scale. Combined with HPE's leading IT portfolio and global reach, we are well-positioned to capitalize on the growing market opportunities to accelerate shareholder value. This acquisition represents a pivotal step in the transformation I have led since 2018 by aligning HPE's portfolio to higher growth, higher margin areas of the market. By doing so, we are not only responding to the disruptive industry trends, but also strengthening our relationships with customers and partners around the world.

Today, HPE's expertise and innovation are helping enterprises rethink and retool their IT strategies. We are enabling our customers to harness the power of AI, the most significant technological disruption in decades. Together with Juniper, we will accelerate our momentum

across our three key strategic pillars, networking, cloud and AI, building a stronger, leaner and more profitable HPE. I am thrilled to welcome the Juniper team to HPE. I have previously highlighted the complementary cultures of our two organizations, both driven by a shared commitment to innovation and an unwavering focus on our customers.

Juniper brings an incredible portfolio of intellectual property and a talented team, and we are delighted to have them on board. I am grateful to the HPE Aruba networking organization for their outstanding performance throughout the closing process, as they maintained a relentless focus on our customers. Our intelligent edge segment recently delivered three consecutive quarters of year-over-year order's growth, with the last quarter returning to year-over-year revenue growth as the networking market continued its recovery. I am proud of the team's outstanding commitment and execution.

The closing of the Juniper transaction marks the beginning of a new chapter for HPE, as we find ourselves at the epicenter of IT transformation, where AI-accelerated computing, data and networking are rapidly converging. With the acquisition of Juniper Networks, HPE is now positioned to deliver an industry-leading, cloud-native, AI-driven portfolio of infrastructure software and services anchored by a modern end-to-end networking stack as the core foundation. By uniting our complementary portfolios, we are creating a comprehensive IT platform designed to meet the evolving needs of organizations of all sizes. This powerful combination will enable our customers to manage data intensive hybrid AI worlds with greater agility, enhanced security and deeper intelligence.

Secure AI native networking is the foundation of this vision. It connects users and data seamlessly across clients in IoT, campus and branch, data centers, while also enabling robust and seamless public, private and hybrid cloud experiences. As a combined company, we will not only offer the most comprehensive portfolio in the IT industry, but one that simplifies IT operations to allow network operators to focus on delivering better outcomes for their organizations. This is why AI for networks plays a critical role in streamlining operations and improving security while ensuring users enjoy the best possible experiences through the power of AI cloud and data.

With a combination of GreenLake, Aruba Central and Mist AI, we will be able to automate and optimize network operations in ways that were previously unimaginable. Mist AI innovation has already demonstrated significant impact, delivering up to 85% cost savings and reducing trouble tickets by 90%. Our leading GreenLake intelligence in Aruba agentic AI mesh technologies will become even smarter and more effective with the future integration of Mist AI, supporting a broad range of use cases and delivering exceptional client-to-cloud experiences for both users and operators. Networks that are purpose built for AI are essential to connecting tens of thousands of GPUs and CPUs in a scalable, reliable and high-performance AI infrastructure.

As we move forward, we'll enhance R&D capabilities from both companies, we will accelerate innovation across networking silicon, AI, RAC systems and software, enabling faster time to value for our customers and our partners. HPE will offer a full stack solution for AI data centers at scale that spans high-performing routers and switches, firewall servers, storage and services. Together with our data center and liquid cool IP and design expertise, we will simplify the deployment and management for AI training and inferencing. This full stack architecture approach will have customers and partners build and scale AI infrastructure with greater efficiency and agility.

For our enterprise customers, we will deliver the most intelligent, automated, private cloud solutions for AI and cloud workloads through the combination of GreenLake cloud services with Juniper high performance data center fabric solutions and leading HPE servers and storage

infrastructure offerings. And finally, for telecommunication service providers, they will continue to benefit from the latest Juniper high-performing, automated one routers innovation. As previously announced, and in accordance with the closing conditions outlined in our settlement with the US Department of Justice, HPE has agreed to divest its global instant on campus and branch business, the Aruba instant on business, developed over the past five years, is a distinct offering separate from the traditional HPE Aruba platform and Aruba Central. It was specifically designed to serve the small business segment, particularly the S in SMB, and represents a small portion of our overall business.

In addition, we have agreed to offer up to two perpetual licenses through an option process for the specific AI ops functionality of Juniper Mist for wireless lab. It is important to note that this does not involve the transfer of core intellectual property, which will remain fully owned by HPE, or in any way diminish HPE's commitment to Juniper Mist technology. The settlement does not alter the strategic or financial rationale behind the transaction.

In collaboration with Juniper, we have developed a detailed integration plan to guide our next chapter. I would like to offer a few high-level insights into our near-term priorities. Rami Rahim, former CEO of Juniper Networks, will serve as EVP, President, General Manager of the combined Networking Business. Rami, who joined Juniper as an employee number 32 has played a pivotal role in transforming the company from a hardware centric business into a full stack software and infrastructure networking provider. I look forward to partnering with him as we build an AI power networking leader under the unified banner of HPE Networking.

Phil Mottram, who has successfully led our HPE Aruba Networking Business for the past three years, will now lead efforts to establish growth plan for strategic emerging geographies as a part of my leadership team. Phil is already working with Rami to facilitate the transition of our team into our new HPE Networking Business Unit. John Schultz, our HPE Chief Operating and Legal Officer will be responsible for the integration of Juniper into HPE. As the Chief Integration Officer, John and his integration team have led the extensive Juniper integration planning process. John has a strong track record, including the divestitures of our investment in HPC, the split of HP in 2015, the spin-off of HPE software and Enterprise Services in 2017 and HPE's GreenLake transformation from 2019 through '23.

Our overall integration vision is to build the best Networking Business on the planet. Our first integration priority is therefore to maintain continuity momentum across the traditional HPE Aruba and Juniper Networking businesses. We are fully committed to supporting the life cycle of existing products and protecting the investments our customers have made. No customer will be left behind. Our second priority is to thoughtfully converge our cloud product roadmaps and integrate our go to market coverage strategies. This will enable us to accelerate cross-selling and upselling across our combined portfolio.

Over time we will align our offerings around a single secure AI-native and cloud-native architecture, always guided by our commitment to customer centric innovation. Importantly, HPE has no overlaps with Juniper solutions in routing, high performing data center switching and firewall security, all areas that will bring additional value to our customers. While there is some product level overlap in our campus and branch portfolios, each company brings architectural strength that addresses the different customer segment needs which expand our total addressable market. Finally, HPE Aruba Networking and HPE Juniper Networking are the go-forward product brands for solutions for my new HPE Networking Business.

Third, we are focused on executing our vision for AI, for networks and networking for AI, as previously outlined.

Rami, Fidelma Russo, our CTO and Hybrid Cloud Leader, and Neil MacDonald, our Server and AI Leader will work together on materializing the opportunities by integrating Juniper high-performance switches into our GreenLake server storage and private cloud architectures and solutions. Finally, we will pursue targeted initiatives to leverage our increased scale, including benefits from HPE global supply chain and existing HPE investments in silicon, such as a purpose built for supercomputing, HPE Slingshot fabric, silicon photonics and Aruba campus and branch switching silicon offerings. As I have said in my opening remarks, this combination accelerates HPE's strategic shift towards higher margin, higher growth areas, positioning the company for sustained, profitable revenue growth for our shareholders.

The acquisition doubles the size of HPE's networking business while substantially increasing its scope and total addressable market. The new HPE networking business segment will represent more than 50% of HPE's total operating income. Through thoughtful integration planning, we expect to realize meaningful operating cost synergies through vendor consolidation, go to market harmonization and integration of our business and operating models. These cost efficiencies will further strengthen our competitive position and drive long-term value creation for our shareholders.

We now expect to realize at least \$600 million in run rate annual cost synergies over the next three years, up from the at least \$450 million communicated previously. The run rate cost synergies are expected to ramp over the next three years, with 1/3 of the savings realized by the end of year one, with the remainder cost savings spread evenly through the remaining two years. We expect the acquisition to be accretive to non-GAAP EPS in the first full year, and accretive to free cash flow in years two and three. We will provide full HPE three years' guidance at our scheduled security analyst meeting on October 15th in New York.

In closing, the acquisition of Juniper, combined with the ongoing and accelerated hybrid cloud and AI transitions provide a unique opportunity to continue to transform our company, cementing our position as a market leader across all segments of the IT market. The new HPE provides our shareholders a strong profitable growth path and a unique investment opportunity. I look forward to this exciting new chapter for HPE and our valued shareholders. Thank you for joining us today. We'll now open the call to answer your questions.

QUESTION AND ANSWER

Paul Glaser

As a reminder, we are not providing an update on our fiscal Q3, update any other financial disclosures or provide detailed financial information. Operator, let's open the floor for questions.

Operator

We will now begin the question and answer session. To ask a question, you may press star then one on your touchtone phone. If you are using a speaker phone, please pick up your handset before pressing the keys. If at any time your question has been addressed and you would like to withdraw your question, please press star then two. In the interest of time, please limit yourself to one question. And your first question today will come from Simon Leopold with Raymond James. Please go ahead.

Simon Leopold

Great. Thanks for doing the call and appreciate you taking the question. It's been a long time since Juniper's engaged with the investment community. Would it be possible to get an update on Juniper's traction and progress securing business in AI back-end applications and the nature of its customers, such as HyperScale, Neo Cloud and Enterprise? Thank you.

Antonio Neri

Well, thanks, Simon. I think that's a perfect question for Rami. So since he's close, he's first half, I will say, so Rami, why didn't provide some insights?

Rami Rahim

I'm happy to. Hey, Simon. I know it's been a while. So first I'll say, in general, at high level, the business at Juniper remains really solid through the acquisition process. Our customers remain resilient. Our employees remain resilient. The opportunity right now around AI is extremely robust. Just to give you a tiny bit of color, we wrapped up a very strong Q2 quarter, with orders growing over 40% year-over-year, revenue growing over 20% year-over-year, driven by a number of different areas. One would be AI-driven enterprise. This is our AIOps-powered client cloud solution, the Mist solution that you all know very well, where we're seeing large franchise wins worldwide. And then the second area where we're seeing strength is in the data center, which I think is the crux of your question there.

Yes, it's front-end. It's back-end. We've benefited from shipping to our customers the first 800 gigabit Ethernet switching products based on merchant silicon offering, as well as the first 800 gigabit Ethernet spine switching and routing product based on our own custom silicon. Where we've seen success is largely in the Neo Clouds, especially in the data center, large AI data centers that have aspirations to achieve a million plus GPUs connected in a cluster, as well as some of the larger -- or, sorry, smaller, I should say, international sovereign cloud opportunities that exist today, and this is just scratching the surface. When I look out, I think it's still early days for Ethernet as the fabric technology for connectivity inside the cloud, both in the front-end, but as well as in the back-end.

Paul Glaser

Very good. Thank you, Simon. Operator, next question, please.

Operator

And your next question today will come from Meta Marshall with Morgan Stanley. Please go ahead.

Meta Marshall

Great. Thank you. Rami, great to hear you again. Maybe just expanding on Simon's question, you gave commentary just kind of on the order of traction you were seeing with the clouds, but given that the quarter has closed, were there any high-level insights you could kind of give on Juniper's performance in Q2? Thanks.

Rami Rahim

Well, additional insight I'd provide would be data center was probably, actually definitely, our largest growth quarter in Q2, followed by campus and branch, which is obviously powered by Mist. Again, I think the opportunities right now in networks for AI, so these are the large data center builders that are leveraging Ethernet as the connective fabric for GPUs both in the front-end and the back-end is a huge opportunity, and it's an emerging opportunity, and it's an international opportunity.

That being said, you know, the strength that we've enjoyed over the last several years with our Mist AIOps based solutions continues to be extremely robust, and that's kind of the high-level color. This has resulted in order momentum. It's also resulted in very strong, continued AR growth for the company. And I will say, as much success as we've seen, if I look out and now, sort of think about the opportunity to combine our solutions with both the HPE Aruba Networking Solutions as well as with the broader HPE portfolio that includes storage, GreenLake, servers, supercomputing, and the larger go to market organization that we're going to have access to that's going to get us into more accounts, more opportunities worldwide, honestly, it's just extremely exciting to me.

Antonio Neri

Yeah, and on that one, Meta, look, the fastest opportunity that we call the quickest to realize is the go to market, because as you recall, HPE's business, more than 60% is outside the United States and North America in general. And so the ability for us to present the entire portfolio now with Juniper is an opportunity for us. And then after that, is aggressive integration of Juniper products into our server, storage and private cloud. Storage, sometimes people don't understand that inside the storage array, there is a switch, and you need a high-performance switching, especially as you go to Ethernet to manage some of the workloads, like database and the like. So that's a huge opportunity for us, and then on the private cloud itself, plus the top of rack for our server business. And then there is the AI at scale with a true architectural transformation. So I'm very excited, but it's great to see Rami's momentum in the first half, and obviously a lot of that came through the data center and continuation in the campus and branch.

Paul Glaser

Thank you, Meta. Operator, next question, please.

Operator

And your next question today will come from Wamsi Mohan with Bank of America. Please go ahead.

Wamsi Mohan

Hi. Yes, thank you so much and congrats on closing the deal. I guess, I wanted to ask about the synergy number, which you up-sided to \$600 million from at least \$450 million plus. And maybe you can help me think through where that incremental synergies are coming from, and put them in the context of both the headcount reduction you announced earlier in the year and catalyst that you've been working on?

Antonio Neri

Yeah, two different initiatives, right? So on the synergy itself for the networking business, now that we have the opportunity to do more detailed planning, we feel very confident that there are incremental opportunities here, and we have balanced side through the work streams we have put in place. Obviously, there is a G&A component, and that's very straightforward in many ways. Think about functions, real estate, and the like. And then there is the number two, work streams, which oversees products, think about cost of sales. Look, we have a very large global supply chain that now, Rami will get the benefit of it. So clearly, we expect COGS improvements there, through our procurement team. And then as we go to the next level, we will continue to think about other opportunities through automation and AI, which will extend into the other improvements with respect to the company level.

And so that's why this is an opportunity, Wamsi, not only to address the deal itself, but it give us an opportunity to make the rest of the HPE even stronger and more leaner when it comes down

to some of these application of technologies. But that's why we have a dedicated work stream about AI and automation, that now with Juniper, we could take also to the next level.

Marie Myers

And Wamsi, I'd just add that the headcount will be in addition to what we announced previously.

Paul Glaser

Thank you for the question, Wamsi. Operator, next question, please.

Operator

And your next question today will come from Aaron Rakers with Wells Fargo. Please go ahead.

Aaron Rakers

Yeah. Thanks for doing the call and taking a question. Antonio and Rami, I'm curious of how we think about the integration path forward, how you measure kind of key milestones. And what I want to ask about is kind of the integration of Mist across a front-end and back-end wired AI infrastructure. You've got HPE's asset in Slingshot; you've got, obviously, QFX and MX routers. So I'm curious of how we or investors should think about, over the next 12 months, the key integration points that you're looking to achieve. Thank you.

Antonio Neri

Maybe I'll start and then, Rami, obviously you can take more of the architectural piece. Look, it's important that we focus first on what I call the segmentation, right? So from a product perspective, you have a service provider business and you have an enterprise business. On the service provider, obviously, is the telco space. There, Rami has had a success for a number of years, is led by routers, but also data center switches. But HPE participate in a unique market with a lot of our computer offerings and virtualization for the core network. And I believe there is some incremental opportunities just on the telco side, as people continue the virtualization journey with 5G and then eventually 6G. And honestly, there are incremental opportunities from an influencing perspective for AI.

On the cloud side, call it AI scale, there is tremendous opportunity, because since there are so many build outs in a lot of CapEx being deployed, I always say, look, you need a inter data center connectivity. Rami has one of the best products on the market with the automated 100 gig routing. You need that at the entrance of the building. And then inside the building, you need to lay the pipes. And that pipes is a high performance fabric. He talked about the data center switches that already are 100 gig, and then you drive integration with the right rest of the stack, with server and storage. And ultimately, there we need to work in a what I call heterogeneous environment, because obviously we work with our partners, but there is the front of the network and the back of the network, and Slingshot is an opportunity to work with Rami on that integration as well.

And remember, we have also a lot of software to manage, GPUs at scale in a cohesive, coherent way. So that's on that. On the rest of the enterprise in the campus and branch, I will let Rami here talk in a second, because there, the product side is not that complicated, honestly. We have a campus switching portfolio which always has a silicon in Aruba. And then we have wireless that is easy to rationalize from a Wi Fi perspective. But HPE also brings private 5G and brings SASE and security in a modern way, aside from the firewall for enterprise. And then what Rami needs to drive is thoughtful integration of Mist and Aruba Central, because both bring architectural strength in different ways. And then for the rest of the synergy, how we're going to measure, look, we have a very detailed integration planning process by each of the work streams on the core function side. Marie talked about the head count is one of them, but the reality there is way more

than that. And then there is the operational and the go to market piece that we have also a clear plan, and the person who's going to lead that already has a plan in place that's already executing. And as I said, outside the United States, there is a lot of cross-sell, upsell opportunities. So Rami, you want to talk more about some of the other architectural questions.

Rami Rahim

Yeah, I think you summarized it well, Antonio. I'll sort of -- I like to think of it maybe in three different areas. There's the wide area networking, just our routing solutions. There's no overlap. And there the opportunity here is really around revenue synergies to take the strong enterprise go to market and the channel that HPE has and sell more routing to large scale enterprises globally. Then there's the data center in the high end, 800 gig, and as we move towards 1.6 terabytes per second, again, there's no overlap. Here, the opportunity is to package soup to nuts solutions that includes our strengths and the strengths of the broader HPE portfolio, and reach more data center builders, Neo Cloud, Sovereign Clouds around the globe.

And the campus and branch at the surface, one might see some overlap. Yes, we both have Wi Fi access points and switches. But actually, if you like a little bit deeper, you'll quickly conclude that each brings different architectural strength. And my opportunity here, and the opportunity that my team are and I are going to be pursuing over the next few weeks and months, is to think about a thoughtful integration of the portfolios in a way that gets our customers to this, what we call true north architecture, about AI-driven, cloud-delivered solutions that are secure, without leaving anybody left behind. So basically, irrespective of where you start, on the HPE Aruba side or on the Mist side, you're going to have a clear, non-disruptive path to that compelling future and we'll be able to talk about that more in the coming months.

Antonio Neri

And I will say also the deployment options that we'll bring to the table, right? So AI-driven cloud delivered. On the other hand, HPE also bring the opportunity to do virtual private clouds, which are very important for customers, different type of customers. So this is why the portfolio completeness is pretty significant here.

Paul Glaser

Thanks for the question, Aaron. Operator, next question, please.

Operator

And your next question today will come from Matt Niknam with the Deutsche Bank. Please go ahead.

Matt Niknam

Hey, guys. Thanks so much for taking the question and congrats on the deal close. I'm just curious, back in Jan of 2024, there was a conference call -- or Antonio, you had laid out the rationale for the deal. And so I'm wondering, since then it's been about, call it over 18 months, how has the rationale evolved or changed? And then perhaps I can sneak in also, how has the customer reaction to the deal evolved or changed relative to 18 months ago? Thanks.

Antonio Neri

Well, thanks, Matt. Look. I just came out of, two weeks ago, of our HPE Discover conference in Las Vegas. We had the best Discover ever. Over 12,000 global customers came to experience our technology. We had seven acres of technology on display, and the deal was not yet agreed, which closed the week after. But the feedback has been overwhelming, positive. And then before this call, I had a call with an individual that covers the channel, the partner ecosystem, both

customers and our partners see this as a pro competitive and super strong from an innovation perspective. And so nothing has changed from a customer feedback perspective. But in the thesis that are I laid out on January 9th, 2024 go even stronger. Because everybody since then, spoke about the need to provide a modern network architecture for the next decade, driven by these AI inflection points we see in the market.

And that's why the vision that Rami speaks about, Networking for AI, AI [ph] for networking is spot on, but it got even stronger from that thesis perspective. I find it fascinating personally, that six or nine months later of that call, everybody start talking about networking, networking, networking, and so now that vision that we have become even stronger. So we are excited about that, but we obviously have a path forward here to execute on that vision, and we're going to execute aggressively to drive the amazing value we can provide shareholders and better solutions will lower CapEx and OpEx for our customers going forward.

Paul Glaser

Thank you, Matt. Operator, last question, please.

Operator

And your final question for today will be from Samik Chatterjee with JP Morgan. Please go ahead.

Samik Chatterjee

Yeah. Great. And congrats on the deal closing, and good to hear you both on the call. Maybe if I can sort of ask you on the revenue synergy a bit more, and particularly how you're thinking about revenue synergies relative to the cloud vertical around the opportunity where Juniper already does well in that vertical on the Networking side, and how do you think about sort of the opportunity with tier one or tier two clouds in relation to selling the server portfolio on that front? Just maybe help me think through. Is it really on the revenue synergy side, more of a tier one cloud opportunity, or you're thinking of the opportunity as more revenue synergy being more like tier two Neo Cloud driven. Any color on that front would be helpful. Thank you.

Antonio Neri

Yeah. Look, I mean the opportunities across all segments of the market. Look, if you are a tier one customer, and I think about those new AI clouds, not just the traditional hyperscaler, as you know, because there is opportunities there, but they are new entrants in the AI space that behave like a hyperscaler, which they'll build in a million GPUs, plus, as Rami said. That's a huge opportunity for us, and what they need there, honestly, is simplicity and speed. And when you stand up a 20,000 plus GPU cluster, it takes an enormous amount of work to let the power, the cooling, and then basically the racks with all the accelerated computing. Now we can do that in a much more integrated way, and also eliminate, over time, the number of control planes related to the management of this infrastructure by integrating the work that Rami does on us working with the work we're doing with the compute side, but that's true for tier one, including new entrants. Tier two and tier three.

And then on the sovereign side, obviously, we have already a large presence with our supercomputing business, and we already building new AI clouds, and we spoke about a couple of them in the past, the one in Japan, the one in Bristol, which is going to be open here very, very soon. And obviously there is a number of large engagements all over the world. And so this is why one of the things I have, as well Phil, is to lead the engagements with those geographies, with his networking background and his go to market understanding, so that we can work it backwards with Rami and team from an architectural perspective. But look, showing up some of

the clouds with the network and the computer all integrated from the data center down to the last GPU is key.

And that is enterprise, and enterprise obviously wants more integrated solutions than ever before. And the opportunity there is to, when the time comes for a refresh, is to really show up with the best technology, puristically from networking standpoint, and then better integrate the private clouds. And that's why I'm excited the work that Rami and Fidelma and Neil are going to thrive, because we already have a leading portfolio in the private cloud for virtualization. And as you know, we have a runtime there that we announced with VM Essentials. That was a big topic of discussion at HPE Discover, and then obviously private cloud AI, which is a growing business for us, which is really focused on helping enterprises adopt AI and accelerate time to value. So that's why the opportunity for revenue synergies across all segments, and honestly, geographies, because again, Remi may not have had a strong presence outside certain geographies, and now HPE can bring that opportunity to the rest of the business, because we have a very strong presence everywhere in the world, in fact, in 172 countries. So that's why there's a big opportunity for us here, and that's what we're going to drive aggressively.

CONCLUSION

Operator

That concludes our question and answer -- oh, please go ahead.

Antonio Neri

Yeah, no. Thank you very much. I know we have limited time. I appreciate you making the time to join the call today. We will continue this dialog. Our next opportunity will be during our Q3 earnings. We, of course, we're going to announce when we're going to have that call and then obviously excited to host all of you at the security analyst meeting on October 15th, where Marie and I and the team will share more about our long-term plans. But I appreciate you making the time. Again it is a new chapter for HPE, and honestly, there is a significant investment opportunity for our shareholders, and that's what we're going to drive for. Thank you.

Operator

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.