Hewlett Packard Enterprise

SECURITIES ANALYST MEETING 2020

COMPELLING MARKET TRENDS DRIVE GROWING OPPORTUNITY FOR HPE

Customer spend on digital transformation will more than double by 2025[1]

Customers need seamless, secure connectivity

55B+
Connected devices by 2025[2]

Cloud is an experience, not a destination

90+%
of enterprises using hybrid cloud[4]

Data means nothing without insight

~65%
of data is unorganized, with limited usage[3]

Customers want to consume IT as a service

On-premises as-a-service TAM with **58%** CAGR[5]

OUR STRATEGY CAPITALIZES ON OPPORTUNITY AND POSITIONS US TO DELIVER LONG-TERM SUSTAINABLE PROFITABLE GROWTH

Transform and stabilize the core

Gain market share in profitable growth areas

Transition infrastructure software to SaaS

Drive supply chain efficiencies

Double down in growth businesses

Edge: Aruba + Silver Peak to capitalize on growing SD-WAN market

High Performance Computing: Leadership across highest-growth segments of HPC

Accelerate pivot to as a service

HPE GreenLake $4B+ lifetime TCV[6] and 90%+ customer retention

Allocate resources and invest for the future

On-track to generate net annualized run-rate savings of $800 million by end of FY22, with most savings achieved by end of FY21

COMPELLING INVESTMENT OPPORTUNITY

KEY STRATEGIC PRIORITIES

ROBUST FINANCIAL PROFILE

	GAR [FY20 – FY23]
Growth business mix[7] of Total Revenues in FY23	32%+
ARR in FY23	$1.4B+
Free Cash Flow in FY23	$2B+

FY 2021 OUTLOOK

Non-GAAP operating profit growth[8]	15% – 20%
Non-GAAP diluted net EPS[9]	$1.56 - $1.76
GAAP diluted net EPS	$0.34 - $0.54
Free cash flow[10]	$0.9B - $1.1B

1. Morgan Stanley (Sample of 7,000 companies). 30 September 2020.
2. IDC, Future of Industry Ecosystems: Shared Data and Insights, September 2020.
3. Gartner (Excl. Hyperscalers). July 2020 / IDC Directions. March 2020.
4. Flexera – State of the Cloud. 2020 / IDC Cloud Pulse C1Q20. Apr 2020.
5. Source: IDC / Gartner / HPE estimates for 2020. Market TAM is based on FY20 estimates for WW excluding China (WWeC) and includes Products, Services, and Tier 1. Market TAM CAGR growth rates exclude Tier 1.
6. AAS Lifetime TCV refers to Lifetime Total Contract Value for as-a-Service contracts / orders.
7. Growth business includes HPC & MCS, Intelligent Edge business segments and as-a-Service (AAS) business.
8. FY21 non-GAAP operating profit excludes costs of approximately $2.0B primarily related to transformation costs, stock-based compensation and amortization of intangible assets.
9. FY21 non-GAAP diluted net EPS excludes after-tax costs of approximately $1.22 per share primarily related to transformation costs, stock-based compensation and amortization of intangible assets.
10. Free cash flow = cash flow from operations less net capital expenditures; net capital expenditures = investments in property, plant and equipment less proceeds from the sale of property, plant and equipment. Hewlett Packard Enterprise provides certain guidance on a non-GAAP basis, as the company cannot predict some elements that are included in reported GAAP results.

For cautionary language regarding forward looking statements, please refer to the Securities Analyst Meeting presentation at https://investors.hpe.com.