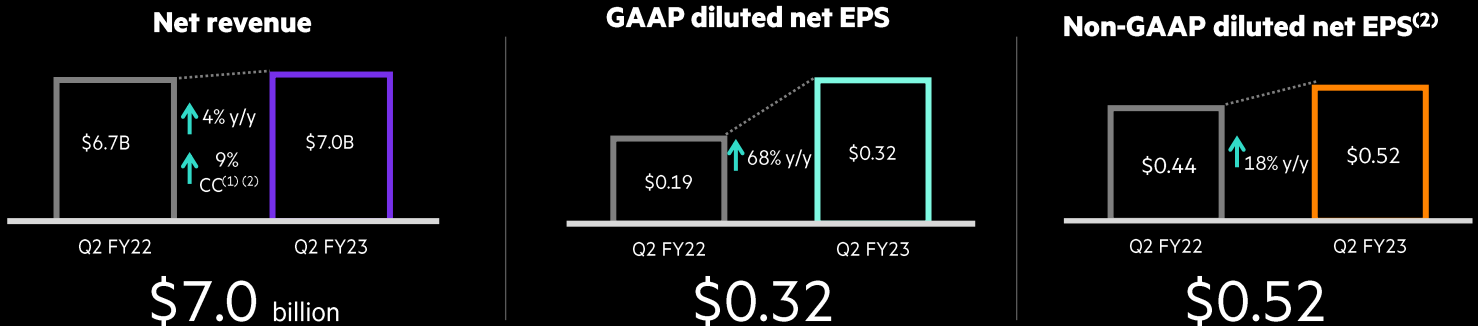


HPE Reports Fiscal 2023 Second Quarter Results

Highlights

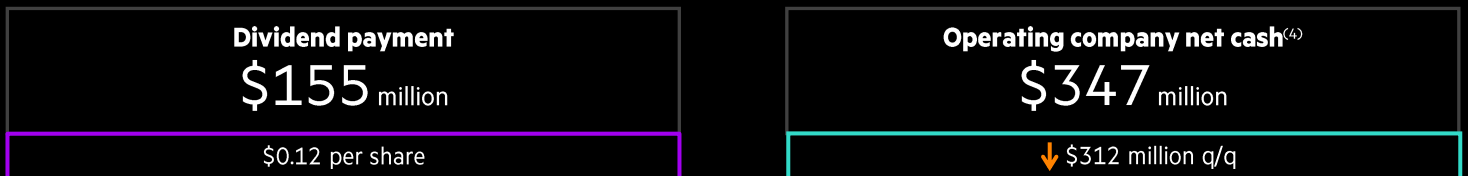


Annualized Revenue Run-Rate (ARR)⁽³⁾ \$1.1 billion ↑ 38% y/y CC⁽¹⁾

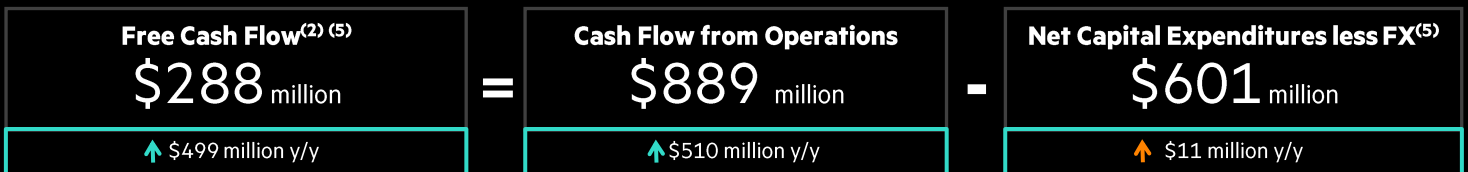
Geography



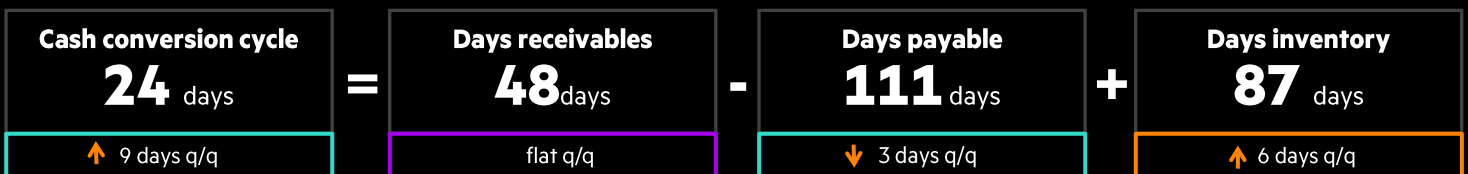
Capital Allocation



Cash Flow



Asset Management



1. In constant currency. A description of HPE's use of non-GAAP financial information is provided as part of Q2'23 earnings presentation, available at <https://Investors.hpe.com>.
 2. All non-GAAP numbers have been adjusted to exclude certain items. A reconciliation of specific adjustments to GAAP results for the current and prior periods is included as a part of Q2'23 earnings presentation, available at <https://Investors.hpe.com>.
 3. Annualized Revenue Run-Rate ("ARR") is a financial metric used to assess the growth of the Consumption Services ("CS") offerings. ARR represents the annualized revenue of all net HPE GreenLake services revenue, related financial services revenue (which includes rental income from operating leases and interest income for capital leases), and software-as-a-Service, software consumption revenue, and other as-a-Service offerings recognized during a quarter and multiplied by four. We use ARR as a performance metric. ARR should be viewed independently of net revenue and is not intended to be combined with it.
 4. Operating company net cash is defined as total company net cash excluding the cash and debt associated with Financial Services.
 5. Free cash flow represents cash flow from operations less net capital expenditures (investments in property, plant & equipment ("PP&E") less proceeds from the sale of PP&E) and adjusted for the effect of exchange rate fluctuations on cash, cash equivalents, and restricted cash.

HPE Reports Fiscal 2023

Second Quarter Results

Growth

Intelligent Edge

Revenue
\$1,304 million
↑ 50% y/y
↑ 56% y/y CC⁽¹⁾ (2)

Operating profit
\$351 million
26.9% of revenue
↑ 14.3 pts y/y

HPC & AI

Revenue
\$840 million
↑ 18% y/y
↑ 22% y/y CC⁽¹⁾ (2)

Operating profit
(\$2) million
(0.2%) of revenue
↑ 5.4 pts y/y

Core

Compute

Revenue
\$2,761 million
↓ 8% y/y
↓ 3% y/y CC⁽¹⁾ (2)

Operating profit
\$420 million
15.2% of revenue
↑ 1.1 pts y/y

Storage

Revenue
\$1,043 million
↓ 3% y/y
↑ 2% y/y CC⁽¹⁾ (2)

Operating profit
\$82 million
7.9% of revenue
↓ 3.9 pts y/y

AAS Enablers

Financial Services

Revenue
\$858 million
↑ 4% y/y
↑ 7% y/y CC⁽¹⁾ (2)

Operating profit
\$84 million
9.8% of revenue
↓ 2.8 pts y/y

CORP Investments and other

Revenue
\$296 million
↓ 9% y/y
↓ 4% y/y CC⁽¹⁾ (2)

Operating profit
(\$47) million
(15.9%) of revenue
↓ 8.6 pts y/y

Financing volume ↑ 13% y/y ↑ 17% y/y CC⁽¹⁾ (2)

Net portfolio assets ↑ 5% y/y ↑ 5% y/y CC⁽¹⁾ (2)

Outlook⁽³⁾

Q3 FY23 GAAP
diluted net EPS

\$0.34 \$0.38

FY23 GAAP
diluted net EPS

\$1.42 \$1.50

Q3 FY23 non-GAAP diluted
net EPS⁽²⁾ (4)

\$0.44 \$0.48

FY23 non-GAAP diluted
net EPS⁽²⁾ (4)

\$2.06 \$2.14

Free Cash Flow⁽⁵⁾
\$ billions

\$1.9 \$2.1



1. In constant currency.
2. All non-GAAP numbers have been adjusted to exclude certain items. A description of HPE's use of non-GAAP financial information is provided as part of Q2'23 earnings presentation, available at <https://investors.hpe.com>.
3. This FY23 Q2 Earnings Summary contains forward-looking statements that involve risks, uncertainties, and assumptions. Please refer to our forward-looking statements included as part of our Q2'23 earnings presentation available at [www.hpe.com/investor/home](https://investors.hpe.com).
4. Q3 FY23 non-GAAP diluted net EPS estimates excludes after-tax adjustments of \$0.10 per diluted share, primarily related to stock-based compensation expense, transformation costs and amortization of intangible assets; FY23 non-GAAP diluted net EPS estimates exclude after-tax adjustments of \$0.64 per diluted share, primarily related to stock-based compensation expense, amortization of intangible assets and transformation costs. 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.
5. Free cash flow represents cash flow from operations, less net capital expenditures (investments in property, plant & equipment ("PP&E") less proceeds from the sale of PP&E) and adjusted for the effect of exchange rate fluctuations on cash, cash equivalents, and restricted cash. 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. Refer to HPE's use of non-GAAP financial information included as part of our Q2'23 earnings presentation available at [www.hpe.com/investor/home](https://investors.hpe.com).