



**Hewlett Packard
Enterprise**

SECURITIES ANALYST MEETING 2018

#HPESAM

Forward-looking statements

This presentation contains forward-looking statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of Hewlett Packard Enterprise Company and its consolidated subsidiaries ("Hewlett Packard Enterprise") may differ materially from those expressed or implied by such forward-looking statements and assumptions. The words "believe", "expect", "anticipate", "optimistic", "intend", "aim", "will", "should" and similar expressions are intended to identify such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including but not limited to any projections of revenue, margins, expenses, effective tax rates, the impact of the U.S. Tax Cuts and Jobs Act of 2017, including the effect on deferred tax assets and the one-time transition tax on unremitted foreign earnings, net earnings, net earnings per share, cash flows, benefit plan funding, deferred tax assets, share repurchases, currency exchange rates or other financial items; any projections of the amount, timing or impact of cost savings or restructuring charges; any statements of the plans, strategies and objectives of management for future operations, as well as the execution of transformation and restructuring plans and any resulting cost savings, revenue or profitability improvements; any statements concerning the expected development, performance, market share or competitive performance relating to products or services; any statements regarding current or future macroeconomic trends or events and the impact of those trends and events on Hewlett Packard Enterprise and its financial performance; any statements regarding pending investigations, claims or disputes; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing.

Risks, uncertainties and assumptions include the need to address the many challenges facing Hewlett Packard Enterprise's businesses; the competitive pressures faced by Hewlett Packard Enterprise's businesses; risks associated with executing Hewlett Packard Enterprise's strategy; the impact of macroeconomic and geopolitical trends and events; the need to manage third-party suppliers and the distribution of Hewlett Packard Enterprise's products and the delivery of Hewlett Packard Enterprise's services effectively; the protection of Hewlett Packard Enterprise's intellectual property assets, including intellectual property licensed from third parties and intellectual property shared with HP Inc.; risks associated with Hewlett Packard Enterprise's international operations; the development and transition of new products and services and the enhancement of existing products and services to meet customer needs and respond to emerging technological trends; the execution and performance of contracts by Hewlett Packard Enterprise and its suppliers, customers, clients and partners; the hiring and retention of key employees; integration and other risks associated with business combination and investment transactions; the execution, timing and results of any transformation or restructuring plans, including estimates and assumptions related to the costs and anticipated benefits of implementing the transformation and restructuring plans; the effects of the U.S. Tax Cuts and Jobs Act and related guidance and regulations that may be implemented; the resolution of pending investigations, claims and disputes; and other risks that are described in Hewlett Packard Enterprise's Annual Report on Form 10-K for the fiscal year ended October 31, 2017 and subsequent Quarterly Reports on Form 10-Q.

As in prior periods, the financial information set forth in this presentation, including tax-related items, reflects estimates based on information available at this time. While Hewlett Packard Enterprise believes these estimates to be reasonable, these amounts could differ materially from reported amounts in the Hewlett Packard Enterprise Annual Report on Form 10-K for the fiscal year ended October 31, 2018. Hewlett Packard Enterprise assumes no obligation and does not intend to update these forward-looking statements.

Use of non-GAAP and adjusted financial information

Hewlett Packard Enterprise (HPE) has included non-GAAP financial measures in this presentation to supplement HPE's condensed and consolidated financial statements presented on a GAAP basis. Definitions of these non-GAAP financial measures and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included elsewhere in this presentation.

HPE's management uses net revenue on a constant currency basis, net revenue adjusted for divestitures and currency, non-GAAP income tax rate, non-GAAP net earnings from continuing operations, non-GAAP net earnings from discontinued operations, non-GAAP diluted net earnings per share from continuing operations and non-GAAP diluted net earnings per share from discontinued operations to evaluate and forecast HPE's performance before gains, losses or other charges that are considered by HPE's management to be outside of HPE's core business segment operating results. Adjusted gross cash, net cash, free cash flow, normalized free cash flow and net capital expenditures are liquidity measures that provide useful information to management about the amount of cash available for investment in HPE's businesses, funding acquisitions, repurchasing stock and other purposes. Net cash and net debt provide useful information to management about the state of HPE's condensed consolidated balance sheet. Operating company net cash and operating company net debt provide additional useful information to management about the state of HPE's condensed consolidated balance sheet by providing more transparency into the financial components of the operating company separate from HPE's financing business, which has different capital structure requirements and requires much greater leverage to run effectively.

These non-GAAP financial measures may have limitations as analytical tools, and these measures should not be considered in isolation or as a substitute for analysis of HPE's results as reported under GAAP. For example, items such as amortization of intangible assets, though not directly affecting HPE's cash position, represent the loss in value of intangible assets over time. The expense associated with this loss in value is not included in non-GAAP operating profit, non-GAAP operating profit as % of revenue, non-GAAP income tax rate, non-GAAP net earnings from continuing operations, non-GAAP net earnings from discontinued operations, non-GAAP diluted net earnings per share from continuing operations and non-GAAP diluted net earnings per share from discontinued operations and therefore does not reflect the full economic effect of the loss in value of those intangible assets. In addition, items such as separation costs, , transformation costs, restructuring charges, defined benefit plan settlement charges and remeasurement benefit and acquisition and other related charges that are excluded from non-GAAP operating expense, non-GAAP operating profit, non-GAAP operating profit as % of revenue, non-GAAP tax rate, non-GAAP net earnings from continuing operations, non-GAAP net earnings (loss) from discontinued operations, non-GAAP diluted net earnings per share from continuing operations and non-GAAP diluted net earnings (loss) per share from discontinued operations can have a material impact on the equivalent GAAP earnings measures and cash flow. Items such as income tax indemnification, valuation allowances, net, and the related tax impact from other non-GAAP measures that are excluded from the non-GAAP tax rate, non-GAAP net earnings from continuing operations, non-GAAP net earnings (loss) from discontinued operations, non-GAAP diluted net earnings per share from continuing operations and non-GAAP diluted net earnings (loss) per share from discontinued operations can also have a material impact on the equivalent GAAP earnings measures and cash flow. HPE may not be able to liquidate the short-term and long-term investments included in adjusted gross cash immediately, which may limit the usefulness of adjusted gross cash as a liquidity measure. In addition, free cash flow, which includes net capital expenditures, does not represent the total increase or decrease in cash for the period. The non-GAAP financial information that we provide also may differ from the non-GAAP information provided by other companies.

We compensate for the limitations on our use of these non-GAAP financial measures by relying primarily on our GAAP financial statements and using non-GAAP financial measures only supplementally. We also provide robust and detailed reconciliations of each non-GAAP financial measure to the most directly comparable GAAP measure, and we encourage investors to review carefully those reconciliations.

We believe that providing these non-GAAP financial measures, in addition to the related GAAP measures provides investors with greater transparency to the information used by HPE's management in its financial and operational decision-making and allows investors to see HPE's results "through the eyes" of management. We further believe that providing this information better enables investors to understand HPE's operating performance and financial condition and to evaluate the efficacy of the methodology and information used by management to evaluate and measure such performance and financial condition.

FY18 Revenue outlook

	FY18 Current Outlook ¹	Q1 FY18 Actuals	Q2 FY18 Actuals	Q3 FY18 Actuals
Revenue growth Y/Y	6%	11%	10%	4%
Impact of Tier 1	~1 pts	~1 pts	~1 pts	~2 pts
Impact of currency	~ (2 pt)	~ (2 pt)	~ (3 pt)	~ (3 pt)
Revenue growth Y/Y, adj. for currency and Tier 1²	~6%	~11%	~8%	~3%

1. Based on current outlook for FY18

2. Adjusted to eliminate the effects of Tier 1 and currency (amounts may not tie due to rounding)

FY18 Diluted net EPS outlook

	FY18 Current Outlook ¹	Q1 FY18 Actuals	Q2 FY18 Actuals	Q3 FY18 Actuals
GAAP diluted net EPS from continuing operations	\$1.93 - \$1.98	\$0.92	\$0.54	\$0.29
Non-GAAP adjustments ²	Approx. (\$0.43)	(\$0.58)	(\$0.20)	\$0.15
Non-GAAP diluted net EPS	\$1.50 - \$1.55	\$0.34	\$0.34	\$0.44

1. Based on current FY18 outlook

2. Represents adjustments to exclude from GAAP diluted net EPS actuals and estimates, after-tax costs per share related primarily to amortization of intangible assets, restructuring charges, transformation costs, acquisition and other related charges, separation costs, defined plan benefit settlement charges and remeasurement benefit, tax indemnification adjustments and an adjustment related to loss from equity interests



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