



Data courtesy of Print my Leg

# Earnings Announcement



NOVEMBER 22, 2022 | Q4 FY22

# Forward-looking Statements

This presentation contains forward-looking statements based on current expectations and assumptions that involve risks and uncertainties. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of HP Inc. and its consolidated subsidiaries ("HP") may differ materially from those expressed or implied by such forward-looking statements and assumptions.

All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including, but not limited to, any statements regarding the potential impact of the COVID-19 pandemic and the actions by governments, businesses and individuals in response to the situation; projections of net revenue, margins, expenses, effective tax rates, net earnings, net earnings per share, cash flows, benefit plan funding, deferred taxes, share repurchases, foreign currency exchange rates or other financial items; any projections of the amount, timing or impact of cost savings or restructuring and other charges, planned structural cost reductions and productivity initiatives; any statements of the plans, strategies and objectives of management for future operations, including, but not limited to, our business model and transformation, our sustainability goals, our go-to-market strategy, the execution of restructuring plans (including the fiscal 2023 plan) and any resulting cost savings, net revenue or profitability improvements or other financial impacts; any statements concerning the expected development, demand, performance, market share or competitive performance relating to products or services; any statements concerning potential supply constraints, component shortages, manufacturing disruptions or logistics challenges; any statements regarding current or future macroeconomic trends or events and the impact of those trends and events on HP and its financial performance; any statements regarding pending investigations, claims, disputes or other litigation matters; any statements of expectation or belief, including with respect to the timing and expected benefits of acquisitions and other business combination and investment transactions (including the acquisition of Poly); and any statements of assumptions underlying any of the foregoing. Forward-looking statements can also generally be identified by words such as "future," "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "projects," "will," "would," "should," "could," "can," "may," and similar terms.

Risks, uncertainties and assumptions include factors relating to the effects of the COVID-19 pandemic and the actions by governments, businesses and individuals in response to the situation, the effects of which may give rise to or amplify the risks associated with many of these factors listed here; the need to manage (and reliance on) third-party suppliers, including with respect to component shortages, and the need to manage HP's global, multi-tier distribution network, limit potential misuse of pricing programs by HP's channel partners, adapt to new or changing marketplaces and effectively deliver HP's services; HP's ability to execute on its strategic plan, including the previously announced initiatives, business model changes and transformation; execution of planned structural cost reductions and productivity initiatives; HP's ability to complete any contemplated share repurchases, other capital return programs or other strategic transactions; the competitive pressures faced by HP's businesses; risks associated with executing HP's strategy and business model changes and transformation and the fiscal 2023 plan; successfully innovating, developing and executing HP's go-to-market strategy, including online, omnichannel and contractual sales, in an evolving distribution, reseller and customer landscape; the development and transition of new products and services and the enhancement of existing products and services to meet evolving customer needs and respond to emerging technological trends; successfully competing and maintaining the value proposition of HP's products, including supplies; challenges to HP's ability to accurately forecast inventories, demand and pricing, which may be due to HP's multi-tiered channel, sales of HP's products to unauthorized resellers or unauthorized resale of HP's products or our uneven sales cycle; integration and other risks associated with business combination and investment transactions (including the acquisition of Poly); the results of our restructuring plans, including estimates and assumptions related to the cost (including any possible disruption of HP's business) and the anticipated benefits of HP's restructuring plans; the protection of HP's intellectual property assets, including intellectual property licensed from third parties; the hiring and retention of key employees; the impact of macroeconomic and geopolitical trends, changes and events, including the Russian invasion of Ukraine and its regional and global ramifications, recent volatility in global capital markets, increases in benchmark interest rates and the effects of inflation; risks associated with HP's international operations; the execution and performance of contracts by HP and its suppliers, customers, clients and partners, including logistical challenges with respect to such execution and performance; changes in estimates and assumptions HP makes in connection with the preparation of its financial statements; disruptions in operations from system security risks, data protection breaches, cyberattacks, extreme weather conditions or other effects of climate change, medical epidemics or pandemics such as the COVID-19 pandemic, and other natural or manmade disasters or catastrophic events; the impact of changes to federal, state, local and foreign laws and regulations, including environmental regulations and tax laws; potential impacts, liabilities and costs from pending or potential investigations, claims and disputes; and other risks that are described in HP's Annual Report on Form 10-K for the fiscal year ended October 31, 2021, and HP's other filings with the Securities and Exchange Commission.

As in prior periods, the financial information set forth in this presentation, including any tax-related items, reflects estimates based on information available at this time. While HP believes these estimates to be reasonable, these amounts could differ materially from reported amounts in HP's Annual Report on Form 10-K for the fiscal year ended October 31, 2022 and October 31, 2023, HP's Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2023, and HP's other filings with the Securities and Exchange Commission. The forward-looking statements in this presentation are made as of the date of this presentation and HP assumes no obligation and does not intend to update these forward-looking statements. Forward-looking and other statements in this presentation may also address our corporate responsibility progress, plans, and goals (including environmental matters), and the inclusion of such statements is not an indication that these contents are necessarily material to investors or required to be disclosed in HP's filings with the SEC. In addition, historical, current, and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future.

HP's Investor Relations website at [investor.hp.com](http://investor.hp.com) contains a significant amount of information about HP, including financial and other information for investors. HP encourages investors to visit its website from time to time, as information is updated and new information is posted. The content of HP's website is not incorporated by reference into this presentation or in any other report or document HP files with the SEC, and any references to HP's website are intended to be inactive textual references only.

# Use of Non-GAAP Financial Information

HP has included non-GAAP financial measures in this presentation to supplement HP's consolidated financial statements presented on a generally accepted accounting principles ("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. HP's management uses net revenue on a constant currency basis, non-GAAP total operating expenses, non-GAAP operating profit, non-GAAP operating margin, non-GAAP tax rate non-GAAP net earnings, non-GAAP diluted net earnings per share, and other non-GAAP financial measures to evaluate and forecast HP's performance before gains, losses or other charges that are considered by HP's management to be outside of HP's core business segment operating results. Gross cash, net cash (debt), and free cash flow are liquidity measures that provide useful information to management about the amount of cash available for investment in HP's businesses, funding acquisitions, repurchasing stock and other purposes. Net cash (debt) provides useful information to management about the state of HP's consolidated balance sheet.

These and the other non-GAAP financial measures that HP uses may have limitations as analytical tools, and these measures should not be considered in isolation or as a substitute for analysis of HP's results as reported under GAAP. For example, items such as amortization of intangible assets, though not directly affecting HP's cash position, represent the loss in value of intangible assets over time. The expense associated with this change in value is not included in non-GAAP operating profit, non-GAAP tax rate, non-GAAP net earnings, and non-GAAP diluted net earnings per share and therefore does not reflect the full economic effect of the change in value of those intangible assets. In addition, items such as restructuring and other charges, acquisition and divestiture (credits)/charges, Russia exit charges, non-operating retirement-related (credits)/ charges, defined benefit plan settlement charges, debt extinguishment costs, Oracle litigation proceeds, tax adjustments, and the related tax impact on these items that are excluded from non-GAAP total operating expense, non-GAAP operating profit, non-GAAP tax rate, non-GAAP net earnings and non-GAAP diluted net earnings per share can have a material impact on the equivalent GAAP earnings financial measures and cash flow. HP may not be able to immediately liquidate the short-term and long-term investments included in gross cash, which may limit the usefulness of gross cash as a liquidity measure. In addition, free cash flow, which includes adjustment for net investment in leases and net capital expenditure, 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 account 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 reconciliations of each non-GAAP financial measure to the most directly comparable GAAP measure, and we encourage investors to review those reconciliations carefully.

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 HP's management in its financial and operational decision-making and allows investors to see HP's results "through the eyes" of management. We further believe that providing this information better enables investors to understand HP's operating performance and financial condition and to evaluate the efficacy of the methodology and information used by HP's management to evaluate and measure such performance and financial condition.

HP's Investor Relations website at <https://investor.hp.com> contains a significant amount of information about HP, including financial and other information for investors. HP encourages investors to visit its website from time to time, as information is updated and new information is posted.

# Q4 FY22 Highlights

- Net revenue of **\$14.8 billion**, down 11.2% from the prior-year period and down 8.0% in constant currency<sup>1</sup>
- Non-GAAP diluted net earnings per share<sup>2</sup> of **\$0.85**, within the previously provided outlook of **\$0.79 to \$0.89** per share
- GAAP diluted net earnings per share was **negligible**, and below the previously provided outlook of **\$0.44 to \$0.54** per share
- Free cash flow of **\$1.8 billion**<sup>2,3</sup>
- Returned **\$1.0 billion** to shareholders in the form of share repurchases and dividends

1. Adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

2. A reconciliation of specific adjustments to GAAP results for the current and prior periods is included on slide 23 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

3. Free cash flow includes net cash provided from operating activities of \$1,904 million adjusted for net investments in leases of \$61 million and net investment in property, plant and equipment of \$144 million

# FY22 Highlights

- Net revenue of **\$63.0 billion**, down 0.8% from the prior-year period and up 0.7% in constant currency<sup>1</sup>
- Non-GAAP diluted net earnings per share<sup>2</sup> of **\$4.08**, within the previously provided outlook of **\$4.02 to \$4.12** per share
- GAAP diluted net earnings per share of **\$3.05**, below the previously provided outlook of **\$3.46 to \$3.56** per share
- Free cash flow of **\$3.9 billion**<sup>2,3</sup>
- Returned **\$5.3 billion** to shareholders in the form of share repurchases and dividends

1. Adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

2. A reconciliation of specific adjustments to GAAP results for the current and prior periods is included on slide 24 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

3. Free cash flow includes net cash provided from operating activities of \$4,463 million adjusted for net investments in leases of \$155 million and net investment in property, plant and equipment of \$765 million

# Key Growth Areas

Collectively generated over \$11B<sup>1</sup> in revenue in FY22, each growing double digit<sup>1</sup>

## PERIPHERALS

Revenue grew double digit in FY22 excluding impact of the Poly acquisition. Poly acquisition closed, with Q4 results better than expectations. HyperX launched 36 new products including the Armada range of monitors, while becoming Call of Duty's Official Peripherals Partner.

## GAMING

Double digit revenue growth y/y and q/q in Q4. HP partnering with GeForce NOW, Nvidia's cloud gaming subscription service, to launch HP's first free 1-month GeForce NOW Priority Membership.

## WORKFORCE SOLUTIONS

Revenue growth in Q4 y/y driven continued momentum in DaaS and strong orders in Lifecycle services and Digital Services. Launched Enhanced HP Proactive Insights, providing IT with advanced AI and actionable insights to help optimize the device experience for employees.

## CONSUMER SERVICES

Double digit revenue and cumulative subscriptions growth in Q4 y/y and FY22. Commercially launched Instant Ink for small business globally, and Instant Ink Paper service in the U.S.

## INDUSTRIAL GRAPHICS

Solid revenue growth in FY22. HP Indigo closed the largest deal in its history with ePAC for 50 digital presses going into existing and new locations supporting their rapid expansion.

## 3D & PERSONALIZATION

Solid revenue growth in Q4 y/y, exiting the year with strong momentum, including strong orders in Orthotics vertical. Successful launch of HP Metal Jet S100 Solution.



<sup>1</sup> excluding Poly

# Q4 FY22 Results Overview

\$ in millions	Net revenue	Growth y/y%	Growth CC <sup>1</sup> y/y %	Non-GAAP OP \$ <sup>3</sup>	Non-GAAP OP % of rev <sup>3</sup>	Non-GAAP OP \$ y/y <sup>3</sup>	Non-GAAP OP % of rev y/y <sup>3</sup>
Printing	\$4,533	(7.1)%	(5.7)%	\$903	19.9%	\$73	2.9 pts
Personal Systems	\$10,267	(13.0)%	(8.9)%	\$458	4.5%	\$(306)	(2.0) pts
Corporate Investments / Other	\$1	nm <sup>2</sup>	nm <sup>2</sup>	\$(215)	nm <sup>2</sup>	\$33	nm <sup>2</sup>
Total HP	\$14,801	(11.2)%	(8.0)%	\$1,146	7.7%	\$(200)	(0.4) pts

1. CC = constant currency; adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

2. Not meaningful

3. A reconciliation of specific adjustments to GAAP results for the current period is included on slide 23 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

# FY22 Results Overview

\$ in millions	Net revenue	Growth y/y%	Growth CC <sup>1</sup> y/y %	Non-GAAP OP \$ <sup>3</sup>	Non-GAAP OP % of rev <sup>3</sup>	Non-GAAP OP \$ y/y <sup>3</sup>	Non-GAAP OP % of rev y/y <sup>3</sup>
Printing	\$18,902	(6.1)%	(5.5)%	\$3,651	19.3%	\$15	1.2 pts
Personal Systems	\$44,084	1.7%	3.6%	\$2,908	6.6%	\$(193)	(0.6) pts
Corporate Investments / Other	\$(3)	nm <sup>2</sup>	nm <sup>2</sup>	\$(1,081)	nm <sup>2</sup>	\$(113)	nm <sup>2</sup>
<b>Total HP</b>	<b>\$62,983</b>	<b>(0.8)%</b>	<b>0.7%</b>	<b>\$5,478</b>	<b>8.7%</b>	<b>\$(291)</b>	<b>(0.4) pts</b>

1. CC = constant currency; adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

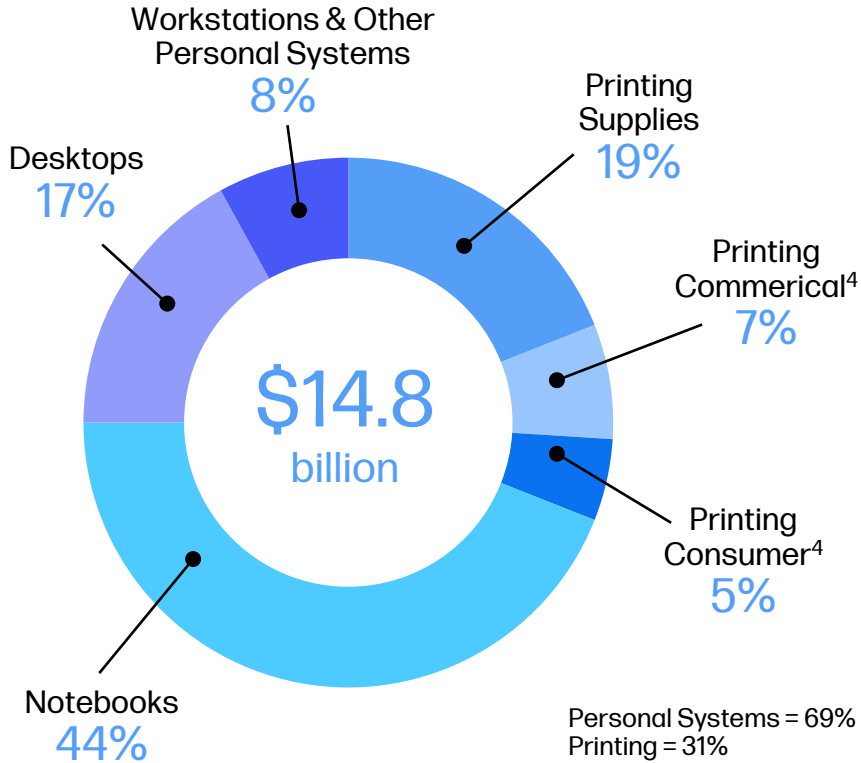
2. Not meaningful

3. A reconciliation of specific adjustments to GAAP results for the current period is included on slide 24 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

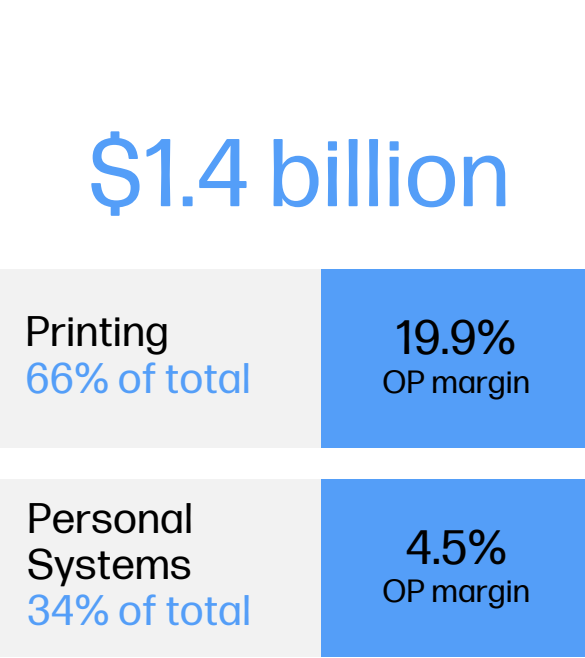


# Q4 FY22 Mix by Segment and Region

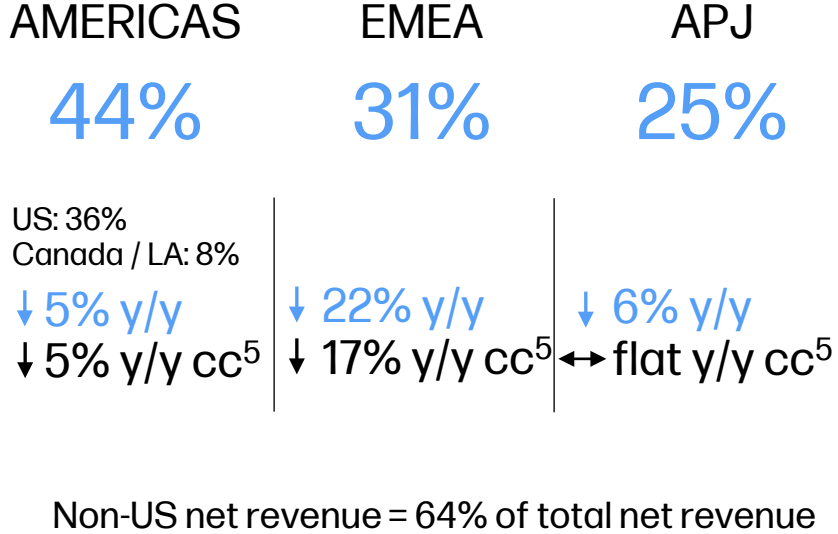
Net revenue  
By key segment and business unit<sup>1</sup>



Non-GAAP operating profit<sup>2</sup>  
By key segment<sup>3</sup>



Net revenue  
By region



1. Revenue mix calculated based on total segment revenue, which does not include corporate investments and other

2. A reconciliation of specific adjustments to GAAP results for the current period is included on slide 23 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

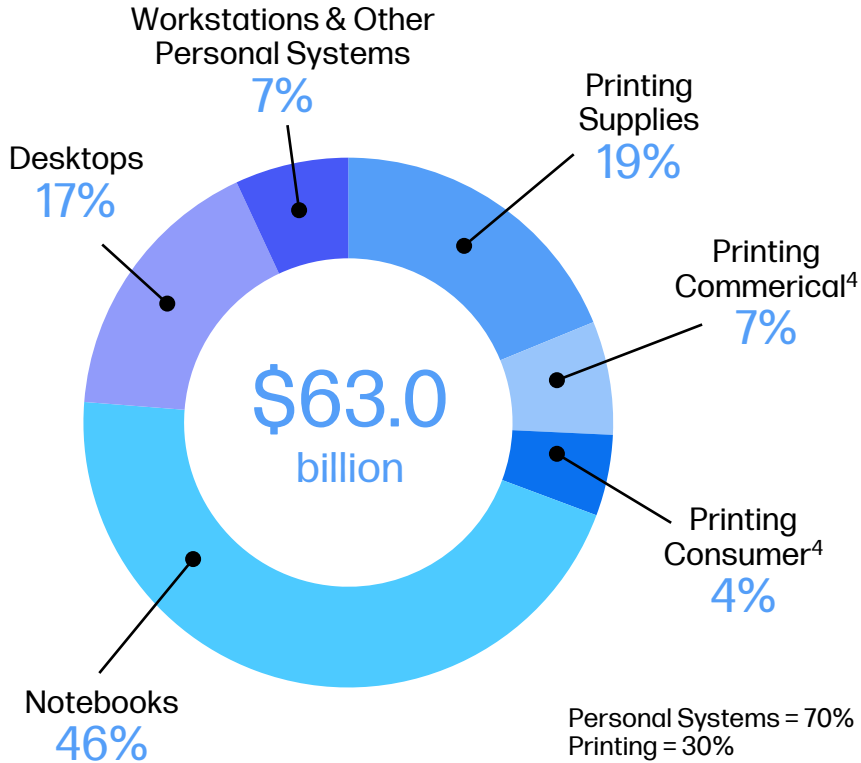
3. Operating profit mix calculated based on total segment operating profit, which does not include corporate investments and other

4. Commercial includes Office Printing Solutions including commercial products and OEM hardware, Graphics Solutions and 3D Printing and digital manufacturing, excluding supplies. Consumer includes Home Printing Solutions, excluding supplies.

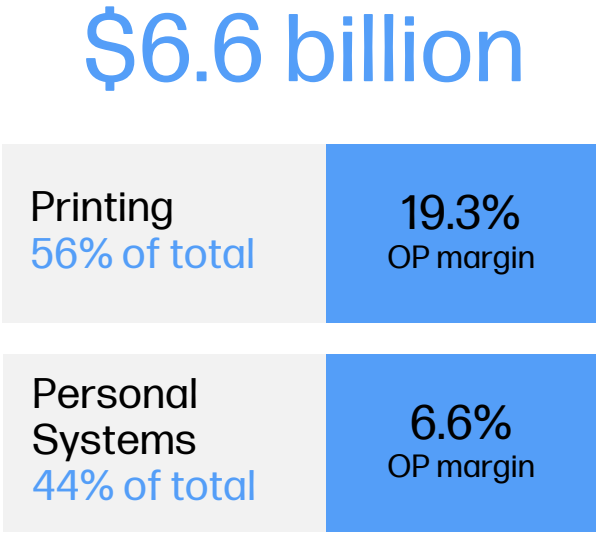
5. CC = constant currency; adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

# FY22 Mix by Segment and Region

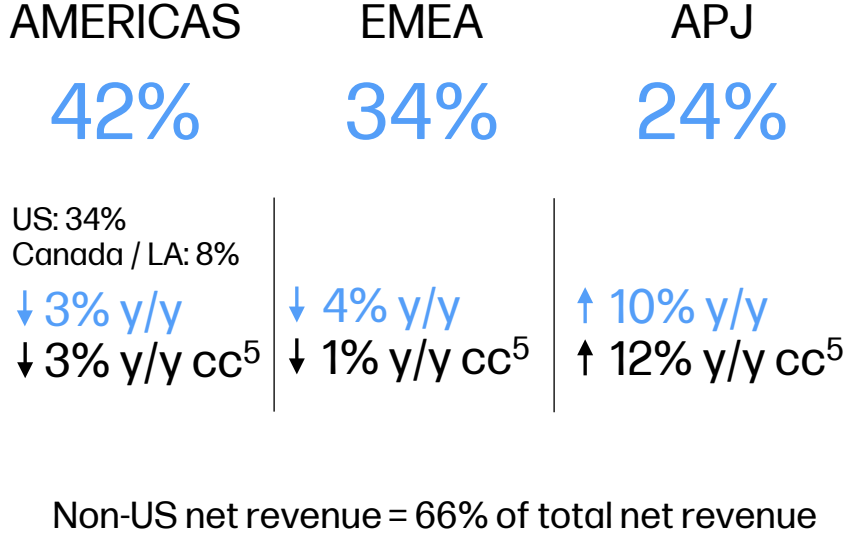
Net revenue  
By key segment and business unit<sup>1</sup>



Non-GAAP operating profit<sup>2</sup>  
By key segment<sup>3</sup>



Net revenue  
By region



1. Revenue mix calculated based on total segment revenue, which does not include corporate investments and other

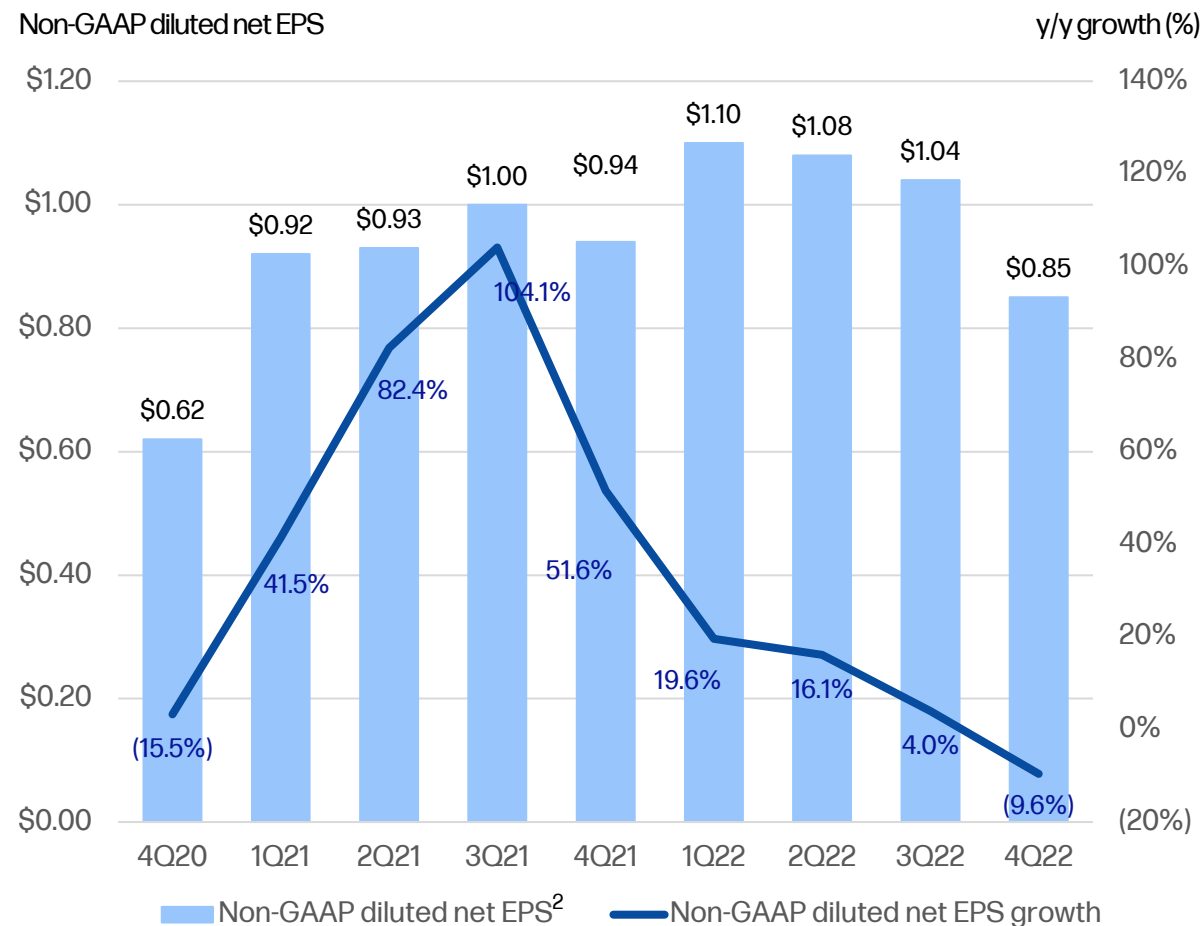
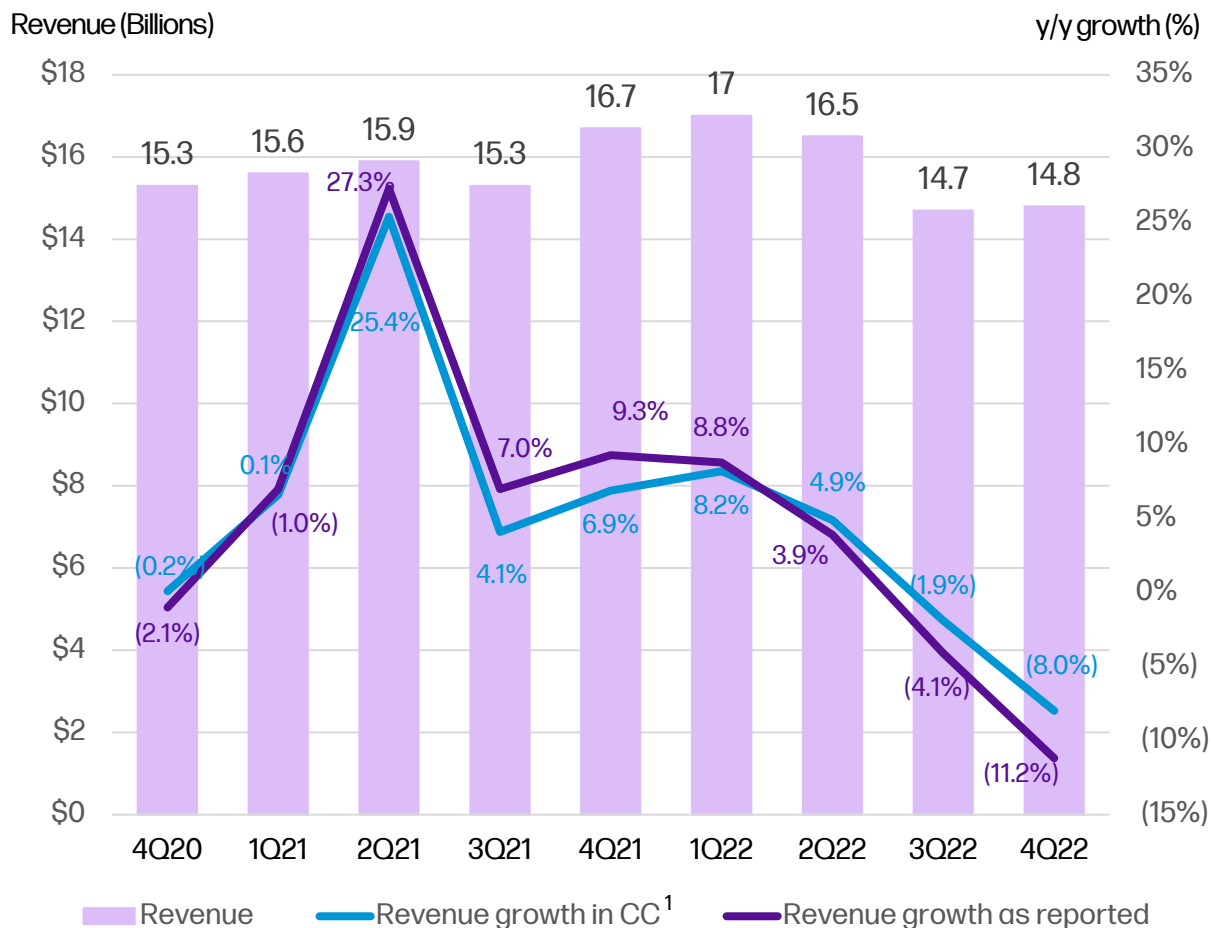
2. A reconciliation of specific adjustments to GAAP results for the current period is included on slide 24 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

3. Operating profit mix calculated based on total segment operating profit, which does not include corporate investments and other

4. Commercial includes Office Printing Solutions including commercial products and OEM hardware, Graphics Solutions and 3D Printing and digital manufacturing, excluding supplies. Consumer includes Home Printing Solutions, excluding supplies.

5. CC = constant currency; adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

# Revenue & Non-GAAP Diluted Net EPS Performance

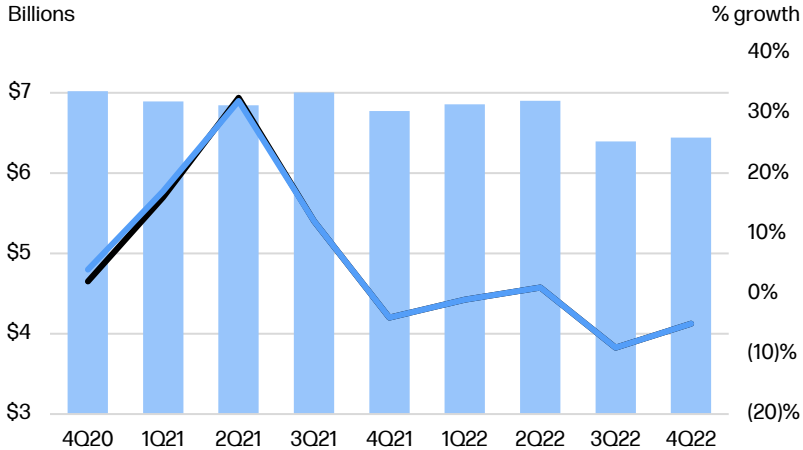


1. Adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

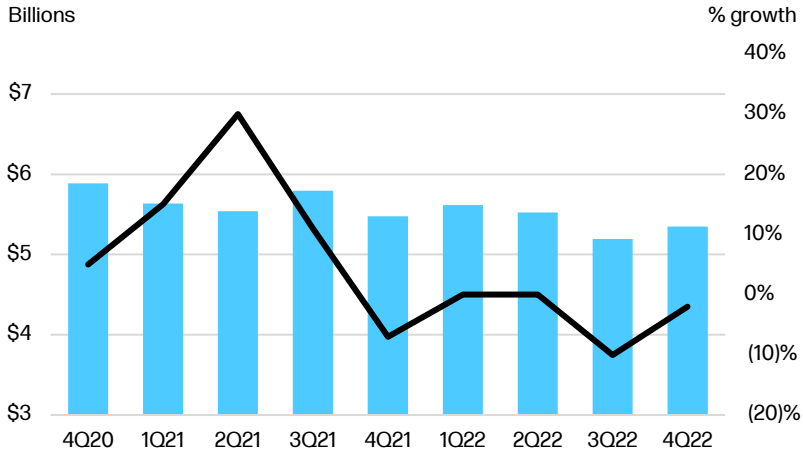
2. A reconciliation of specific adjustments to GAAP results for the current period is included on slide 23 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

# Regional Revenue Trends

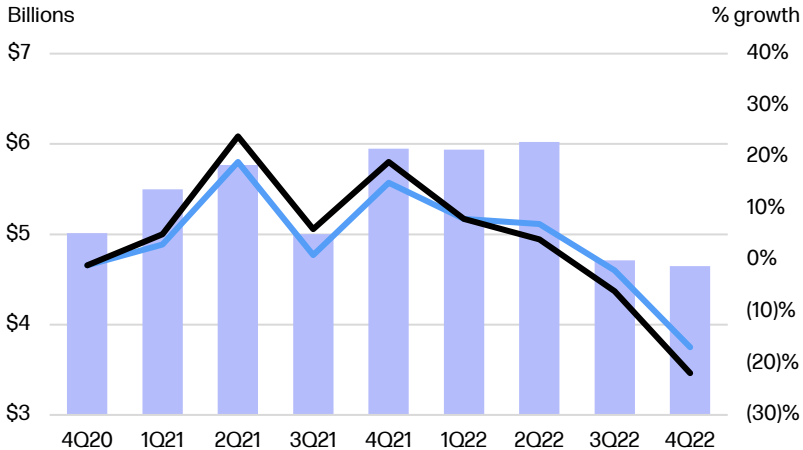
## Americas (including U.S.)



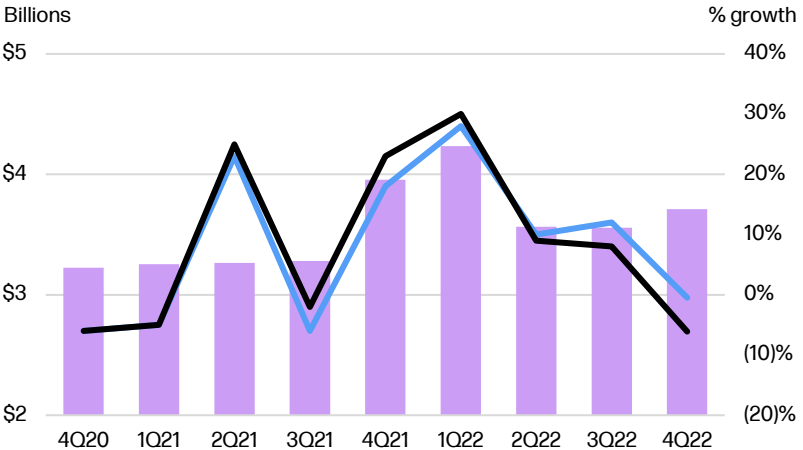
## United States



## EMEA



## Asia Pacific



— y/y revenue growth %      — y/y revenue growth in constant currency %<sup>1</sup>

1. Adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

# Personal Systems Q4 FY22

Revenue

**\$10.3**

billion

↓ 13% y/y  
↓ 9% CC<sup>1</sup>

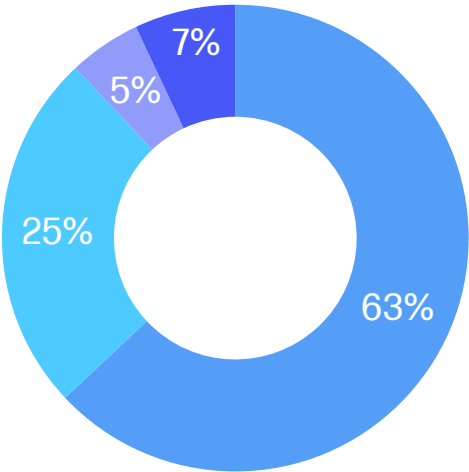
Operating profit

**\$458**

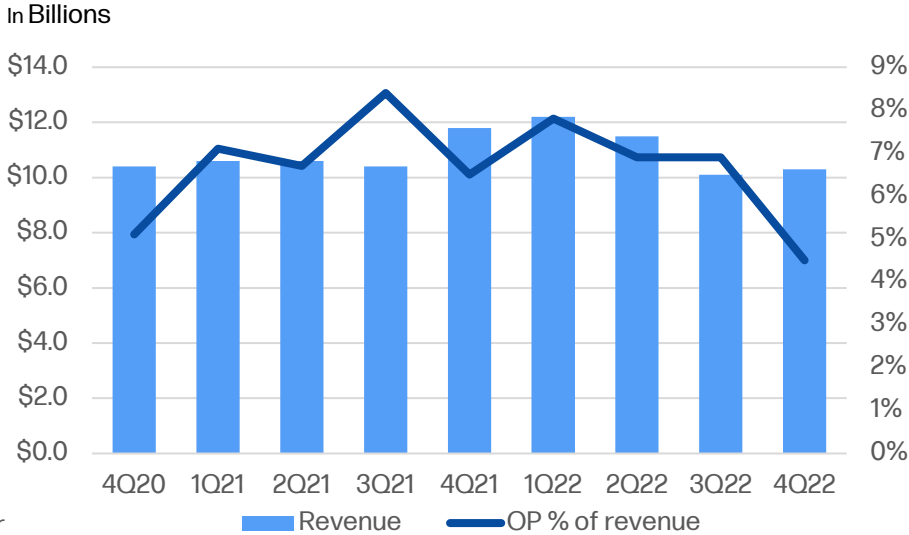
million

4.5%  
of revenue

## Revenue breakdown



## Revenue and OP % trend



Mix shift towards higher-value categories in commercial premium and peripherals, with Commercial mix improving by 5 pts y/y.

Revenue declined y/y driven by continued market softness, unfavorable FX impacts and continuing supply chain challenges in some areas.

Innovation: Introduced the HP 965 4K Streaming Webcam; AI-enhanced, high definition with automatic color correct to keep content center stage.

## KEY METRICS

Total units down 21% y/y

Notebooks revenue down 23% y/y, units down 26% y/y

Desktops revenue up 1% y/y, units down 3% y/y

Commercial revenue down 6% y/y

Consumer revenue down 25% y/y

1. CC = constant currency; adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenue using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

# Printing Q4 FY22

Revenue

**\$4.5**

billion

↓ 7% y/y

↓ 6% CC<sup>1</sup>

Operating profit

**\$903**

million

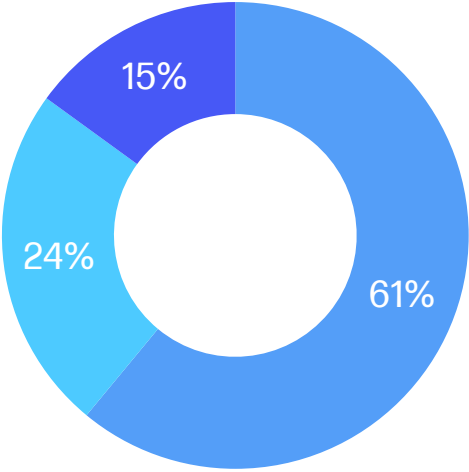
19.9%  
of revenue

HP+ and Big Tank printers continue to become a larger portion of our portfolio mix, representing 55% of printer shipments in Q4.

Revenue declined y/y driven by lower Supplies and lower Consumer hardware units, partially offset by higher Commercial hardware.

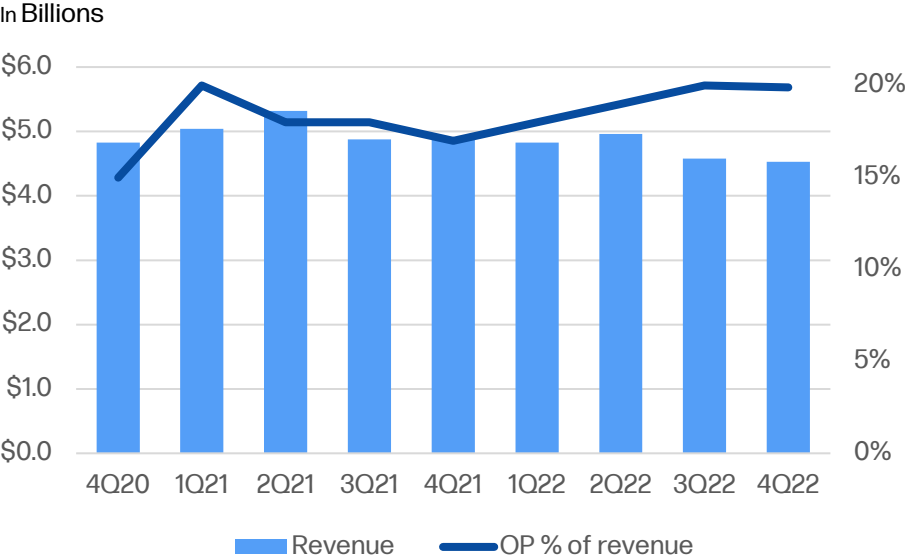
Innovation: Introduction of the HP Indigo V12 Digital Press, showcasing cutting-edge technology enabling breakthrough efficiencies that build on HP capabilities.

## Revenue breakdown



■ Supplies   ■ Commercial   ■ Consumer

## Revenue and OP % trend



## KEY METRICS

Supplies revenue down 10%, (down 10% CC<sup>1</sup>) y/y

Total Hardware units down 3% y/y

Commercial<sup>2</sup> revenue up 1% y/y

Consumer<sup>2</sup> revenue down 7% y/y

1. CC = constant currency; adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenue using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period  
 2. Commercial includes Office Printing Solutions including commercial products and OEM hardware, Graphics Solutions and 3D Printing and digital manufacturing, excluding supplies. Consumer includes Home Printing Solutions, excluding supplies

# Sustainable Impact <sup>1</sup>



The only tech company globally to receive an “A” rating from CDP for our disclosure and progress within Climate, Water, and Forests, along with our work in Supplier Engagement.

Almost all new printers, laptops, notebooks, displays, and workstations launched in 2022 included recycled materials.



Recognized by Ethisphere as one of the world’s most ethical companies 3 years in a row.

In fiscal year 2021, women represented more than 32% of director-level and above positions globally, advancing HP’s goal of 50/50 gender equality in leadership by 2030.

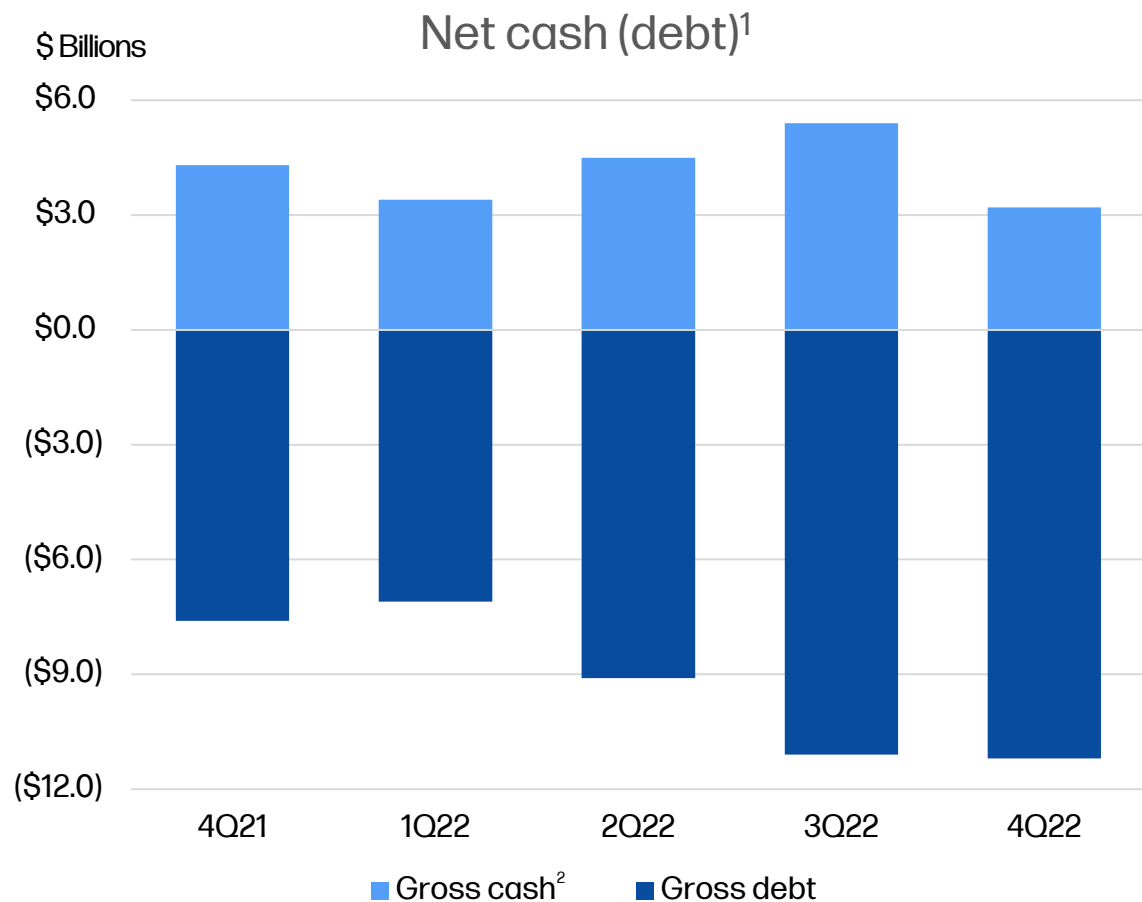


Last year we reached 4.3 million people through our digital equity programs. In 2022 we are on track to more than double that number.

In 2022, our partnership with Aspen Digital provided 7 nonprofits from the U.S., Morocco, and India with hardware donations, employee mentorship, and capacity building grants.

<sup>1</sup> Additional information on these highlights is available in HP’s 2021 Sustainable Impact Report.

# Select Cash & Debt Balances



\$ Billions	4Q21	1Q22	2Q22	3Q22	4Q22
Gross cash <sup>2</sup>	4.3	3.4	4.5	5.4	3.2
Gross debt	7.6	7.1	9.1	11.1	11.2
Net cash (debt) <sup>1,3</sup>	(3.3)	(3.7)	(4.7)	(5.8)	(8.0)

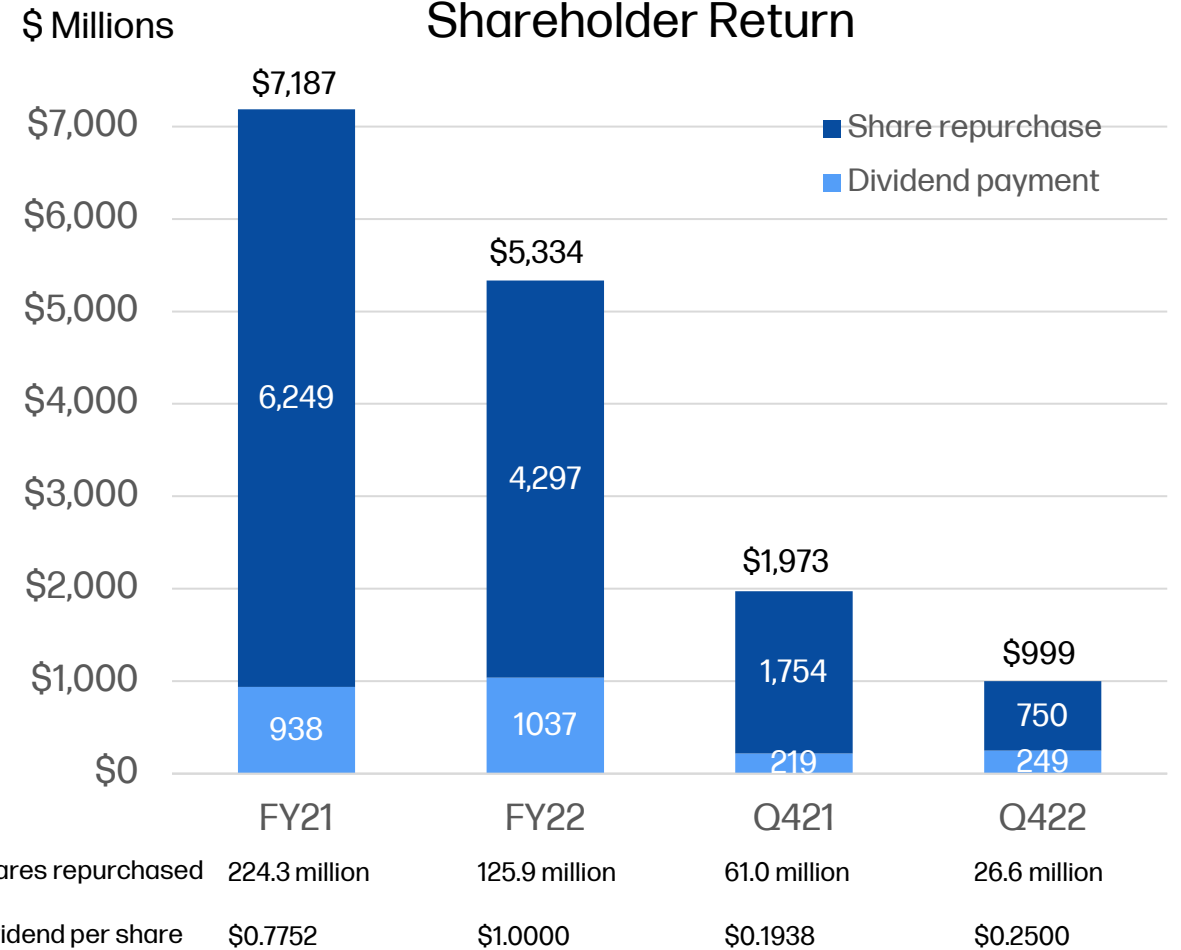
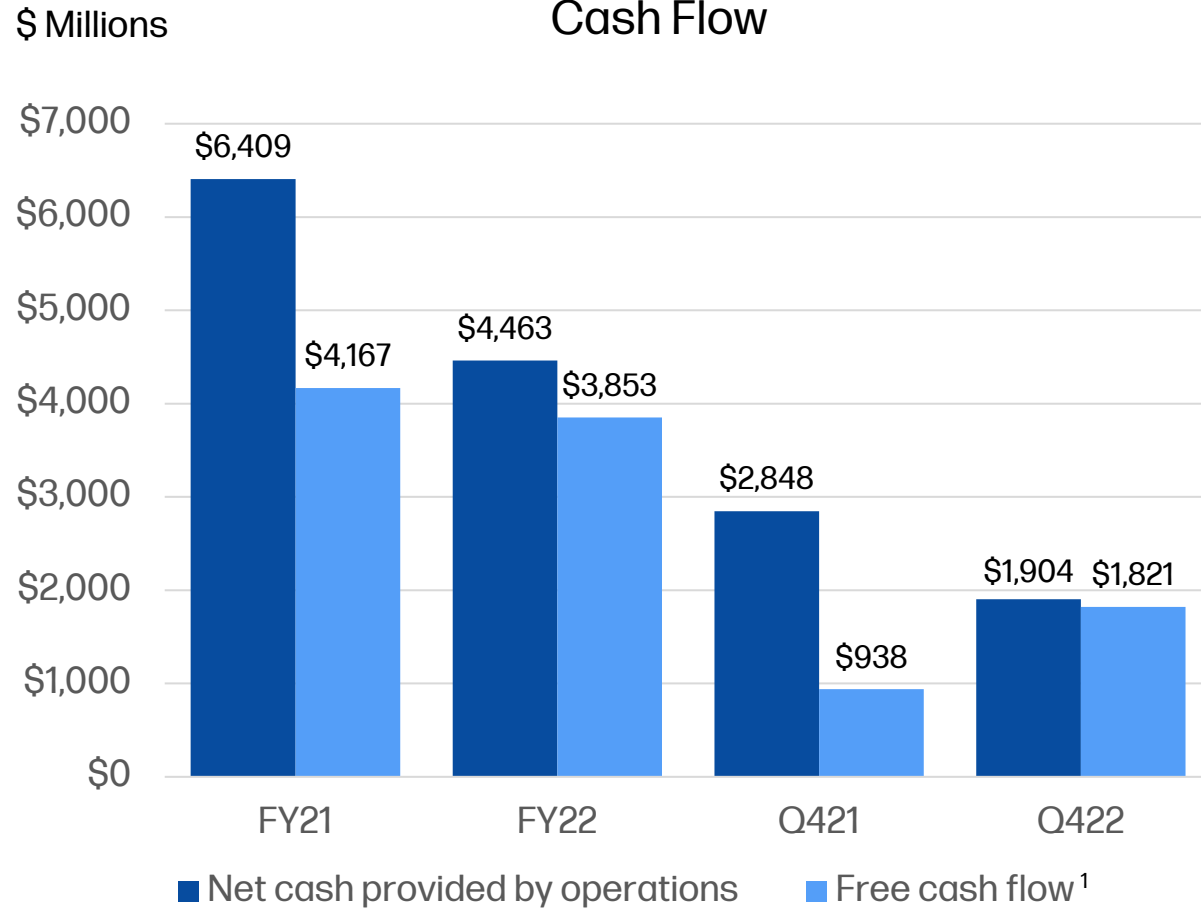
1. Net cash (debt) is defined as gross cash less gross debt after adjusting the effect of unamortized premium/discount on debt issuance, debt issuance costs and gains/losses on interest rate swaps

2. Gross cash includes cash and cash equivalents and short-term investments

3. Numbers may not foot due to rounding



# Cash Flow & Shareholder Return



1. Free cash flow includes net cash provided by operating activities adjusted for net investments in leases, net investments in property, plant and equipment and the net impact of the one-time Oracle litigation proceeds received during the fourth quarter of fiscal 2021

# Value Creation Plan Summary

Exceeded key profitability metrics

	Value Creation Plan <sup>1</sup>	Performance	vs. Plan
Non-GAAP EPS <sup>2</sup> FY22	\$3.25 - \$3.65	\$4.08	Exceeded
Non-GAAP operating profit <sup>2</sup> FY22	\$4.7 - \$5.1B	\$5.5B	Exceeded
Cumulative FCF <sup>3</sup> ('20-'22)	\$10.7 - \$11.7B	\$11.9B	Exceeded
Cumulative capital returns <sup>4</sup> ('20-'22)	\$16.0B	\$16.6B	Exceeded
Transformation savings	\$1.2B	>\$1.3B	Exceeded

1. Value Plan targets for FY22 outlook and cumulative 3-year target for the period FY20 to FY22 provided on February 24, 2020

2. A reconciliation of specific adjustments to GAAP results can be found in the GAAP to non-GAAP slides that appear as part of the supplemental slides on HP's Investor Relations website - <http://investor.hp.com/home/>

3. Free cash flow ("FCF") includes net cash provided from operating activities adjusted for net investments in leases, net investment in property, plant and equipment and the net impact of the one-time Oracle litigation proceeds received during the fourth quarter of fiscal 2021

4. Includes quarterly dividend payments and share repurchases

# Future Ready Transformation by end of FY25

Enabling increased investment in our key growth areas to drive long term value creation

Restructuring & Other Charges **~\$1.0B**

Including ~\$200M of non-cash charges

Total Headcount Reduction **4,000-6,000**

Gross Annualized Run Rate Savings **>\$1.4B**

At least 40% of run-rate savings target by end of FY23

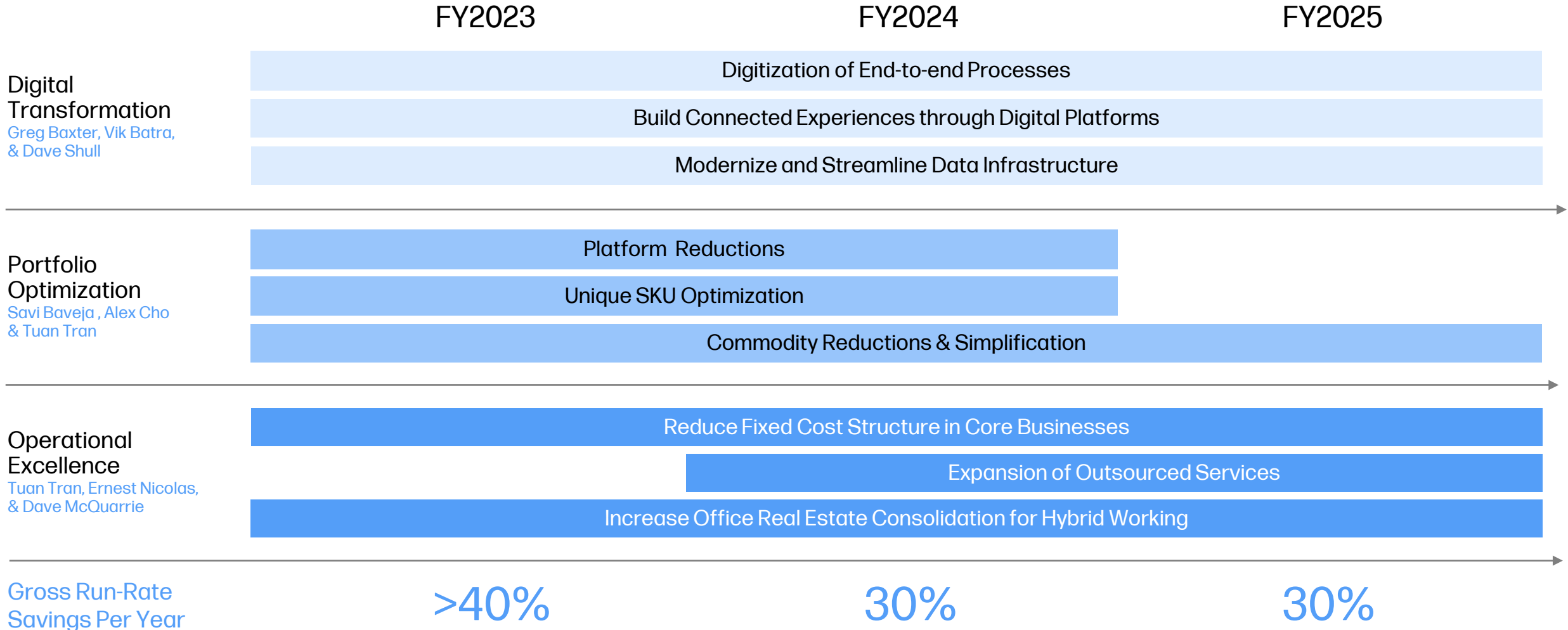
Digital Transformation **~40%**  
Unlock efficiencies with automation and process management  
of total cost savings

Portfolio Optimization **~25%**  
Focus on businesses where we can be #1 or #2 over the next 3 years  
of total cost savings

Operational Excellence **~35%**  
Streamline cost structure within core businesses to drive scale & efficiency  
of total cost savings



# Timeline of major cost transformation initiatives



# FY23 Earnings Outlook & Assumptions

## FY23 outlook

GAAP diluted net EPS	\$2.22–\$2.62
Non-GAAP diluted net EPS <sup>1,3</sup>	\$3.20–\$3.60
Free cash flow <sup>1,2</sup>	\$3.0B–\$3.5B

## Q1 FY23 outlook

GAAP diluted net EPS	\$0.47–\$0.57
Non-GAAP diluted net EPS <sup>1,3</sup>	\$0.70–\$0.80

## FY23 key assumptions

Currency  
 ~5% Y/Y  
 negative impact to revenue

OI&E  
 ~\$0.5B

Corporate & Other  
 ~\$1.1B

GAAP only charges  
 ~\$1.2B

Transformation Savings  
 >\$1.4B  
 in gross annualized run-rate structural savings by FY25

>40%  
 ~\$560M of run-rate structural savings by end of FY23

1. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

2. Free cash flow includes net cash provided by operations adjusted for net investment in leases and net investment in property, plant and equipment

3. First quarter and fiscal 2023 non-GAAP diluted net EPS estimates exclude restructuring and other charges, acquisition and divestiture charges, amortization of intangible assets, non-operating retirement-related (credits) / charges, tax adjustments, and the related tax impact on these items

# Non-GAAP<sup>1</sup> Financial Information

\$ in millions, except  
per share amounts

	Q4 FY22		Q3 FY22		Q4 FY21	
		% of Revenue		% of Revenue		% of Revenue
Revenue	\$14,801		\$14,664		\$16,675	
Cost of revenue	12,084	81.6%	11,764	80.2%	13,410	80.4%
Total OpEx	1,571	10.7%	1,511	10.3%	1,919	11.5%
Operating profit	\$1,146	7.7%	\$1,389	9.5%	\$1,346	8.1%
Interest and other, net	(128)		(104)		(64)	
Pre-tax earnings	1,018	6.9%	1,285	8.8%	1,282	7.7%
Income tax	(163)		(206)		(206)	
Net earnings	855	5.8%	1,079	7.4%	1,076	6.5%
Diluted net earnings per share	\$0.85		\$1.04		\$0.94	

1. A reconciliation of specific adjustments to GAAP results for the current period is included on slide 23 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

# Q4 FY22 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition and divestiture charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$14,801						\$14,801
Cost of revenue	12,084						12,084
Total OpEx	1,950	(74)	(70)	(235)			1,571
Operating profit	767	74	70	235			1,146
Interest and other, net	(94)					(34)	(128)
Pre-tax earnings	673	74	70	235		(34)	1,018
Income tax	(675)	(15)	(13)	(36)	569	7	(163)
Tax rate	100.3%						16.0%
Net (loss) earnings	(\$2)	59	57	199	569	(27)	\$855
Diluted net earnings per share	\$0.00						\$0.85

# FY22 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts <sup>1</sup>	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition and divestiture charges	Russia exit charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$62,983							\$62,983
Cost of revenue	50,648							50,648
Total OpEx	7,659	(228)	(233)	(318)	(23)			6,857
Operating profit	4,676	228	233	318	23			5,478
Interest and other, net	(235)					1	(138)	(372)
Pre-tax earnings	4,441	228	233	318	23	1	(138)	5,106
Income tax	(1,238)	(45)	(47)	(44)	(3)	533	27	(817)
Tax rate	27.9%							16.0%
Net earnings	\$3,203	183	186	274	20	534	(111)	\$4,289
Diluted net earnings per share	\$3.05							\$4.08





# Supplemental

---

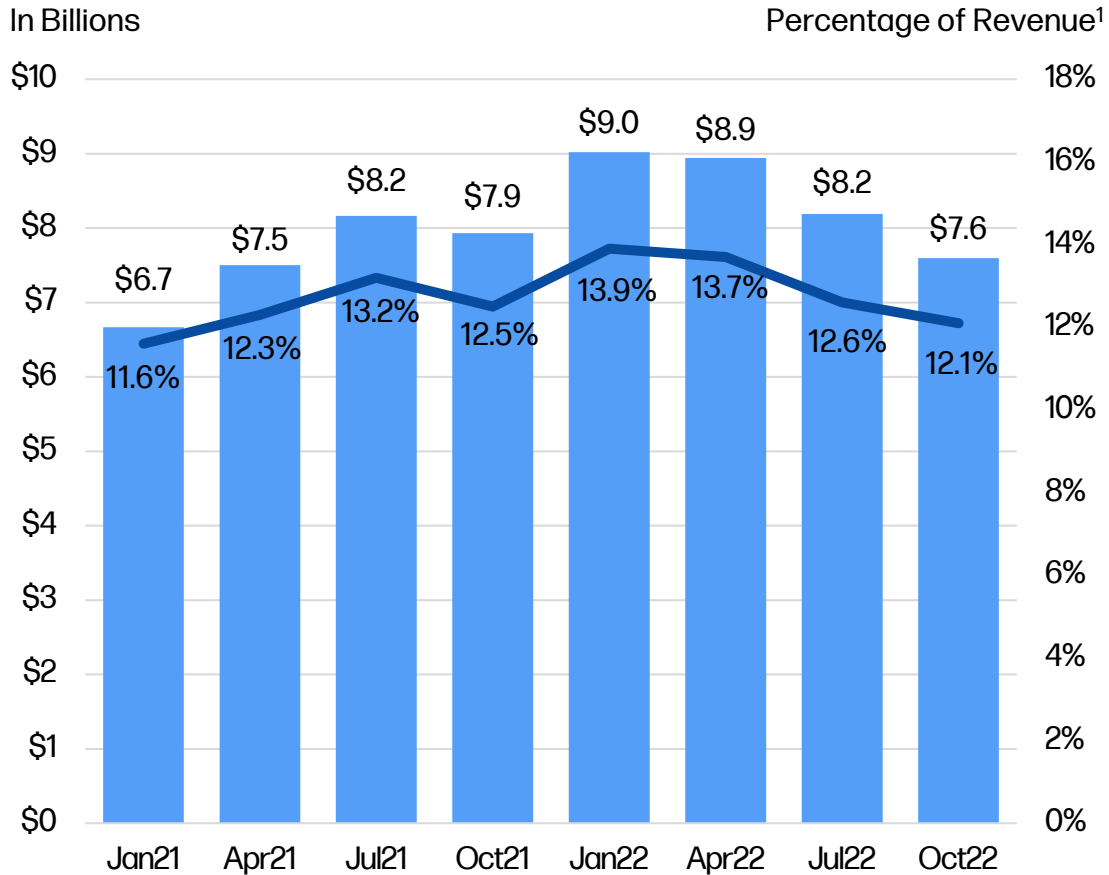
# Slides

---

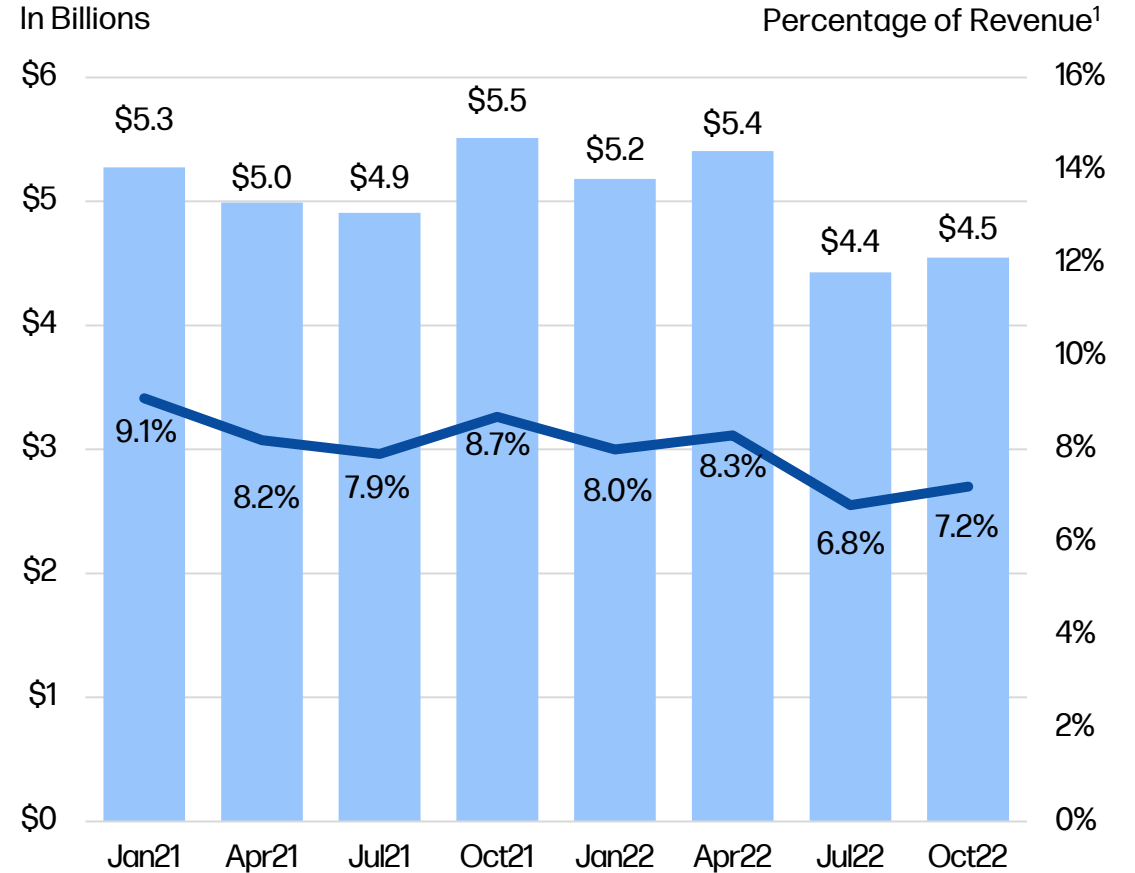


# Inventory & Accounts Receivable

## INVENTORY



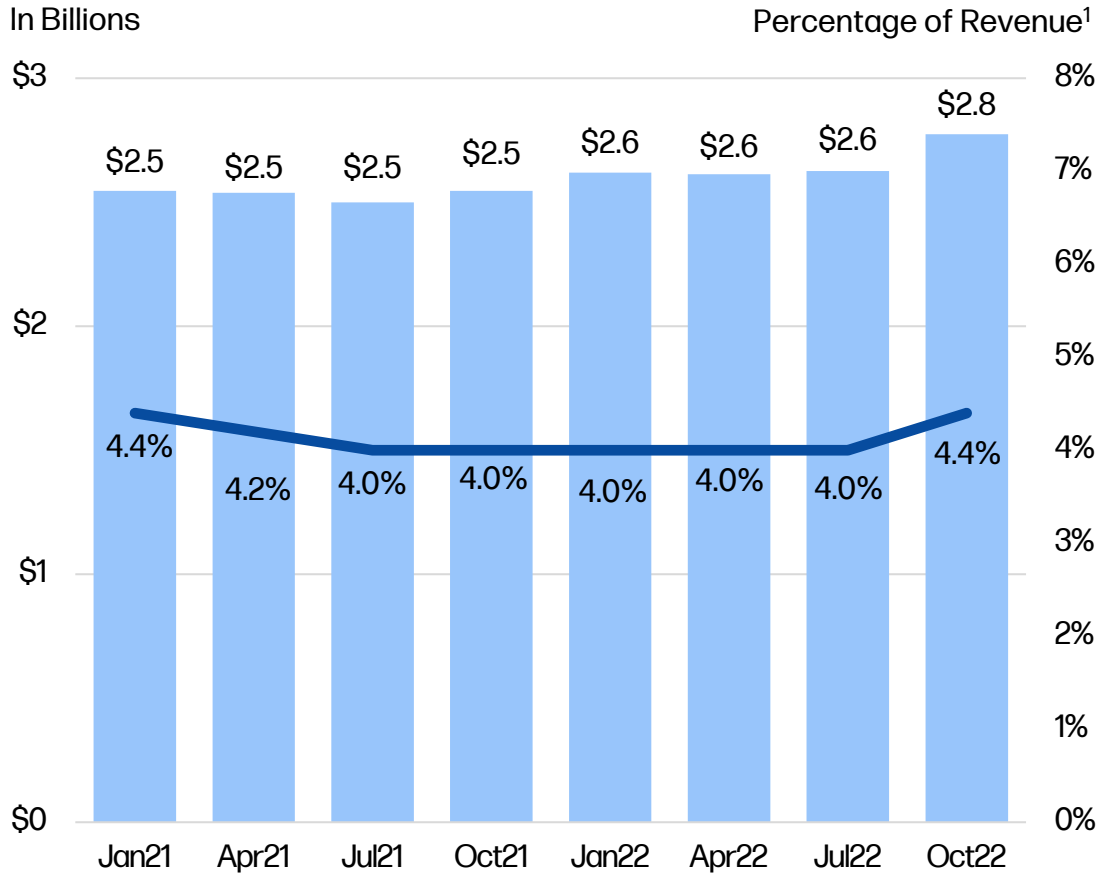
## ACCOUNTS RECEIVABLE



1. % of revenue calculations based on trailing 4-quarter net revenue

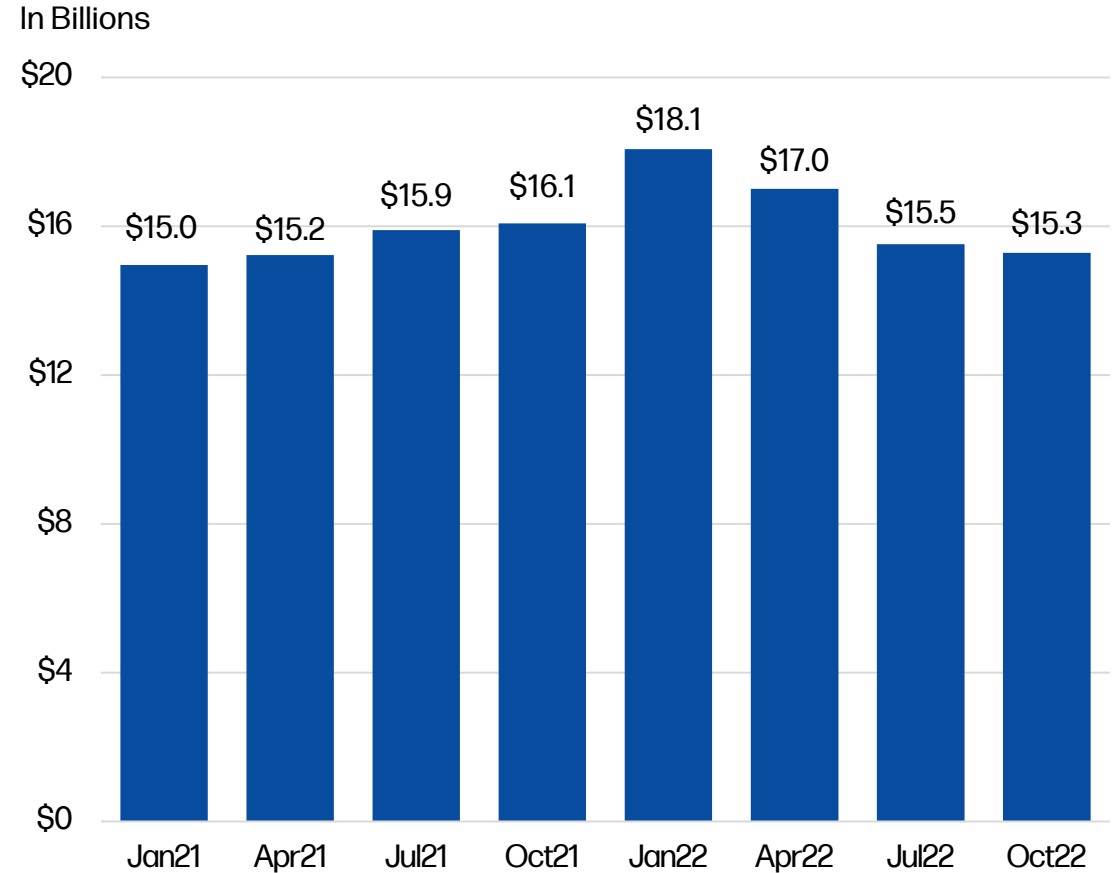
# PP&E & Accounts Payable

## PP&E

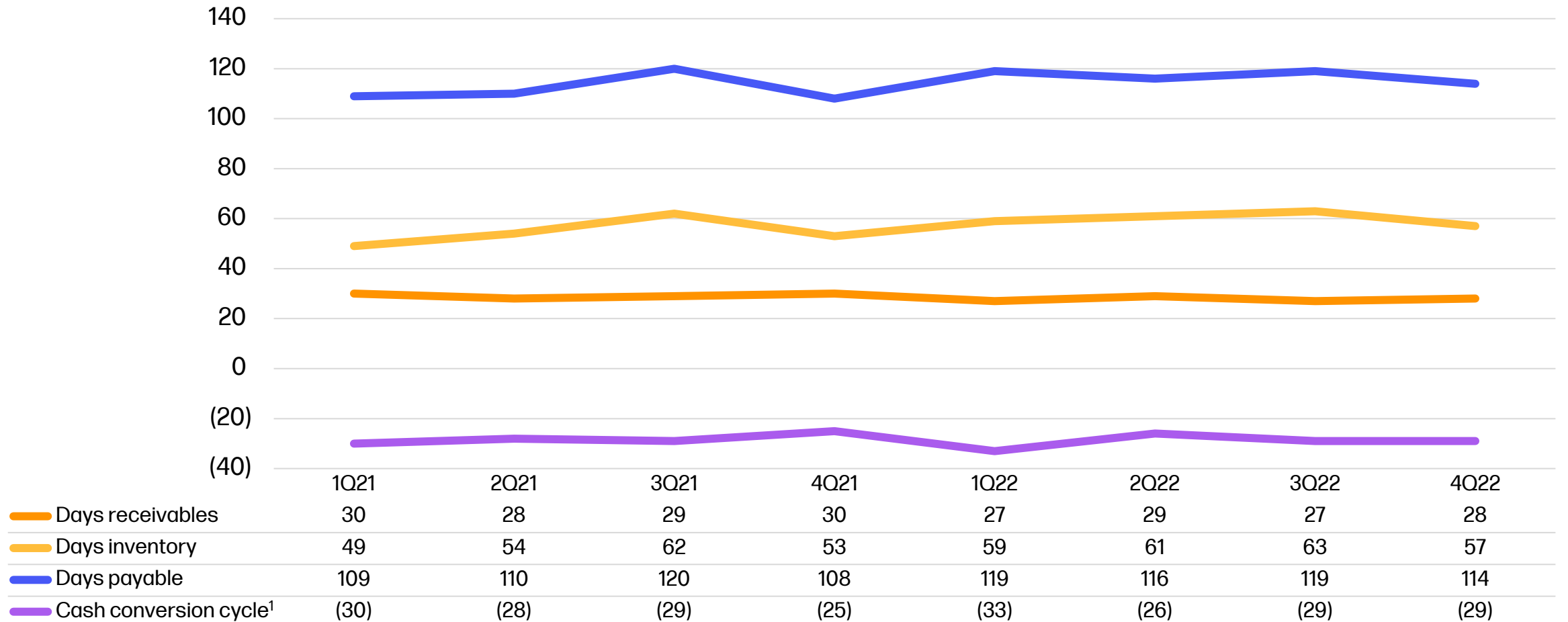


1. % of revenue calculations based on trailing 4-quarter net revenue

## ACCOUNTS PAYABLE



# Working Capital Metrics



1. Cash conversion cycle = Days receivables + Days inventory - Days payable

# Q3 FY22 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Russia exit charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$14,664							\$14,664
Cost of revenue	11,764							11,764
Total OpEx	1,628	(50)	(13)	(31)	(23)			1,511
Operating profit	1,272	50	13	31	23			1,389
Interest and other, net	(70)					(1)	(33)	(104)
Pre-tax earnings	1,202	50	13	31	23	(1)	(33)	1,285
Income tax	(83)	(10)	(3)	(3)	(3)	(110)	6	(206)
Tax rate	6.9%							16.0%
Net earnings	\$1,119	40	10	28	20	(111)	(27)	\$1,079
Diluted net earnings per share	\$1.08							\$1.04

# Q2 FY22 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$16,490						\$16,490
Cost of revenue	13,157						13,157
Total OpEx	2,055	(52)	(82)	(32)			1,889
Operating profit	1,278	52	82	32			1,444
Interest and other, net	(39)					(35)	(74)
Pre-tax earnings	1,239	52	82	32		(35)	1,370
Income tax	(239)	(10)	(18)	(2)	44	7	(218)
Tax rate	19.3%						16.0%
Net earnings	\$1,000	42	64	30	44	(28)	\$1,152
Diluted net earnings per share	\$0.94						\$1.08

# Q1 FY22 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$17,028						\$17,028
Cost of revenue	13,643						13,643
Total OpEx	2,026	(52)	(68)	(20)			1,886
Operating profit	1,359	52	68	20			1,499
Interest and other, net	(32)					(34)	(66)
Pre-tax earnings	1,327	52	68	20		(34)	1,433
Income tax	(241)	(10)	(12)	(3)	30	6	(230)
Tax rate	18.2%						16.0%
Net earnings	\$1,086	42	56	17	30	(28)	\$1,203
Diluted net earnings per share	\$0.99						\$1.10



# FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Debt Extinguishment costs	Defined benefit plan settlement (gains) / charges	Tax adjustments	Oracle litigation proceeds	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$63,487									\$63,487
Cost of revenue	50,070									50,070
Total OpEx	8,115	(154)	(245)	(68)						7,648
Operating profit	5,302	154	245	68						5,769
Interest and other, net	2,209				16	(37)		(2,304)	(153)	(269)
Pre-tax earnings	7,511	154	245	68	16	(37)		(2,304)	(153)	5,500
Income tax	(1,008)	(29)	(50)	(11)	(3)	6	(326)	533	8	(880)
Tax rate	13.4%									16.0%
Net earnings	\$6,503	125	195	57	13	(31)	(326)	(1,771)	(145)	\$4,620
Diluted net earnings per share	\$5.33									\$3.79

# Q4 FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Defined Benefit plan settlement (gains) / charges	Tax adjustments	Oracle litigation proceeds	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$16,675								\$16,675
Cost of revenue	13,410								13,410
Total OpEx	2,027	(51)	(29)	(28)					1,919
Operating profit	1,238	51	29	28					1,346
Interest and other, net	2,315				(37)		(2,304)	(38)	(64)
Pre-tax earnings	3,553	51	29	28	(37)		(2,304)	(38)	1,282
Income tax	(454)	(9)	(5)	(5)	6	(279)	533	7	(206)
Tax rate	12.8%								16.0%
Net earnings	\$3,099	42	24	23	(31)	(279)	(1,771)	(31)	\$1,076
Diluted net earnings per share	\$2.71								\$0.94

# Q3 FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Debt extinguishment costs	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$15,289							\$15,289
Cost of revenue	11,901							11,901
Total OpEx	2,007	(42)	(56)	(24)				1,885
Operating profit	1,381	42	56	24				1,503
Interest and other, net	(55)				16		(39)	(78)
Pre-tax earnings	1,326	42	56	24	16		(39)	1,425
Income tax	(218)	(8)	(9)	(3)	(3)	13	1	(227)
Tax rate	16.4%							16.0%
Net earnings	\$1,108	34	47	21	13	13	(38)	\$1,198
Diluted net earnings per share	\$0.92							\$1.00

# Q2 FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$15,877						\$15,877
Cost of revenue	12,437						12,437
Total OpEx	2,078	(32)	(39)	(10)			1,997
Operating profit	1,362	32	39	10			1,443
Interest and other, net	(26)					(38)	(64)
Pre-tax earnings	1,336	32	39	10		(38)	1,379
Income tax	(108)	(7)	(8)	(2)	(96)		(221)
Tax rate	8.1%						16.0%
Net earnings	\$1,228	25	31	8	(96)	(38)	\$1,158
Diluted net earnings per share	\$0.98						\$0.93

# Q1 FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$15,646						\$15,646
Cost of revenue	12,322						12,322
Total OpEx	2,003	(29)	(121)	(6)			1,847
Operating profit	1,321	29	121	6			1,477
Interest and other, net	(25)					(38)	(63)
Pre-tax earnings	1,296	29	121	6		(38)	1,414
Income tax	(228)	(5)	(28)	(1)	36		(226)
Tax rate	17.6%						16.0%
Net earnings	\$1,068	24	93	5	36	(38)	\$1,188
Diluted net earnings per share	\$0.83						\$0.92

# FY20 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Debt extinguishment costs	Defined Benefit plan settlement charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$56,639								\$56,639
Cost of revenue	46,202								46,202
Total OpEx	6,975	(113)	(462)	(16)					6,384
Operating profit	3,462	113	462	16					4,053
Interest and other, net	(231)				40	214	(1)	(225)	(203)
Pre-tax earnings	3,231	113	462	16	40	214	(1)	(225)	3,850
Income tax	(387)	(21)	(91)	(3)	(7)	(40)	(72)	5	(616)
Tax rate	12.0%								16.0%
Net earnings	\$2,844	92	371	13	33	174	(73)	(220)	\$3,234
Diluted net earnings per share	\$2.00								\$2.28

# Q4 FY20 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Defined Benefit plan settlement (gains) / charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$15,258							\$15,258
Cost of revenue	12,579							12,579
Total OpEx	1,687	(29)	(31)	(2)				1,625
Operating profit	992	29	31	2				1,054
Interest and other, net	(216)				214	(1)	(57)	(60)
Pre-tax earnings	776	29	31	2	214	(1)	(57)	994
Income tax	(108)	(6)	(7)		(40)	1	1	(159)
Tax rate	13.9%							16.0%
Net earnings	\$668	23	24	2	174		(56)	\$835
Diluted net earnings per share	\$0.49							\$0.62