



HPE reports fiscal 2022 results with record Q4 performance



“HPE had an impressive fourth quarter, generating an outstanding performance across our key performance metrics. We are producing strong financial results as we meet new customer needs with the edge-to-cloud portfolio that only we can deliver.”

Antonio Neri
President & CEO



Key Points

- **HPE’s most profitable quarter** since 2017 on a non-GAAP basis with **record quarterly free cash flow** and **second-highest quarterly revenue** ever on a continuing operations basis.
- In Q4, demand increased for HPE’s edge-to-cloud solutions as customers continued to turn to the HPE GreenLake platform. **Annualized Revenue Run-Rate rose 25% year-over-year⁽³⁾** even with supply constraints as a headwind.
- In fiscal 2022, HPE **increased revenue by 5% year-over-year⁽³⁾ to \$28.5 billion**, above our initial outlook provided at our 2021 Securities Analyst Meeting. Operational performance actions including pricing actions, portfolio mix shift and cost discipline resulted **in record non-GAAP diluted net earnings per share** of \$2.02.
- We **closed this fiscal year with a significantly larger order book than we had at the start of the year. Demand this fiscal year was enduring** and continues to be steady as we move into fiscal 2023.

HPE GreenLake Highlights

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Total as-a-Service orders⁽⁴⁾ rose **33% y/y** and **68%** in FY22

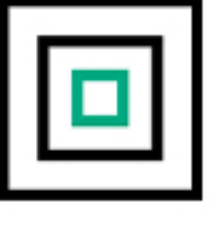
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ARR⁽⁴⁾ rose **25% y/y⁽³⁾** despite supply constraints that continue to limit installations

Business Segments

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Compute: Offers both general purpose servers for multi-workload computing and workload optimized servers to deliver the best performance and value for demanding applications.
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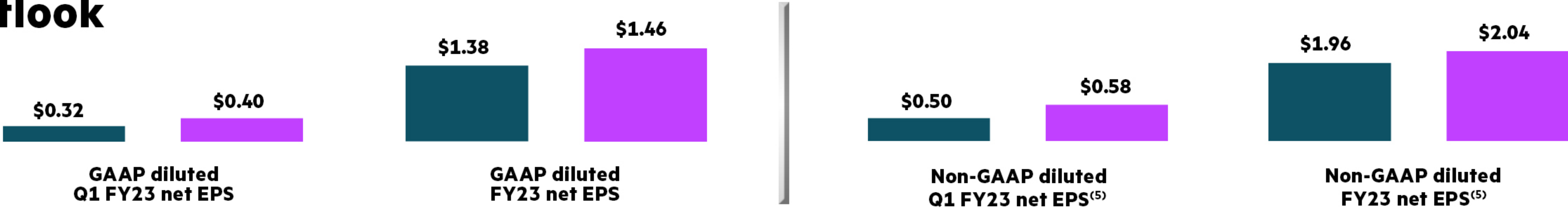
HPC & AI: Delivers standard and custom hardware and software solutions designed to support supercomputers, high-performance compute, edge compute, and data-intensive workloads like data analytics and artificial intelligence applications.
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Storage: Transforms the customer experience with storage as-a-service and cloud data services with portfolio offerings like primary storage, hyper-converged infrastructure, disaster and ransomware recovery, big data solutions and storage for secondary workloads, plus traditional tape, storage networking and disk products.
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Intelligent Edge: Operates platforms and services at network edges, connecting devices and applications via Aruba solutions such as wired and wireless local area network, campus and data center switching, software-defined wide area networking, and network security.
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HPEFS: Serves as the financial engine behind HPE’s offerings to provide financial solutions including leasing offers, asset management, and asset upcycling.

Outlook



1- Reconciliation of specific adjustments to GAAP results for the current and prior periods and description of HPE’s use of non-GAAP financial information are included in the earnings presentation at <https://investors.hpe.com>

2- Free cash flow represents cash flow from operations, excluding the impact of \$2.2 billion in proceeds received in the fourth quarter of fiscal 2021 from a one-time Itanium litigation judgment, 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.

3- Adjusted to eliminate the effects of currency. A description of HPE’s use of non-GAAP financial information is provided in the earnings presentation at <https://investors.hpe.com>.

4- For definition of as-a-Service orders and ARR, please refer to the earnings presentation at <https://investors.hpe.com>.

5- For reconciliation of non-GAAP to GAAP diluted net EPS, please see the earnings presentation at <https://investors.hpe.com>.