

HPE HPE REPORTS Q4 FY25 RESULTS

Record quarterly revenue and gross profit in Q4; FY26 guidance raise



“HPE finished a transformative year with a strong fourth quarter of profitable growth and disciplined execution. During the year, we completed the Juniper Networks acquisition, further scaled our AI and Cloud businesses, and accelerated innovation across our portfolio, giving HPE momentum to advance our strategic priorities in fiscal 2026.”

Antonio Neri
President & CEO

Net revenue

\$9.7 BILLION

Non-GAAP
operating margin⁽¹⁾

12.2%

Non-GAAP gross
margin⁽¹⁾

36.4%

Non-GAAP diluted
net earnings per
share⁽¹⁾

\$0.62

Free cash flow⁽¹⁾⁽²⁾

\$1.9 BILLION

Key Points

- Strong Q4 closes transformative FY25
- Record-breaking quarterly revenue of \$9.7 billion, a 14%⁽³⁾ year-over-year increase
- Disciplined execution led to profitable growth, with quarterly records in gross profit and non-GAAP operating margin
- Exceeded outlook for free cash flow generation through emphasis on operational discipline
- Networking generated double-digit revenue growth year-over-year across WAN, Campus & Branch, and Security
- Server operating margin increased to approximately 10%, resulting from pricing discipline and lower operating costs
- Hybrid Cloud notched further traction with Alletra MP order growth with overall segment performance reflecting HPE’s strategic shift toward higher-margin, HPE-developed solutions

GreenLake Cloud Highlights

- ARR⁽⁴⁾ grew 62%⁽³⁾ y/y to more than \$3.2 billion
- GreenLake customer count now totals approximately 46,000

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Business Segments



Networking: Operates platforms and services at network edges, connecting devices and applications via HPE Aruba Networking solutions such as wired and wireless local area network, campus and data center switching, software-defined wide area networking, and network security.



Server: Offers general purpose computing, workload-optimized servers and supercomputers as well as integrated systems of software and hardware for global customers engaging in artificial intelligence (AI), high performance computing (HPC), data analytics, simulation and transaction processing.

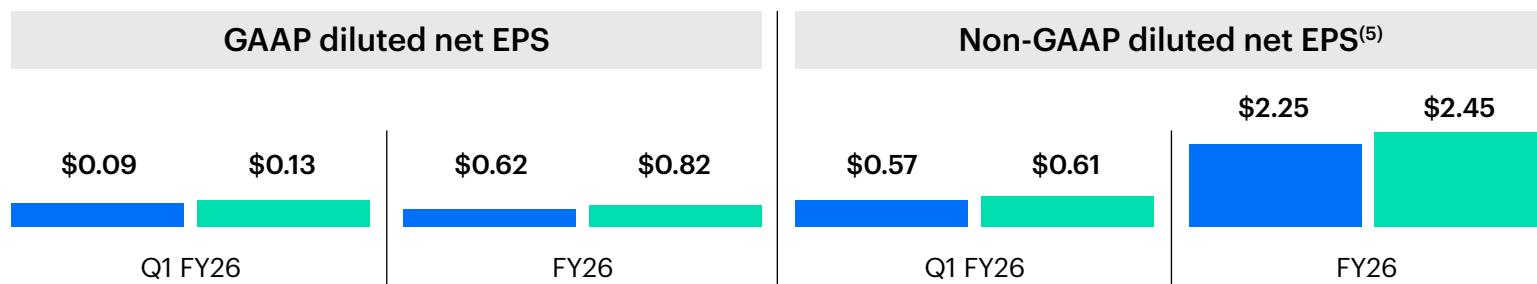


Hybrid Cloud: Provides hybrid cloud infrastructure, software, and management, including storage, private clouds, data protection, AIOps, and data analytics for AI. The solutions are offered as a service through GreenLake.



HPE Financial Services: Serves as the financial engine behind HPE's offerings to provide financial solutions including leasing offers, asset management, and asset upcycling.

Outlook Range



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, less net capital expenditures (investments in property, plant & equipment ("PP&E"), and software assets 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. In constant 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 ARR, please refer to the earnings presentation at <https://investors.hpe.com>.
5. Q1 FY26 non-GAAP diluted net EPS estimate excludes net after-tax adjustments of approximately \$0.48 per diluted share, primarily related to amortization of intangible assets, acquisition, disposition and other charges, stock-based compensation expense, and cost reduction program. FY26 non-GAAP diluted net EPS estimate excludes net after-tax adjustments of approximately \$1.63 per diluted share, primarily related to amortization of intangible assets, stock-based compensation expense, acquisition, disposition and other charges, and cost reduction program.