HPE REPORTS Q4 FY26 RESULTS

Q4 results cap a year of record performance driven by strong demand and execution

Key Operating and Financial Metrics:

Net revenue	Non-GAAP operating profit margin[1]	Non-GAAP gross margin[1]	Non-GAAP diluted net earnings per share[1]	Free cash flow[1][2]
$14.5B	16.9%	38.2%	$1.43	$1.9B

Key Points:

— Strong demand and execution drove greater earnings power from a portfolio built to capitalize on the next phase of AI

— Achieved record quarterly and annual revenue, gross profit, operating profit, and non-GAAP diluted net EPS[1][3]

— Q4 order growth accelerated almost 90% year over year, outpacing Q4 revenue growth of 50% year over year, the fastest on record

— Raising FY27 guidance[4], including revenue, non-GAAP diluted net EPS[1], and free cash flow[1][2], to reflect the durability of HPE's profitable growth

— Targeting ~$3 billion of share repurchases in FY27 with higher common stock dividend payout



"Fiscal 2026 was a defining year for HPE as we built a new networking industry leader and expanded our role in the AI infrastructure market. We are now a fundamentally different company, with greater earnings power, a stronger competitive position, and a portfolio built to capitalize on the next phase of AI. Our record performance reflects the portfolio we have built to drive durable, profitable growth for our shareholders."

Antonio Neri
President & CEO

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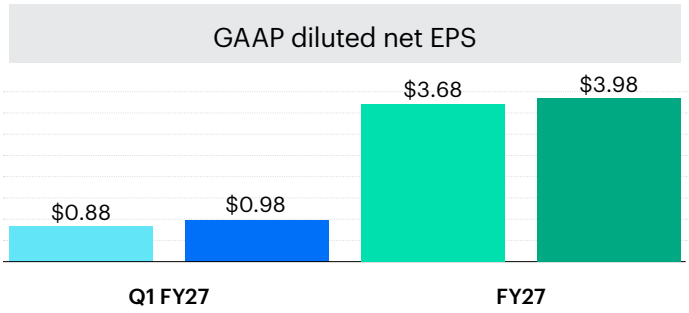
Business Segments:

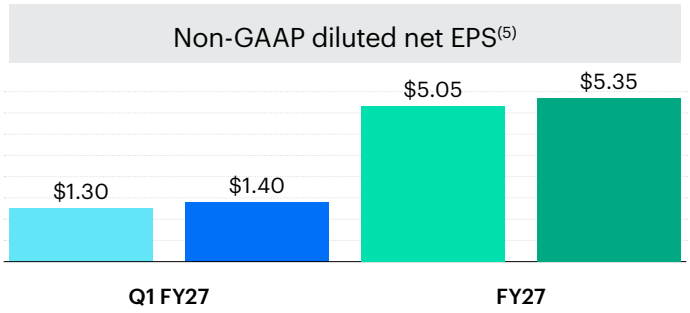
— **Cloud & AI:** Delivers compute, storage, cloud software, and professional and financial services to support AI, high-performance computing, data management and analytics, and mission critical workloads. Includes general purpose and workload optimized servers, integrated systems, hybrid and cloud native storage, alongside cloud software supporting AIOps, observability, data protection, virtualization, and cloud management, with flexible consumption, as-a-service, and financing solutions delivered through GreenLake.

— **Networking:** Provides secure, AI-native, fully autonomous networking solutions from the edge to the data center and cloud. The HPE Networking portfolio includes wired and wireless access, switching, routing, private cellular, network management and security, and related professional services, supported by AI-native, cloud-based platforms that deliver real-time insights, automation, and assurance, and include Mist and Aruba Central.

— **Corporate Investments & Other:** Includes Advisory and Professional Services, which deliver consulting, implementation, and complex solution expertise, as well as select business and innovation groups such as Instant On and Hewlett Packard Labs.

Outlook Range:





1. Reconciliation of specific adjustments to GAAP results for the current and prior periods 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. Throughout this document, references are made to company-wide and segment-level financial metrics records. Records for company-wide financial metrics are measured from the period when we completed the spin-mergers of our prior software and enterprise service businesses. Records for segment-specific financial metrics are measured from Q1 of FY24, which is the earliest period for which we disclosed financial information according to our current segmentation.
4. HPE provides certain guidance on a non-GAAP basis, as the Company is unable to provide a reconciliation to the most directly comparable GAAP financial measures without unreasonable efforts, as it cannot predict some elements that are included in such directly comparable GAAP financial measures.
5. Q1 FY27 non-GAAP diluted net EPS estimate excludes net after-tax adjustments of approximately $0.42 per diluted share, primarily related to amortization of intangible assets, stock-based compensation expense, acquisition, disposition and other charges. FY27 non-GAAP diluted net EPS estimate excludes net after-tax adjustments of approximately $1.37 per diluted share, primarily related to amortization of intangible assets, stock-based compensation expense, acquisition, disposition and other charges.