

Q1 2025 Earnings Announcement

February 27, 2025



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, they could affect the business and results of operations of HP Inc. and its consolidated subsidiaries ("HP") which 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, 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 and any resulting cost savings (including the fiscal 2023 plan), 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 as to the timing and expected benefits of acquisitions and other business combination and investment transactions; 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," "could," "can," "may," and similar terms.

Risks, uncertainties and assumptions that could affect our business and results of operations include factors relating to HP's ability to execute on its strategic plans, including the previously announced initiatives, business model changes and transformation; 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, including artificial intelligence; the use of artificial intelligence; the impact of macroeconomic and geopolitical trends, changes and events, including the ongoing military conflict in Ukraine, continued instability in the Middle East or tensions in the Taiwan Strait and South China Sea and the regional and global ramifications of these events; volatility in global capital markets and foreign currency, increases in benchmark interest rates, the effects of inflation and instability of financial institutions; risks associated with HP's international operations and the effects of business disruption events, including those resulting from climate change; the need to manage (and reliance on) third-party suppliers, including with respect to supply constraints and component shortages, and the need to manage HP's global, multi-tier distribution network and potential misuse of pricing programs by HP's channel partners, adapt to new or changing marketplaces and effectively deliver HP's services; 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; the competitive pressures faced by HP's businesses; the impact of third-party claims of IP infringement; 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; successfully competing and maintaining the value proposition of HP's products, including supplies and services; 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; the hiring and retention of key employees; the results of our restructuring plans (including the fiscal 2023 plan), including estimates and assumptions related to the cost (including any possible disruption of HP's business) and the anticipated benefits of our restructuring plans; the protection of HP's intellectual property assets, including intellectual property licensed from third parties; disruptions in operations from system security risks, data protection breaches, or cyberattacks; HP's ability to maintain its credit rating, satisfy its debt obligations and complete any contemplated share repurchases, other capital return programs or other strategic transactions; changes in estimates and assumptions HP makes in connection with the preparation of its financial statements; the impact of changes to federal, state, local and foreign laws and regulations, including environmental regulations and tax laws; integration and other risks associated with business combination and investment transactions; our aspirations related to environmental, social and governance matters; potential impacts, liabilities and costs from pending or potential investigations, claims and disputes; the effectiveness of our internal control over financial reporting; and other risks that are described in HP's Annual Report on Form 10-K for the fiscal year ended October 31, 2024 and HP's other filings with the Securities and Exchange Commission ("SEC"). HP's fiscal 2023 plan includes HP's efforts to take advantage of future growth opportunities, including but not limited to, investments to drive growth, investments in our people, improving product mix, driving structural cost savings and other productivity measures. Structural cost savings represent gross reductions in costs driven by operational efficiency, digital transformation, and portfolio optimization. These initiatives include but are not limited to workforce reductions, platform simplification, programs consolidation and productivity measures undertaken by HP, which HP expects to be sustainable in the longer-term. These structural cost savings are net of any new recurring costs resulting from these initiatives and exclude one-time investments to generate such savings. HP's expectations on the longer-term sustainability of such structural cost savings are based on its current business operations and market dynamics and could be significantly impacted by various factors, including but not limited to HP's evolving business models, future investment decisions, market environment and technology landscape.

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, 2025, HP's Quarterly Reports on Form 10-Q for the fiscal quarters ended April 30, 2025 and July 31, 2025, and HP's other filings with the SEC. 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 HP, investors or other stakeholders or required to be disclosed in HP's filings, in each case, under U.S. securities or any other laws or requirements that may be applicable to HP. 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.

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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 other income and expenses, 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. Amortization of intangible assets, restructuring and other charges and acquisition and divestiture charges are not included in non-GAAP operating expenses, non-GAAP operating profit, non-GAAP operating margin, 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, non-operating retirement-related (credits)/charges, debt extinguishment costs (benefits) and tax adjustments are excluded from non-GAAP other income and expenses, non-GAAP tax rate, non-GAAP net earnings and non-GAAP diluted net EPS. These items can have a material impact on the equivalent GAAP earnings measure and cash flows. 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 cash provided by (used in) operating activities adjusted for net investment in leases from integrated financing and net property, plant, equipment and purchased intangible, 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 insight 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.

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Q1 FY25 Highlights

- Net revenue of **\$13.5 billion**, up 2% from the prior-year period and up 3% in constant currency¹
- Non-GAAP diluted net earnings per share² of **\$0.74**, within the previously provided outlook of **\$0.70 to \$0.76** per share
- GAAP diluted net earnings per share of **\$0.59**, within the previously provided outlook of **\$0.57 to \$0.63** per share
- Free cash flow of **\$0.1 billion**^{2,3}
- Returned **\$0.4 billion** to shareholders in the form of dividends and share repurchases

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 18 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 by operating activities of \$0.4 billion adjusted for net investment in leases from integrated financing of \$(2) million and net investment in property, plant, equipment and purchased intangible of \$302 million. See slide 25 for a reconciliation of Free Cash Flow

Q1 FY25 Results Overview

\$ in millions	Net revenue	Growth y/y %	Growth CC ¹ y/y %	Non-GAAP OP \$ ³	Non-GAAP OP % of rev ³	Non-GAAP OP \$ y/y ³	Non-GAAP OP % of rev y/y ³
Printing	\$4,269	(2.4)%	(0.9)%	\$810	19.0%	\$(62)	(0.9) pts
Personal Systems	\$9,224	4.7%	5.3%	\$507	5.5%	\$(30)	(0.6) pts
Corporate Investments / Other	\$11	nm ²	nm ²	\$(333)	nm ²	\$(30)	nm ²
Total HP	\$13,504	2.4%	3.3%	\$984	7.3%	\$(122)	(1.1) pts

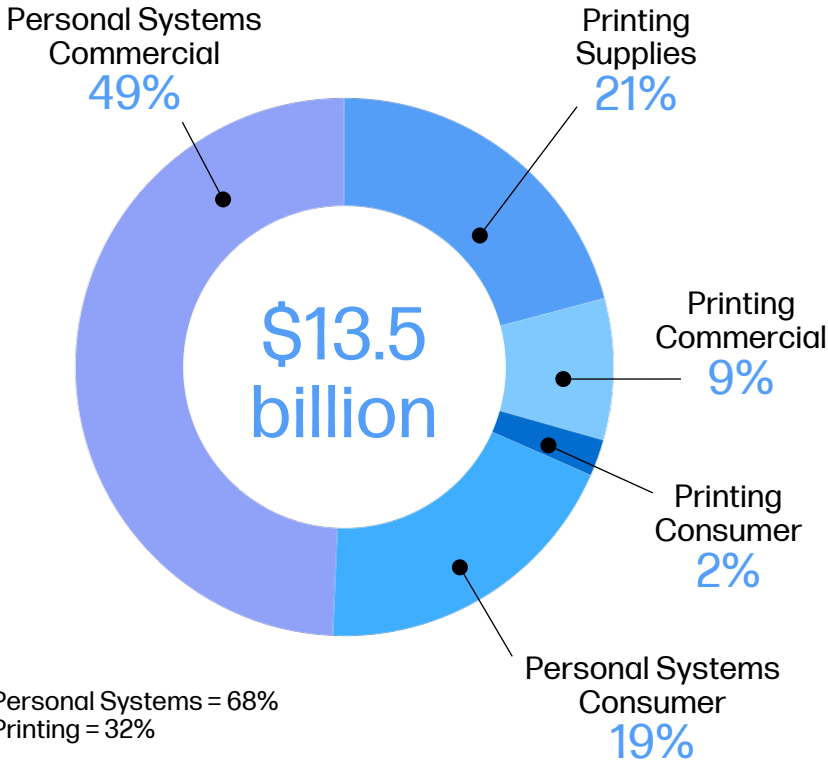
1. CC = constant currency; adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly average exchange rates from the comparative period and excluding any hedging impact recognized in the current period

2. Not meaningful

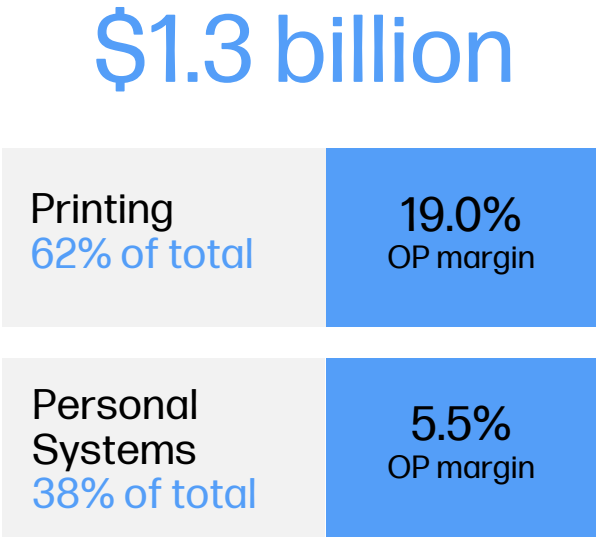
3. A reconciliation of specific adjustments to GAAP results for the current period is included on slide 18 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP financial information"

Q1 FY25 Mix by Segment and Region

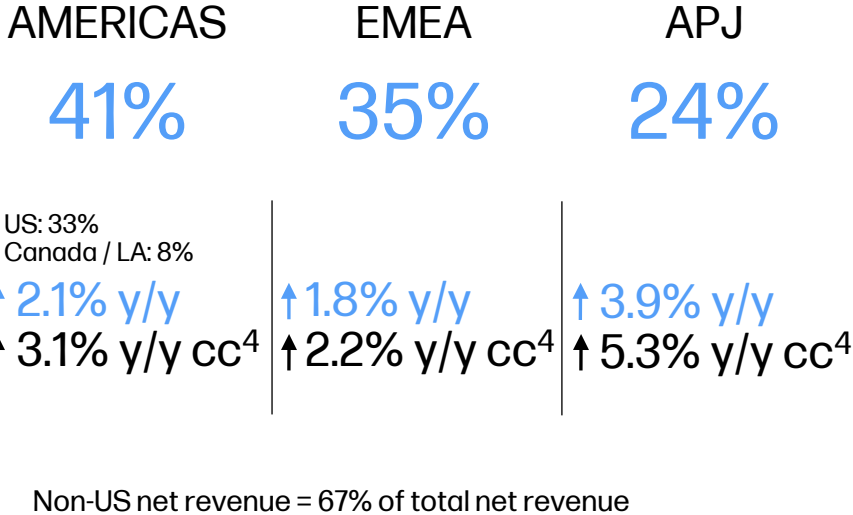
Net revenue
By key segment and business unit¹



Non-GAAP operating profit²
By key segment³



Net revenue
By region



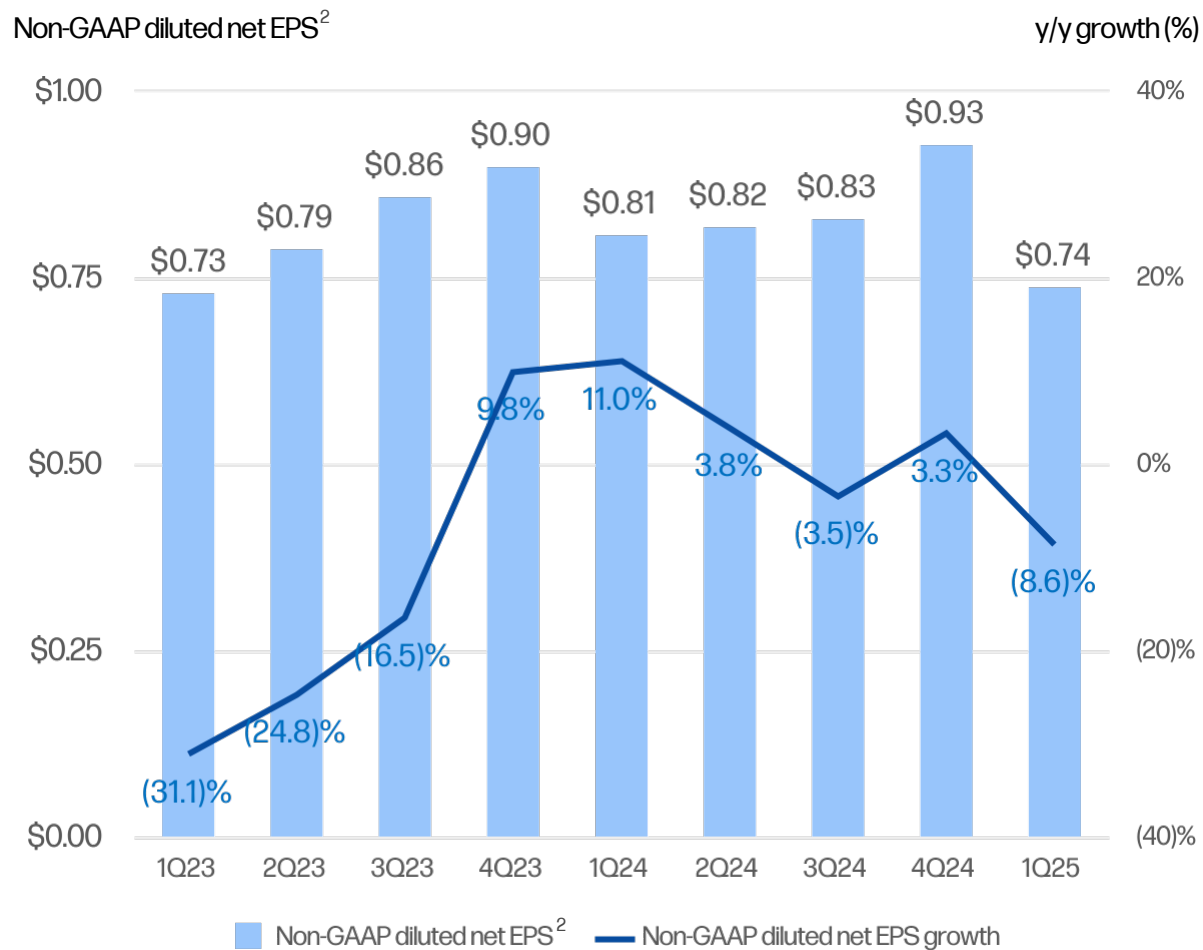
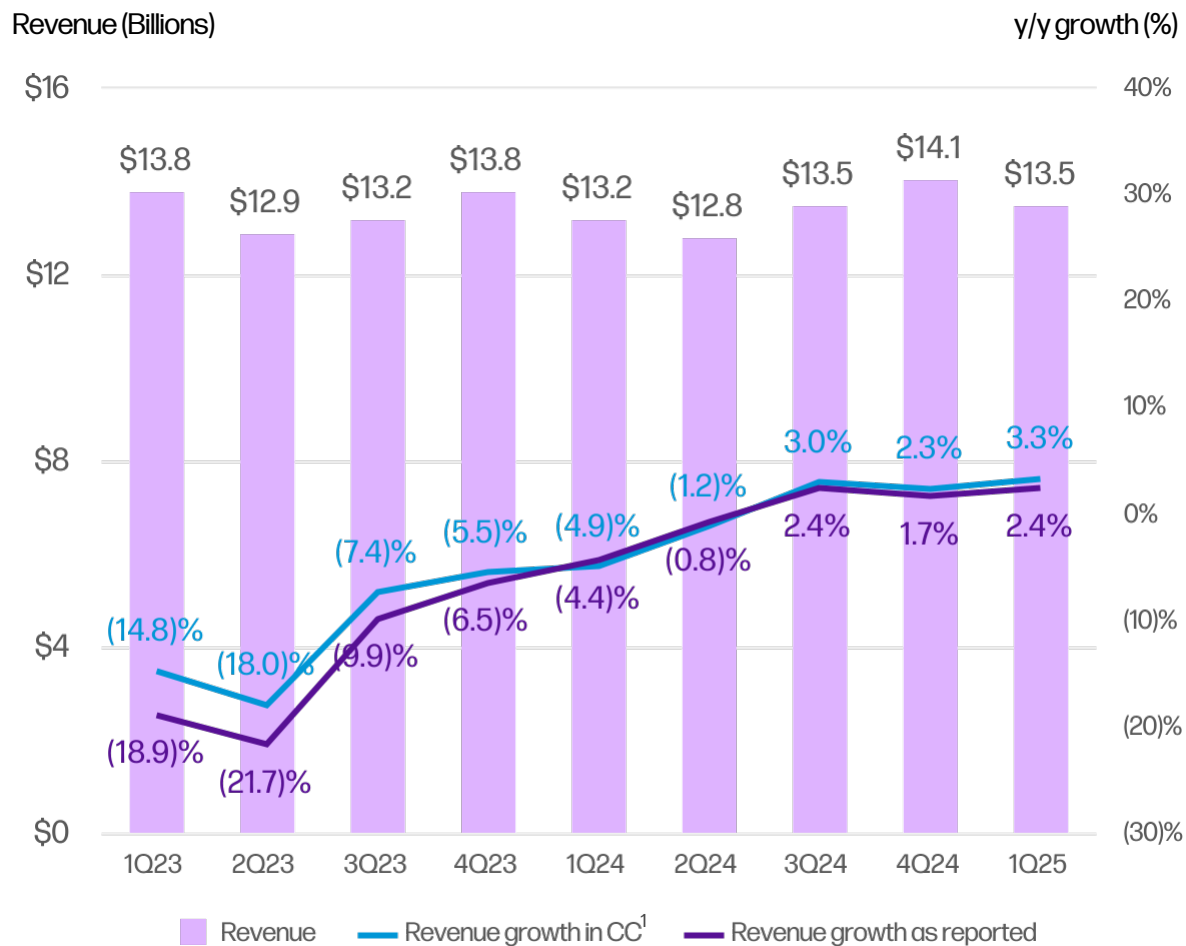
1. Revenue mix calculated based on total key segment revenue, which does not include corporate investments and other

2. A reconciliation of specific adjustments to GAAP results for the current period is included on slide 18 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 key segment operating profit, which does not include corporate investments and other

4. 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 periods

Revenue & Non-GAAP Diluted Net EPS Performance

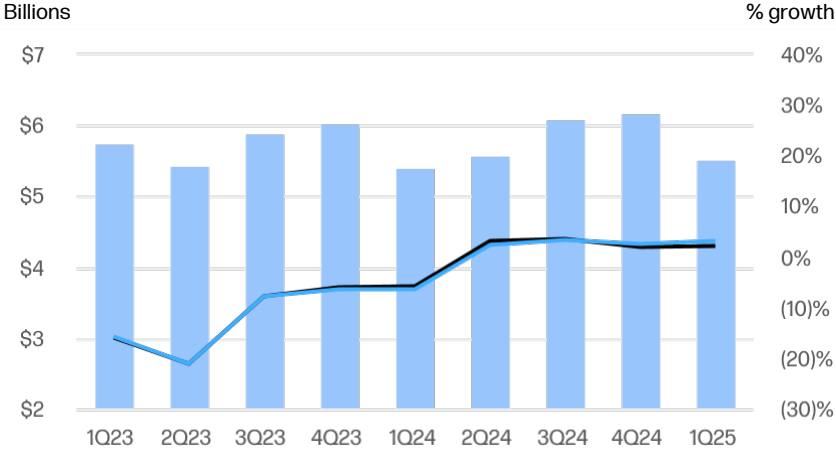


1. CC = constant currency; adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenue using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

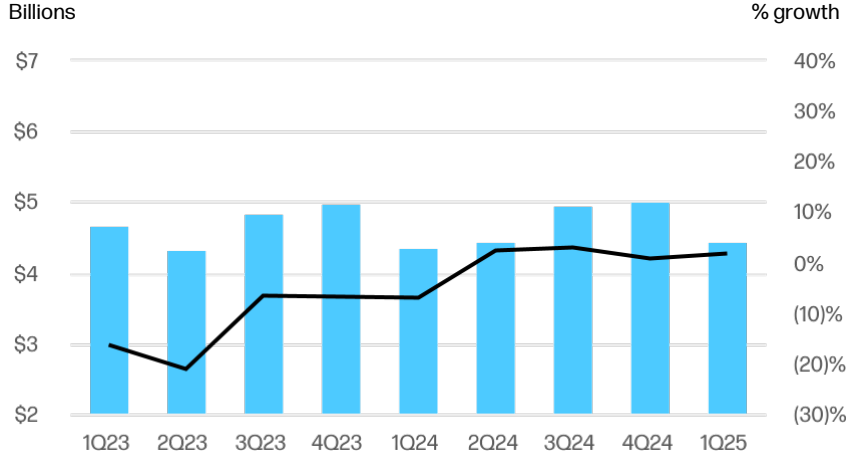
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Regional Revenue Trends

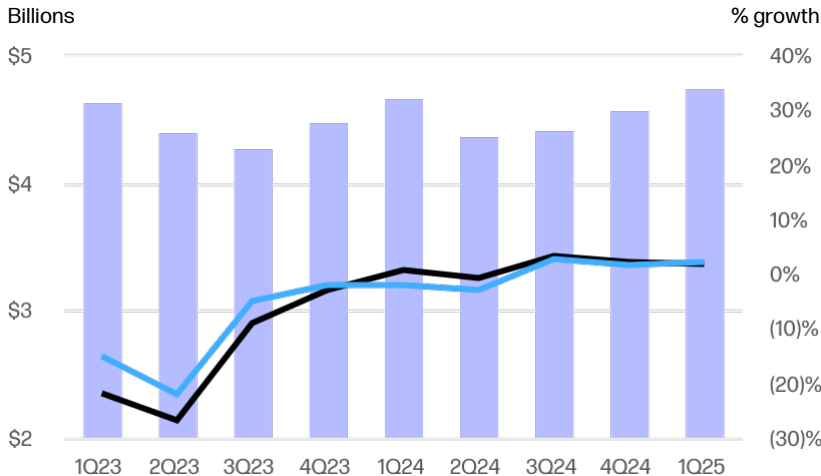
Americas (including U.S.)



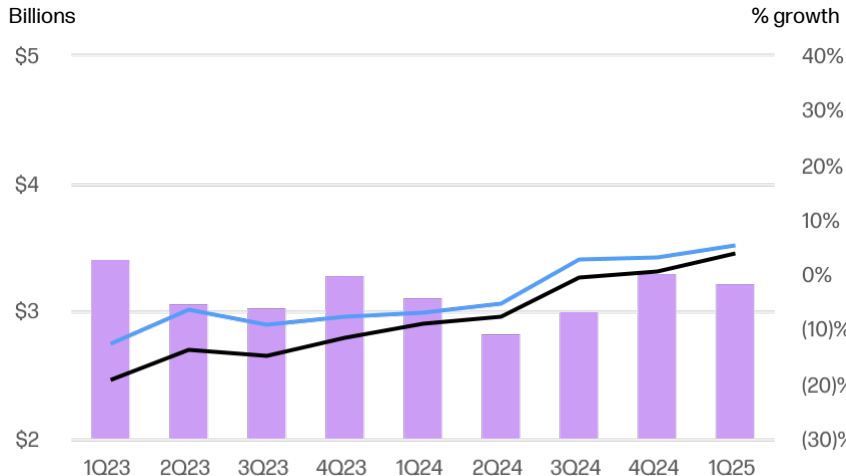
United States



EMEA



Asia Pacific



— y/y revenue growth %

— y/y revenue growth in constant currency %¹

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 Q1 FY25

Revenue

\$9.2

billion

↑ 5% y/y

↑ 5% y/y CC¹

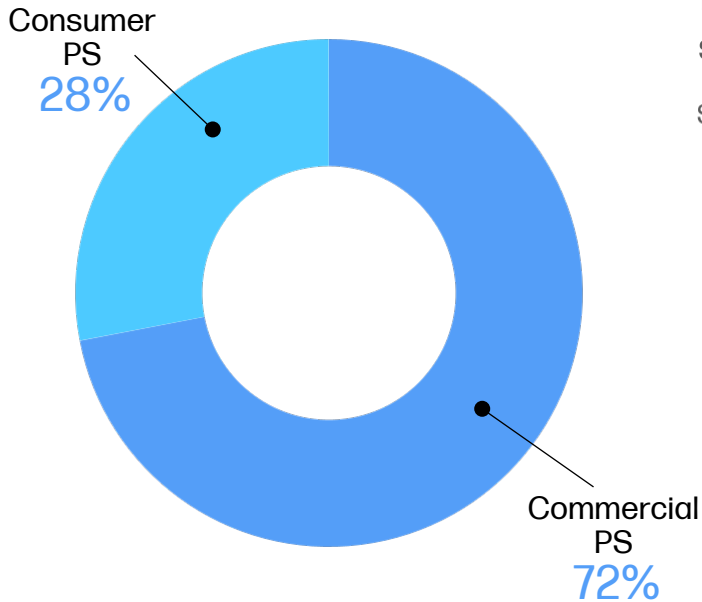
Operating profit

\$507

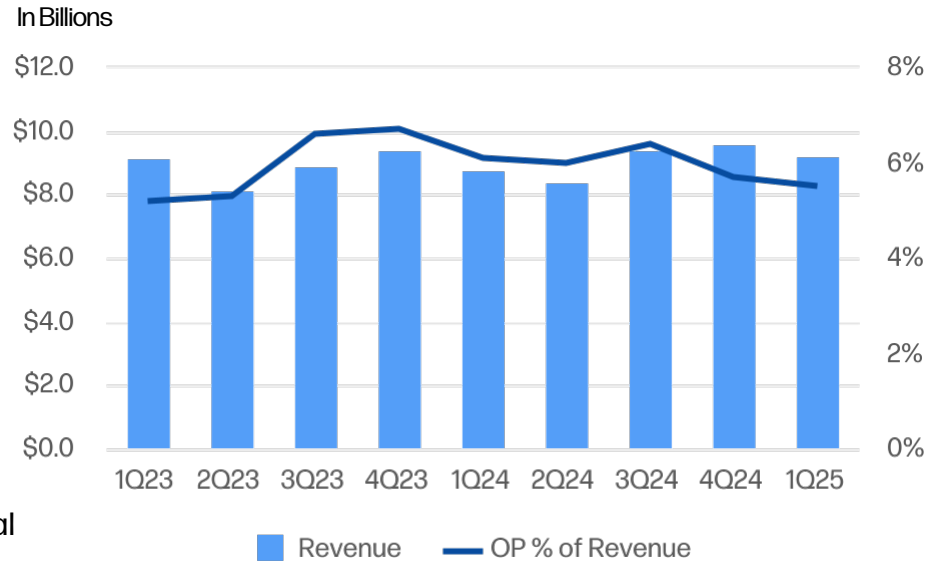
million

5.5%
of revenue

Revenue breakdown



Revenue and OP % trend



Revenue up 5% y/y driven by higher commercial volume, increased ASPs and Key Growth Areas. Commercial PS revenue mix over 70%.

OP rate at 5.5% down 0.6 pts y/y, reflecting higher commodity costs and additional strategic investments, offset in part by disciplined cost management and Future Ready cost savings.

At CES introduced AI-powered innovations with the EliteBook Ultra, EliteBook X for executives and creators; and new OMEN AI software to provide best HW, OS and game settings to optimize FPS seamlessly.

KEY METRICS

Total units down 1% y/y

Commercial PS units up 6% y/y

Consumer PS units down 11% y/y

Commercial PS revenue up 10% y/y

Consumer PS 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

Printing Q1 FY25

Revenue

\$4.3

billion

↓ 2% y/y

↓ 1% y/y CC¹

Operating profit

\$810

million

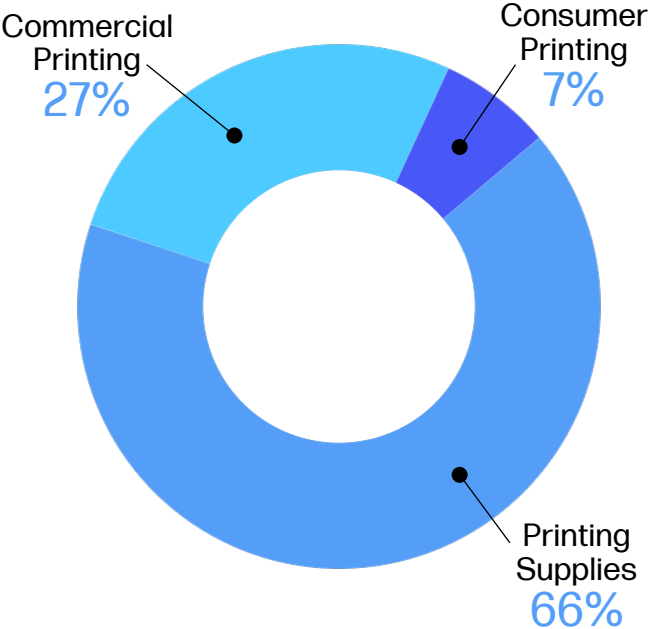
19.0%
of revenue

Revenue down 2% y/y. Positives driven by Consumer hardware, fueled by Big Tank, offset by competitive pricing environment in Commercial.

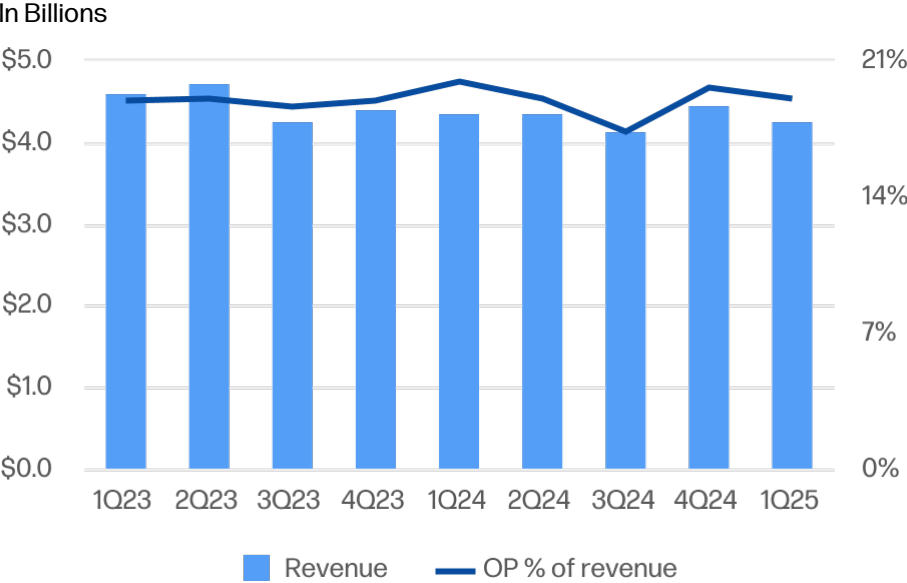
OP rate of 19.0%, down 0.9pts y/y driven by competitive pricing and mix, offset in part by cost reductions including Future Ready cost actions.

Introduced two game-changing PageWide presses for Industrial customers. Introduced Smart Tank printers to HP All-in subscription plans for customers.

Revenue breakdown



Revenue and OP % trend



KEY METRICS

- Supplies revenue down 1% (flat in CC) y/y¹
- Total Hardware units up 5% y/y
- Consumer Printing revenue up 5% y/y
- Commercial Printing 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

Leading the Future of Work



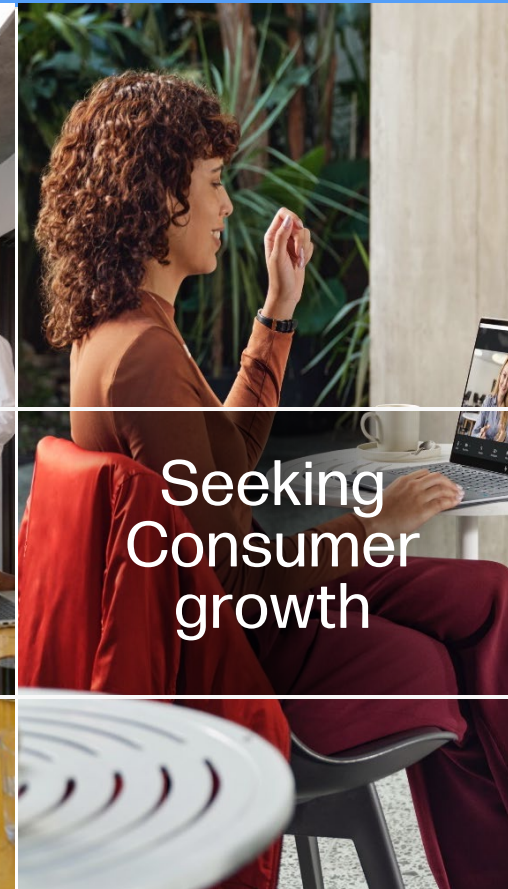
Innovating
AI-powered
capabilities



Capturing
Commercial
growth



Building Best-in-
class Solutions
organization



Seeking
Consumer
growth



Accelerating
digital
transformation

Sustainable Impact
Talent & Culture

Key growth areas

Collectively grew revenue sequentially high single digit



AI PC

Remarkable momentum with sequential revenue growth. HP has continued to gain share in this market propelled by the Win 11 refresh cycle.



Consumer Subscriptions

Consumer Subscription revenue grew double-digit year over year. Achieved the milestone of 1 million mark of instant paper subscribers.



Advanced Compute Solutions

Revenue growth from an increase in the Workstation TAM and growth in HP units. At CES, introduced the ZBook Ultra and Z2 Mini, the most powerful mobile and mini-Workstations for high-performance workflows.



Industrial Graphics & 3D

Growth y/y driven mainly by contributions from supplies and services related to an increase in contractual customers in the Industrial print segment.



Hybrid Systems

Delivered revenue growth y/y driven by Market growth and share gains in Headsets, Video and Webcams. At CES, introduced the Voyager Legend 50 & 30, a new Hybrid Headset for Collaboration and new Thunderbolt 4 G6 Docks with HP Quick Connect.



Workforce Solutions

Solid y/y revenue growth driven by Hardware and Services wins in the quarter, including Prime Healthcare, a new partnership in the healthcare industry.

Q1'25 Sustainable Impact



Climate Action

- Ranked #3 within the industry on Corporate Knights 2025 Global 100, 10th consecutive year on the list
- HP's 2040 carbon net-zero target validated by Science Based Targets initiative (SBTi). This builds on our previously SBTi validated goal of a 50% carbon reduction by 2030.



Human Rights

- Ranked #1 on 3BL Media's 100 Best Corporate Citizens of 2024
- Launched new partnership to expand our supply chain responsibilities reach by strengthening responsible recruitment and labor practices among selected suppliers.

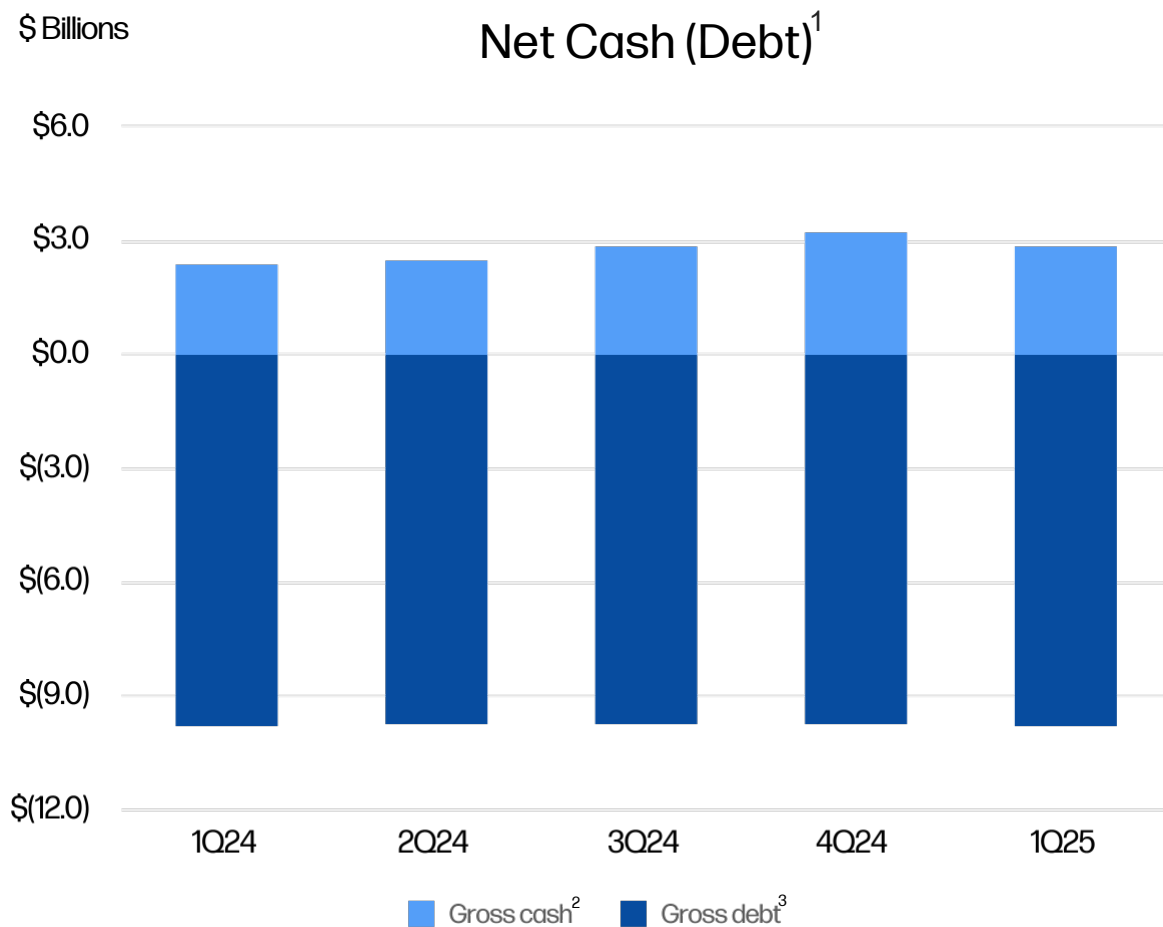


Digital Equity and Philanthropy

- In 2024, HP reached nearly 20 million people through digital equity programs and partnerships.
- Added 2 new courses to the HP LIFE catalogue which focuses on AI and customer experience, supporting HP's Future of Work strategy.

HP ranked #2 on the 2025 America's Most JUST Companies list by JUST Capital, highlighting our leadership in responsible and sustainable business practices.

Select Cash & Debt Balances



\$ Billions	1Q24	2Q24	3Q24	4Q24	1Q25
Gross cash ²	2.4	2.5	2.9	3.3	2.9
Gross debt ³	9.8	9.7	9.7	9.7	9.8
Net cash (debt) ^{1,4}	(7.4)	(7.2)	(6.8)	(6.5)	(6.9)

1. Net cash (debt) is defined as gross cash less gross debt

2. Gross cash includes cash, cash equivalents and restricted cash, short-term investments, and certain liquid long-term investments. As of 1Q25, gross cash includes cash and cash equivalents of \$2.9 billion, restricted cash of \$14 million related to amounts collected and held on behalf of a third party for trade receivables previously sold, and short-term investments of \$3 million included in other current assets

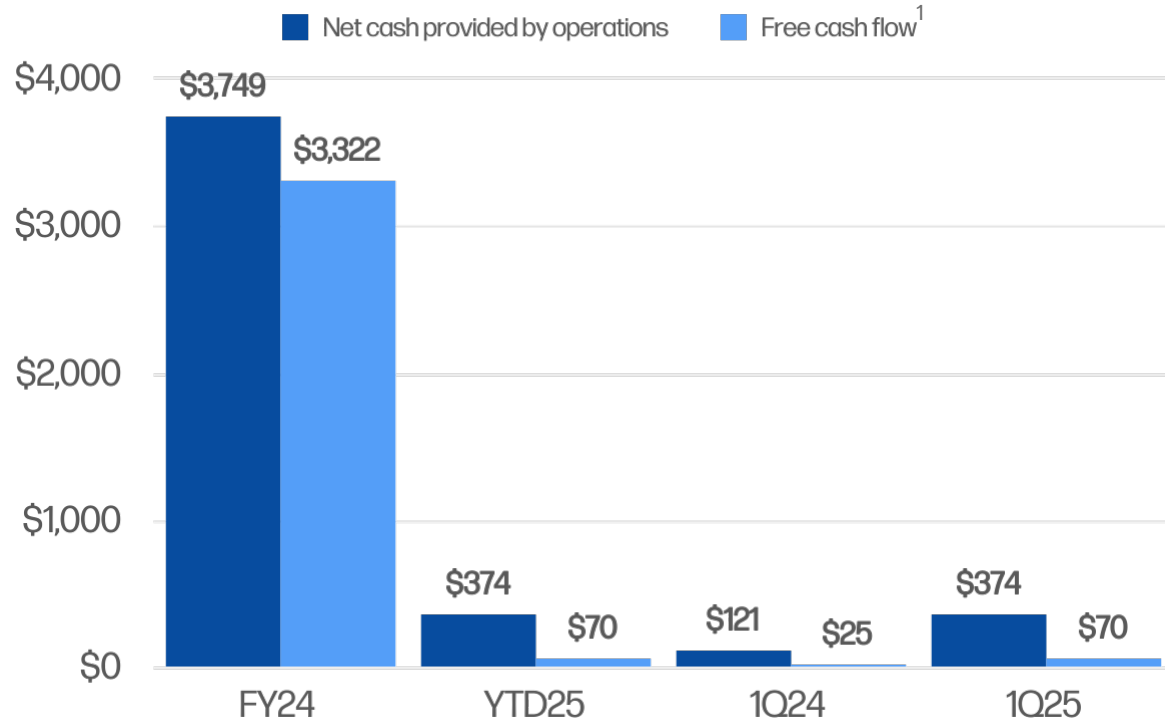
3. Gross debt is defined as notes payable and short-term borrowings plus long-term debt after excluding the effect of unamortized premium/discount on debt issuance, debt issuance costs and gains/losses on interest rate swaps. As of 1Q25, gross debt included notes payable and short-term borrowings of \$1.4 billion, long-term debt of \$8.3 billion, and an adjustment for the aforementioned non-cash items of \$0.1 billion

4. Numbers may not foot due to rounding

Cash Flow & Shareholder Return

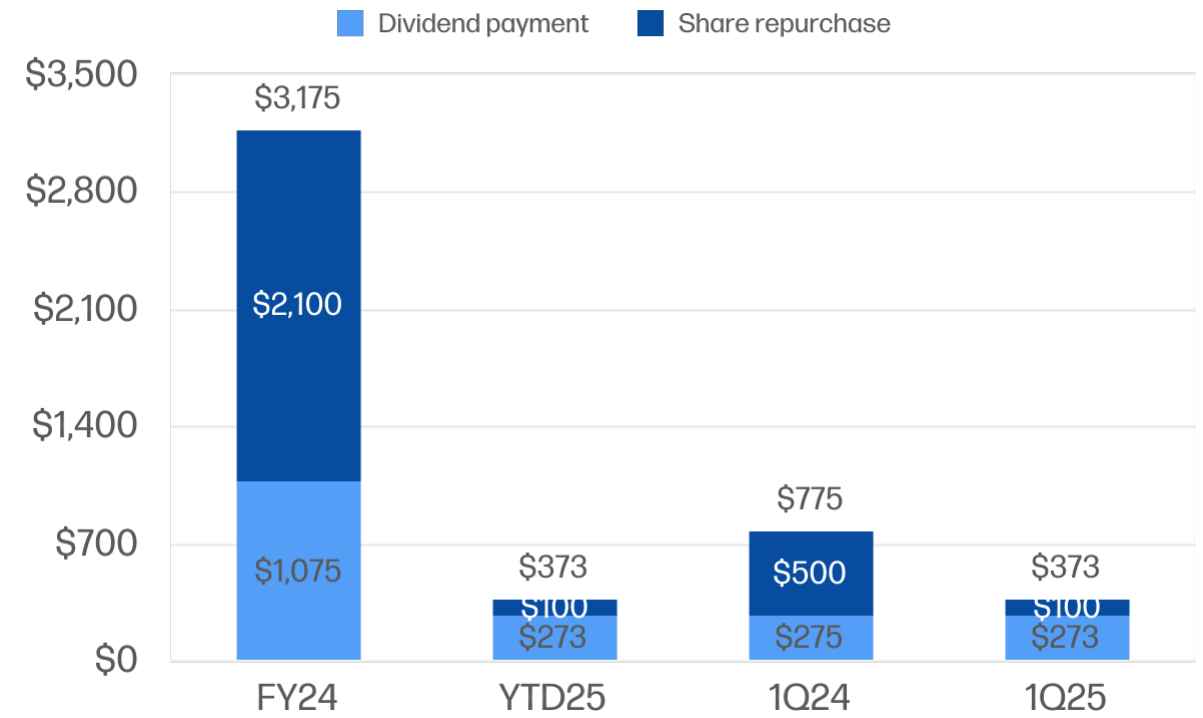
\$ Millions

Cash Flow



\$ Millions

Shareholder Return



Shares repurchased	62.7 million	2.7 million	16.7 million	2.7 million
Dividend per share	\$1.1024	\$0.2894	\$0.2756	\$0.2894

1. Free cash flow = Net cash provided by operating activities adjusted for net investment in leases from integrated financing and net investment in property, plant, equipment and purchased intangible. See slide 25 for a reconciliation of Free Cash Flow

Outlook

Q2 FY25 net EPS guidance

GAAP diluted net EPS	\$0.62 – \$0.72
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Non-GAAP diluted net EPS ¹	\$0.75 – \$0.85
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FY25 net EPS guidance

GAAP diluted net EPS	\$2.86 – \$3.16
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Non-GAAP diluted net EPS ¹	\$3.45 – \$3.75
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FY25 Free Cash Flow Guidance

Free Cash Flow ²	\$3.2 – \$3.6 billion
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1. Second Quarter and fiscal 2025 non-GAAP diluted net EPS estimates exclude restructuring and other charges, acquisition and divestiture charges, amortization of intangible assets, non-operating retirement-related credits, tax adjustments, and the related tax impact on these items

2. Free cash flow = Net cash provided by operating activities adjusted for net investment in leases from integrated financing and net investment in property, plant, equipment and purchased intangible. See slide 25 for a reconciliation of Free Cash Flow

Non-GAAP¹ Financial Information

\$ in millions, except
per share amounts

	Q1 FY25		Q4 FY24		Q1 FY24	
		% of Revenue		% of Revenue		% of Revenue
Revenue	\$13,504		\$14,055		\$13,185	
Cost of revenue	10,664	79.0%	11,054	78.6%	10,297	78.1%
Total OpEx	1,856	13.7%	1,801	12.9%	1,782	13.5%
Operating profit	\$984	7.3%	\$1,200	8.5%	\$1,106	8.4%
Interest and other, net	(146)		(128)		(144)	
Pre-tax earnings	838	6.2%	1,072	7.6%	962	7.3%
Income tax	(134)		(172)		(154)	
Net earnings	\$704	5.2%	\$900	6.4%	\$808	6.1%
Diluted net earnings per share	\$0.74		\$0.93		\$0.81	

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Q1'25 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	\$13,504						\$13,504
Cost of revenue	10,664						10,664
Total OpEx	1,995	(63)	(70)	(6)			1,856
Operating profit	845	63	70	6			984
Interest and other, net	(141)					(5)	(146)
Pre-tax earnings	704	63	70	6		(5)	838
Income tax	(139)	(11)	(14)	(1)	29	2	(134)
Tax rate	19.7%						16.0%
Net earnings	\$565	52	56	5	29	(3)	\$704
Diluted net earnings per share	\$0.59	\$0.05	\$0.06	\$0.00	\$0.04	\$0.00	\$0.74



Supplemental

Slides



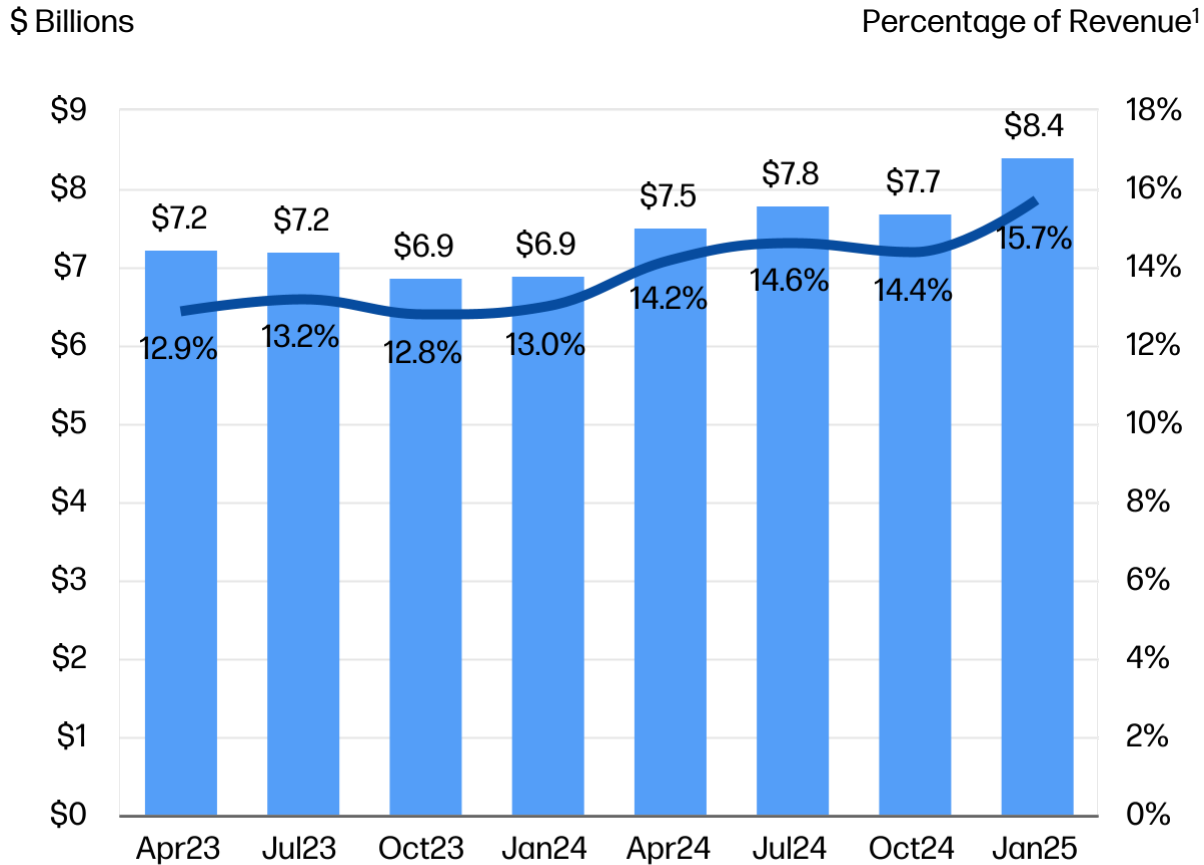
Growth Areas Definition and Updates

Strategic Growth Areas represent HP's businesses which management expects to collectively grow at a rate faster than HP's core businesses with accretive margins in the longer term. HP's Strategic Growth Areas are comprised of:

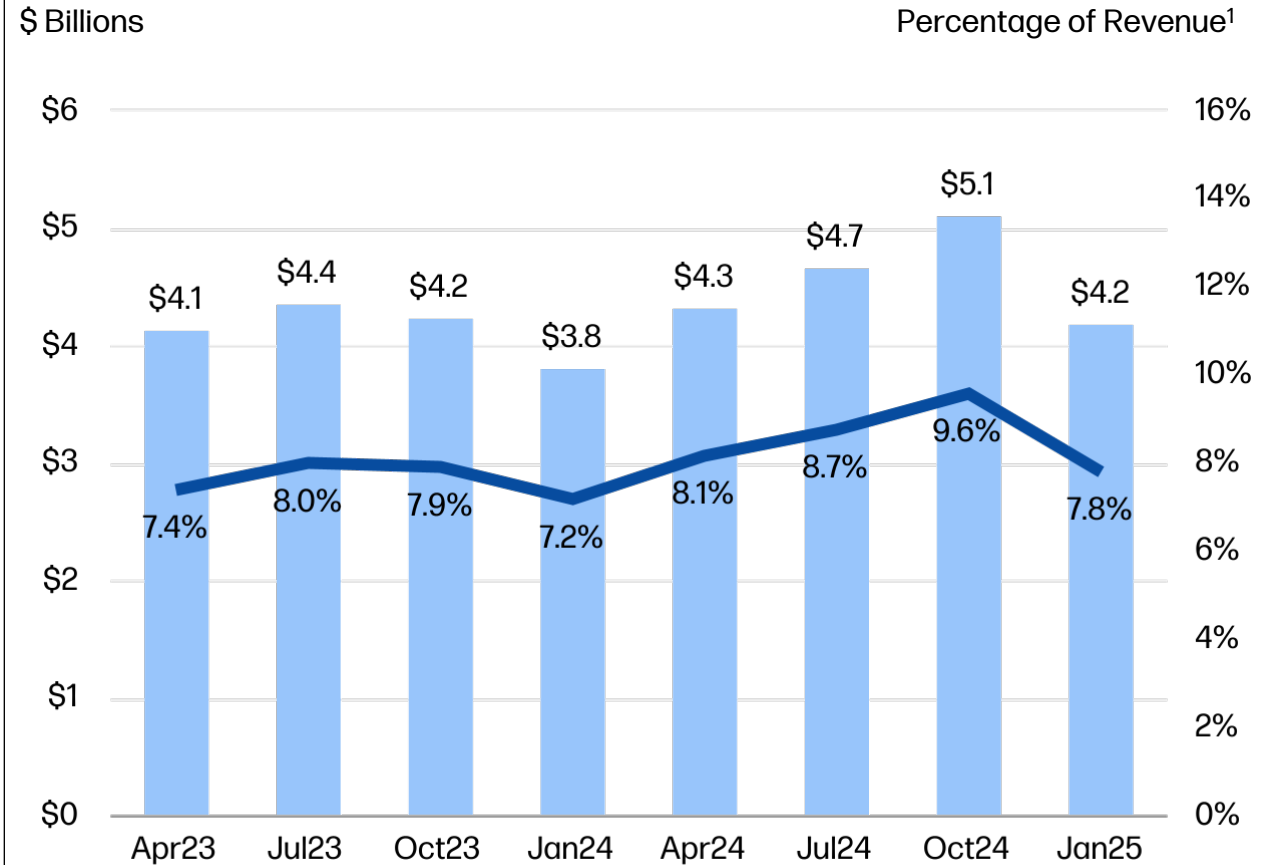
Hybrid Systems	Video conferencing solutions, cameras, headsets, voice, and related software capabilities
Advanced Compute Solutions	Diverse portfolio encompassing high-performance computing, mobile and desktop workstations, retail solutions, and emerging technologies to address complex computational tasks, data-intensive applications, and evolving industry needs.
AI PC	PCs, excluding Workstations, equipped with dedicated hardware components like Neural Processing Units (NPUs), are designed to facilitate and enhance the execution of AI and machine learning tasks.
Workforce Solutions	Managed services (Managed Print Service and Device-as-a-Service), digital services and lifecycle services
Consumer Subscriptions	Instant Ink services, other consumer subscriptions and consumer digital services
Industrial Graphics	Large Format Industrial, Page Wide Press (PWP), Indigo and Page Wide Industrial packaging solutions and supplies
3D & Personalization	Portfolio of additive manufacturing solutions and supplies including end-to-end solutions such as moulded fiber, footwear and orthotics

Inventory & Accounts Receivable

INVENTORY



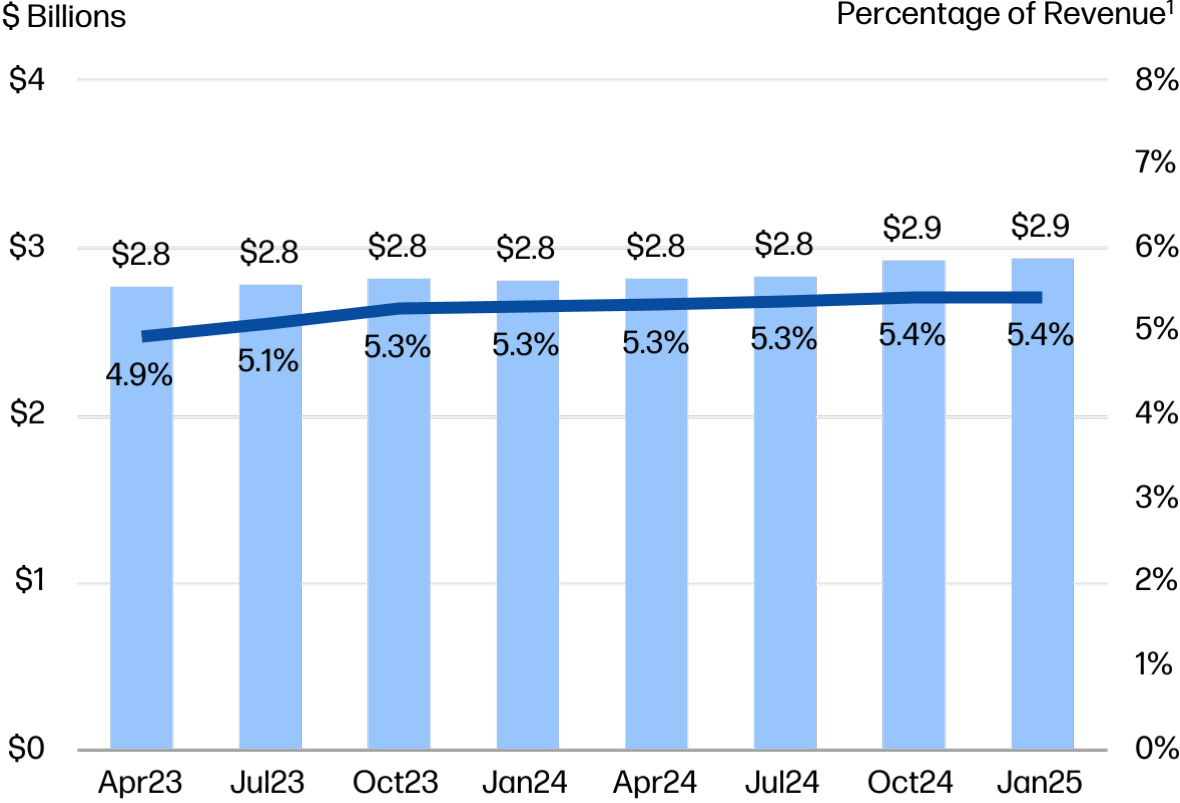
ACCOUNTS RECEIVABLE



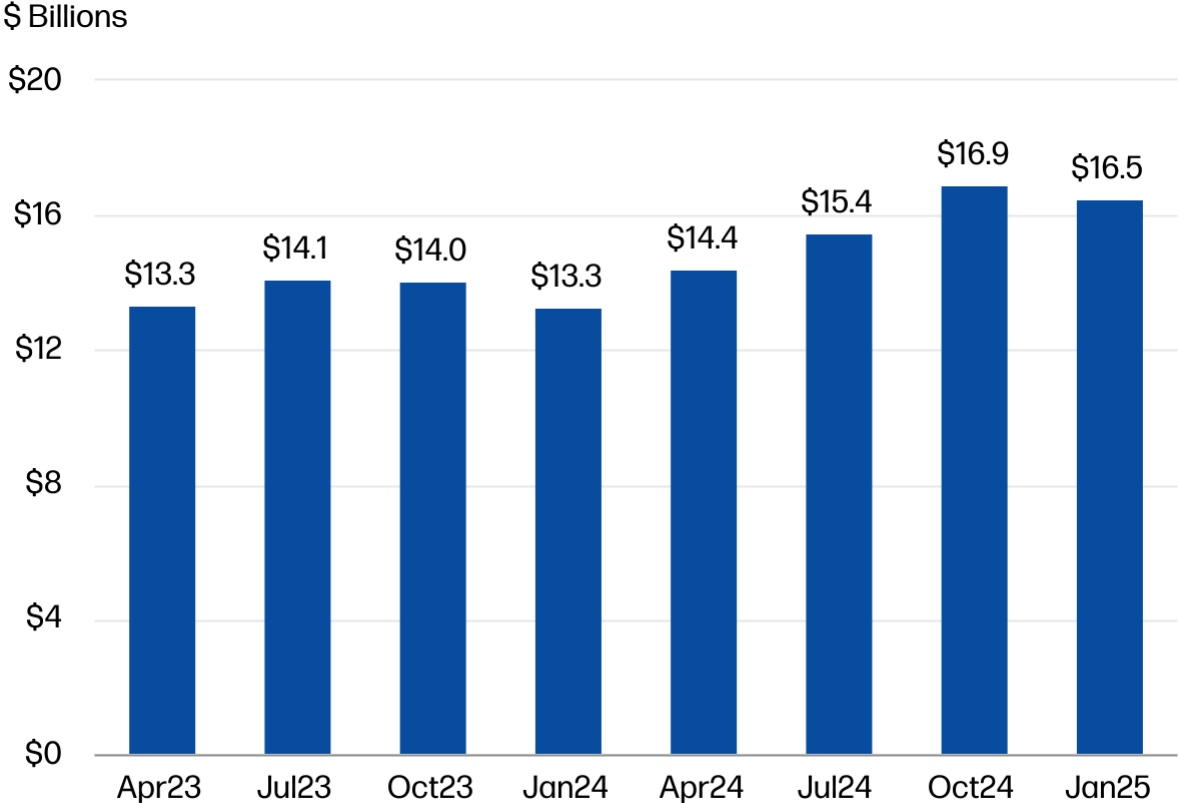
1. % of revenue calculations based on trailing 4-quarter net revenue

PP&E & Accounts Payable

PP&E

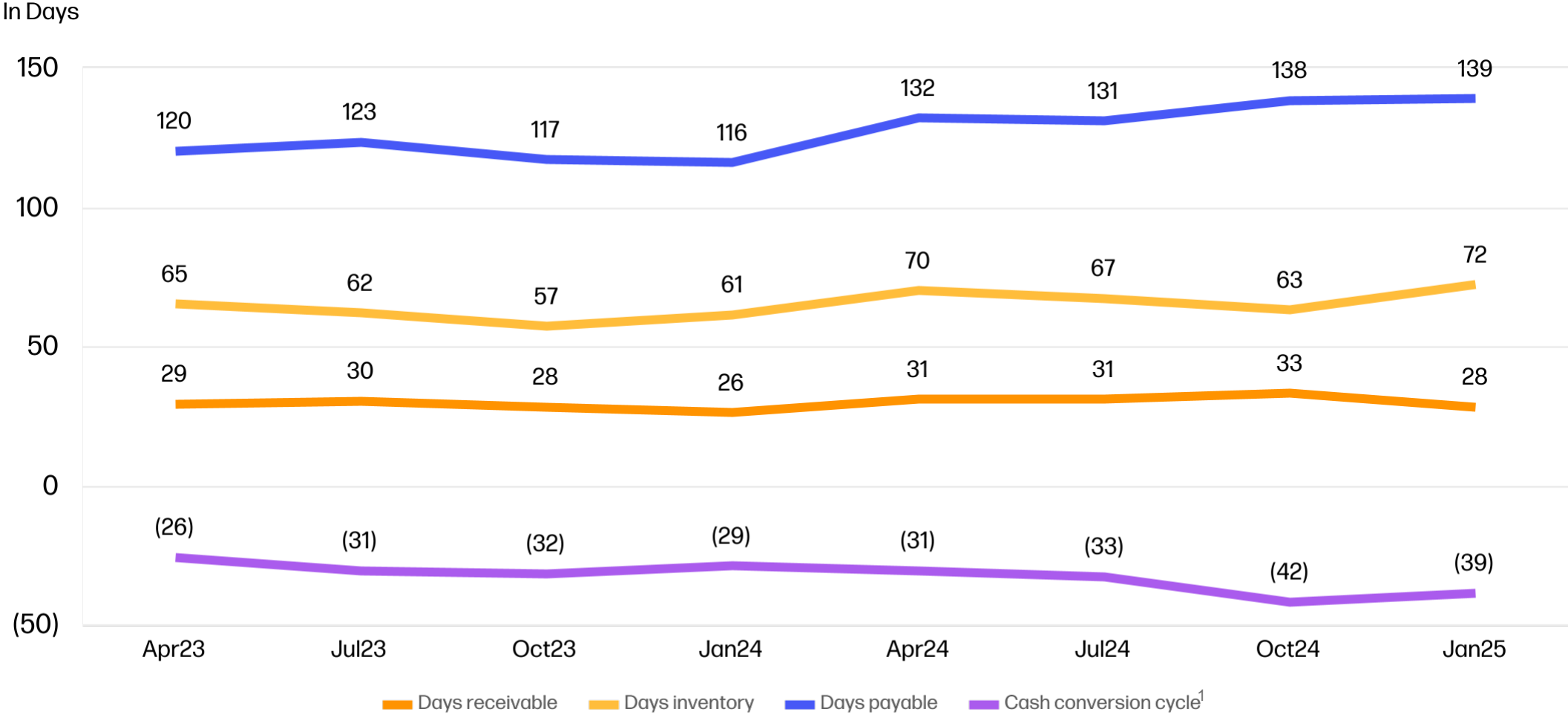


ACCOUNTS PAYABLE



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

Working Capital Metrics



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

Free Cash Flow Reconciliation

\$ in millions	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	3Q24	4Q24	FY24	1Q25
Net cash provided by operating activities	\$636	\$976	\$1,975	\$3,571	\$121	\$581	\$1,424	\$1,623	\$3,749	\$374
Net investment in property, plant, equipment and purchased intangible	(130)	(137)	(134)	(593)	(158)	(119)	(162)	(153)	(592)	(302)
Net investment in leases from integrated financing	35	31	28	110	62	19	42	42	165	(2)
Free Cash Flow¹	\$541	\$870	\$1,869	\$3,088	\$25	\$481	\$1,304	\$1,512	\$3,322	\$70

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

FY24 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	Debt extinguishment benefit	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$53,559							\$53,559
Cost of revenue	41,741							41,741
Total OpEx	8,000	(318)	(301)	(83)				7,298
Operating profit	3,818	318	301	83				4,520
Interest and other, net	(539)				3		(9)	(545)
Pre-tax earnings	3,279	318	301	83	3		(9)	3,975
Income tax	(504)	(58)	(60)	(11)		(9)	6	(636)
Tax rate	15.4%							16.0%
Net earnings	\$2,775	260	241	72	3	(9)	(3)	\$3,339
Diluted net earnings per share	\$2.81	\$0.26	\$0.24	\$0.08	\$0.00	\$(0.01)	\$0.00	\$3.38

Q4 FY24 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	Debt extinguishment costs	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$14,055							\$14,055
Cost of revenue	11,054							11,054
Total OpEx	2,010	(76)	(121)	(12)				1,801
Operating profit	991	76	121	12				1,200
Interest and other, net	(129)				3		(2)	(128)
Pre-tax earnings	862	76	121	12	3		(2)	1,072
Income tax	44	(14)	(24)	(1)		(178)	1	(172)
Tax rate	(5.1)%							16.0%
Net earnings	\$906	62	97	11	3	(178)	(1)	\$900
Diluted net earnings per share	\$0.93	\$0.06	\$0.10	\$0.02	\$0.00	\$(0.18)	\$0.00	\$0.93

Q3 FY24 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	\$13,519						\$13,519
Cost of revenue	10,613						10,613
Total OpEx	1,966	(81)	(46)	(22)			1,817
Operating profit	940	81	46	22			1,089
Interest and other, net	(113)					(2)	(115)
Pre-tax earnings	827	81	46	22		(2)	974
Income tax	(187)	(14)	(10)	(2)	56	2	(155)
Tax rate	22.6%						16.0%
Net earnings	\$640	67	36	20	56		\$819
Diluted net earnings per share	\$0.65	\$0.07	\$0.04	\$0.01	\$0.06	\$0.00	\$0.83

Q2 FY24 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	\$12,800						\$12,800
Cost of revenue	9,777						9,777
Total OpEx	2,071	(80)	(71)	(22)			1,898
Operating profit	952	80	71	22			1,125
Interest and other, net	(155)					(3)	(158)
Pre-tax earnings	797	80	71	22		(3)	967
Income tax	(190)	(15)	(16)	(3)	68	1	(155)
Tax rate	23.8%						16.0%
Net earnings	\$607	65	55	19	68	(2)	\$812
Diluted net earnings per share	\$0.61	\$0.07	\$0.06	\$0.01	\$0.07	\$0.00	\$0.82

Q1 FY24 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	\$13,185						\$13,185
Cost of revenue	10,297						10,297
Total OpEx	1,953	(81)	(63)	(27)			1,782
Operating profit	935	81	63	27			1,106
Interest and other, net	(142)					(2)	(144)
Pre-tax earnings	793	81	63	27		(2)	962
Income tax	(171)	(15)	(10)	(5)	45	2	(154)
Tax rate	21.6%						16.0%
Net earnings	\$622	66	53	22	45		\$808
Diluted net earnings per share	\$0.62	\$0.07	\$0.05	\$0.02	\$0.05	\$0.00	\$0.81

FY23 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	Debt Extinguishment benefit	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$53,718							\$53,718
Cost of revenue	42,210							42,210
Total OpEx	8,052	(350)	(527)	(240)				6,935
Operating profit	3,456	350	527	240				4,573
Interest and other, net	(519)				(107)		(46)	(672)
Pre-tax earnings	2,937	350	527	240	(107)		(46)	3,901
Income tax	326	(66)	(101)	(42)	25	(778)	12	(624)
Tax rate	(11.1)%							16.0%
Net earnings	\$3,263	284	426	198	(82)	(778)	(34)	\$3,277
Diluted net earnings per share	\$3.26	\$0.28	\$0.42	\$0.20	\$(0.08)	\$(0.77)	\$(0.03)	\$3.28

Q4 FY23 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	\$13,817						\$13,817
Cost of revenue	10,832						10,832
Total OpEx	1,971	(88)	(111)	(34)			1,738
Operating profit	1,014	88	111	34			1,247
Interest and other, net	(162)					(11)	(173)
Pre-tax earnings	852	88	111	34		(11)	1,074
Income tax	122	(16)	(19)	(6)	(256)	3	(172)
Tax rate	(14.3)%						16.0%
Net earnings	\$974	72	92	28	(256)	(8)	\$902
Diluted net earnings per share	\$0.97	\$0.07	\$0.09	\$0.03	\$(0.25)	\$(0.01)	\$0.90

Q3 FY23 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	Debt extinguishment benefit	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$13,196							\$13,196
Cost of revenue	10,374							10,374
Total OpEx	1,870	(91)	(75)	(48)				1,656
Operating profit	952	91	75	48				1,166
Interest and other, net	(16)				(115)		(12)	(143)
Pre-tax earnings	936	91	75	48	(115)		(12)	1,023
Income tax	(170)	(18)	(16)	(10)	27	20	3	(164)
Tax rate	18.2%							16.0%
Net earnings	\$766	73	59	38	(88)	20	(9)	\$859
Diluted net earnings per share	\$0.76	\$0.07	\$0.06	\$0.05	\$(0.09)	\$0.02	\$(0.01)	\$0.86

Q2 FY23 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	\$12,907						\$12,907
Cost of revenue	9,993						9,993
Total OpEx	2,167	(86)	(200)	(73)			1,808
Operating profit	747	86	200	73			1,106
Interest and other, net	(160)					(12)	(172)
Pre-tax earnings	587	86	200	73		(12)	934
Income tax	467	(16)	(36)	(13)	(554)	3	(149)
Tax rate	(79.6)%						16.0%
Net earnings	\$1,054	70	164	60	(554)	(9)	\$785
Diluted net earnings per share	\$1.06	\$0.07	\$0.17	\$0.06	\$(0.56)	\$(0.01)	\$0.79

Q1 FY23 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	Debt extinguishment costs	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$13,798							\$13,798
Cost of revenue	11,011							11,011
Total OpEx	2,044	(85)	(141)	(84)				1,734
Operating profit	743	85	141	84				1,053
Interest and other, net	(181)				8		(10)	(183)
Pre-tax earnings	562	85	141	84	8		(10)	870
Income tax	(93)	(16)	(30)	(14)	(2)	13	3	(139)
Tax rate	16.5%							16.0%
Net earnings	\$469	69	111	70	6	13	(7)	\$731
Diluted net earnings per share	\$0.47	\$0.07	\$0.11	\$0.07	\$0.01	\$0.01	\$(0.01)	\$0.73