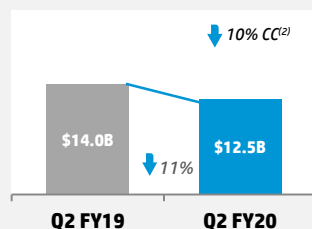


HP Inc. Reports FY20 Second Quarter Results



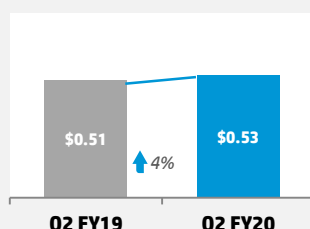
Highlights

Net revenue



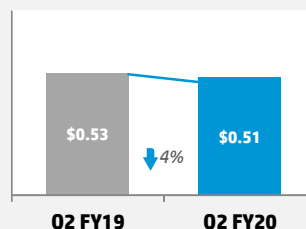
\$12.5 billion

GAAP diluted net EPS



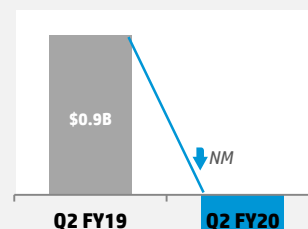
\$0.53

Non-GAAP⁽¹⁾ diluted net EPS



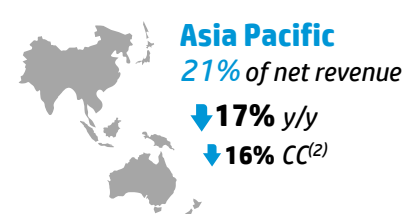
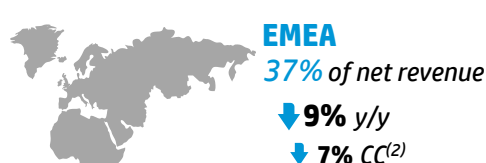
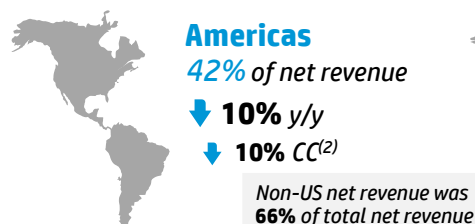
\$0.51

Cash provided by (used in) operations



\$(0.5B) billion

Geography



Personal Systems

Net revenue
\$8.3 billion

↓ 7% y/y
↓ 6% CC⁽²⁾

Total units ↓ 5% y/y

Notebooks net revenue ↔ Flat y/y
Units ↑ 5% y/y

Desktops net revenue ↓ 18% y/y
Units ↓ 23% y/y

Commercial net revenue ↓ 7% y/y

Consumer net revenue ↓ 7% y/y

Operating profit
\$552 million
6.6% of net revenue

Printing

Net revenue
\$4.2 billion

↓ 19% y/y
↓ 18% CC⁽²⁾

Supplies net revenue ↓ 15% y/y
CC⁽²⁾ ↓ 15% y/y

Total hardware units ↓ 23% y/y

Commercial hardware net revenue⁽³⁾ ↓ 31% y/y

Consumer hardware net revenue⁽³⁾ ↓ 16% y/y

Operating profit
\$548 million
13.2% of net revenue

1. All non-GAAP numbers have been adjusted to exclude certain items. A reconciliation of specific adjustments to GAAP results for the current and prior periods is included as a part of a Q2 FY20 Results Presentation available at www.hp.com/investor/home.

2. CC = constant currency; Adjusted to exclude the effects of foreign currency 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

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

NOTE: Arrows represent the mathematical direction of the amount the arrow is associated with.

NM – Not meaningful

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Capital Allocation



Dividend payment

\$252 million

\$0.1762 per share



Stock repurchase

\$123 million

approximately 5.6 million shares



Net debt⁽¹⁾

\$(1.4) billion

↑ \$1.1 billion q/q



Asset Management



Cash conversion cycle

(34) days

↓ 4 days q/q

=



Days receivables

37 days

↑ 7 day q/q

-



Days payable

128 days

↑ 30 days q/q

+



Days inventory

57 days

↑ 19 day q/q

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.
NOTE: Arrows represent the mathematical direction of the amount the arrow is associated with.