HP Inc. Reports FY20 First Quarter Results

**Highlights**

Net revenue

- Q1 FY20: $14.6 billion
- Q1 FY20: $14.6 billion
- Q1 FY20: $0.46
- Q1 FY20: $0.65
- Q1 FY20: $1.3 billion

GAAP diluted net EPS

- Q1 FY20: $0.51
- Q1 FY20: $0.46
- Q1 FY20: $0.52
- Q1 FY20: $0.65
- Q1 FY20: $0.98

Non-GAAP diluted net EPS

- Q1 FY20: $0.52
- Q1 FY20: $0.46
- Q1 FY20: $0.65
- Q1 FY20: $1.38

Cash provided by operations

- Q1 FY20: $0.98
- Q1 FY20: $1.38

**Geography**

- **Americas**: 41% of net revenue, 1% y/y, 1% CC(2)
- **EMEA**: 36% of net revenue, 2% y/y
- **Asia Pacific**: 23% of net revenue, 3% y/y, 4% CC(2)

Non-US net revenue was 67% of total net revenue

**Personal Systems**

- Net revenue: $9.9 billion
- Total units: 4% y/y
- Notebooks net revenue: 1% y/y
- Desktops net revenue: 2% y/y
- Commercial net revenue: 7% y/y
- Consumer net revenue: 7% y/y
- Operating profit: $662 million

**Printing**

- Net revenue: $4.7 billion
- Supplies net revenue: 7% y/y
- Total hardware units: 10% y/y
- Commercial hardware net revenue(3): 1% y/y
- Consumer hardware net revenue(3): 13% y/y
- Operating profit: $754 million

**Notes**

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 Q1 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.
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Capital Allocation

- **Dividend payment**: $256 million
  - $0.1762 per share
- **Stock repurchase**: $691 million
  - approximately 33.8 million shares
- **Net debt(1)**: $(0.4) billion
  - $0.2 billion q/q

Asset Management

- **Cash conversion cycle**: (30) days
  - 1 day q/q
- **Days receivables**: 30 days
  - 5 day q/q
- **Days payable**: 98 days
  - 9 days q/q
- **Days inventory**: 38 days
  - 3 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, unrealized gains/losses on fair value hedges and interest rate swaps. Gross cash includes cash and cash equivalents, short-term investments, and certain liquid long-term investments.

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