HP Inc. Reports FY20 Third Quarter Results

**Highlights**

- **Net revenue**
  - $14.3 billion
  - Q3 FY20: $14.6
  - Q3 FY19: $14.3

- **GAAP diluted net EPS**
  - $0.78
  - Q3 FY20: $0.52
  - Q3 FY19: $0.78

- **Non-GAAP diluted net EPS**
  - $0.57
  - Q3 FY20: $0.52
  - Q3 FY19: $0.58

- **Cash provided by operations**
  - $2.3
  - Q3 FY20: $1.7

**Geography**

- **Americas**
  - 44% of net revenue
  - Down 5% y/y
  - Down 4% CC

- **EMEA**
  - 33% of net revenue
  - Flat y/y CC

- **Asia Pacific**
  - 23% of net revenue
  - Up 2% y/y
  - Up 5% CC

**Non-US net revenue was 64% of total net revenue**

**Personal Systems**

- **Net revenue**
  - $10.4 billion
  - Up 7% y/y
  - Up 5% CC

- **Operating profit**
  - $570 million
  - 5.5% of net revenue

**Printing**

- **Net revenue**
  - $3.9 billion
  - Down 20% y/y
  - Down 19% CC

- **Operating profit**
  - $480 million
  - 12.2% of net revenue

**NOTE:**

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 Q3 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.

**NM** - Not meaningful.
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Capital Allocation

- Dividend Payment: $251 million ($0.1762 per share)
- Stock repurchase: $953 million (approximately 56 million shares)
- Net debt: $(1.4) billion

Asset Management

- Cash conversion cycle: (30) days
- Days Receivables: 33 days
- Days Payable: 108 days
- Days inventory: 45 days

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

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.