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Earnings Announcement



MAY 31, 2022 | Q2 FY22

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, the results of HP Inc. and its consolidated subsidiaries ("HP") 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, any statements regarding the potential impact of the COVID-19 pandemic and the actions by governments, businesses and individuals in response to the situation; 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, 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, including with respect 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 include factors relating to the effects of the COVID-19 pandemic and the actions by governments, businesses and individuals in response to the situation, the effects of which may give rise to or amplify the risks associated with many of these factors listed here; the need to manage (and reliance on) third-party suppliers, including with respect to component shortages, and the need to manage HP's global, multi-tier distribution network, limit potential misuse of pricing programs by HP's channel partners, adapt to new or changing marketplaces and effectively deliver HP's services; HP's ability to execute on its strategic plan, including the previously announced initiatives, business model changes and transformation; execution of planned structural cost reductions and productivity initiatives; HP's ability to complete any contemplated share repurchases, other capital return programs or other strategic transactions; the competitive pressures faced by HP's businesses; risks associated with executing HP's strategy and business model changes and transformation; 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; 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; successfully competing and maintaining the value proposition of HP's products, including supplies; 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; integration and other risks associated with business combination and investment transactions; the results of the restructuring plans, including estimates and assumptions related to the cost (including any possible disruption of HP's business) and the anticipated benefits of the restructuring plans; the protection of HP's intellectual property assets, including intellectual property licensed from third parties; the hiring and retention of key employees; the impact of macroeconomic and geopolitical trends, changes and events, including the Russian invasion of Ukraine and its regional and global ramifications and the effects of inflation; risks associated with HP's international operations; 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; changes in estimates and assumptions HP makes in connection with the preparation of its financial statements; disruptions in operations from system security risks, data protection breaches, cyberattacks, extreme weather conditions or other effects of climate change, medical epidemics or pandemics such as the COVID-19 pandemic, and other natural or manmade disasters or catastrophic events; the impact of changes to federal, state, local and foreign laws and regulations, including environmental regulations and tax laws; potential impacts, liabilities and costs from pending or potential investigations, claims and disputes; and other risks that are described in HP's Annual Report on Form 10-K for the fiscal year ended October 31, 2021, and HP's other filings with the Securities and Exchange Commission.

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, 2022, HP's Quarterly Reports for the fiscal quarters ended April 30, 2022 and July 31, 2022, and HP's other filings with the Securities and Exchange Commission. 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 investors or required to be disclosed in HP's filings with the SEC. 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.

HP's Investor Relations website at investor.hp.com contains a significant amount of information about HP, including financial and other information for investors. HP encourages investors to visit its website from time to time, as information is updated and new information is posted. The content of HP's website is not incorporated by reference into this presentation or in any other report or document HP files with the SEC, and any references to HP's website are intended to be inactive textual references only.

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 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. The expense associated with this change in value is not included in non-GAAP operating profit, 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, items such as restructuring and other charges, acquisition-related (credits)/charges, non-operating retirement-related (credits)/ charges, defined benefit plan settlement charges, debt extinguishment costs, tax adjustments, and the related tax impact on these items that are excluded from non-GAAP total operating expense, non-GAAP operating profit, non-GAAP tax rate, non-GAAP net earnings and non-GAAP diluted net earnings per share can have a material impact on the equivalent GAAP earnings financial measures and cash flow. 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 adjustment for net investment in leases and net capital expenditure, 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 transparency 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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Q2 FY22 Highlights

- Net revenue of **\$16.5 billion**, up 3.9% from the prior-year period and up 4.9% in constant currency¹
- Non-GAAP diluted net earnings per share² of **\$1.08**, at the high end of our previously provided outlook of **\$1.02 to \$1.08** per share
- GAAP diluted net earnings per share of **\$0.94**, compared to our previously provided outlook of **\$0.95 to \$1.01** per share
- Free cash flow of **\$0.4 billion**³
- Returned **\$1.3 billion** to shareholders in the form of share repurchases and dividends

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 from operating activities of \$508 million adjusted for net investments in leases of \$21 million and net investment in property, plant and equipment of \$178 million

Key Growth Areas

Collectively generated \$5.6 billion in revenue in 1H FY22

PERIPHERALS

40%+ revenue growth across HyperX and HP branded peripherals
Definitive agreement to acquire Poly expected to drive increased scale and accelerate growth in our peripherals business

GAMING

40%+ revenue growth lead by premium. The award-winning OMEN 45L desktop with patented OMEN Cryo chamber delivers +54% gen over gen performance improvement

WORKFORCE SOLUTIONS

Double-digit revenue growth, with strength in Device-as-a-Service (DaaS) offsetting the gradual recovery in Managed Print Services (MPS)

CONSUMER SERVICES

Instant ink scaled further as cumulative enrollees and revenue grew double-digits, driven by improved adoption worldwide across our installed base

INDUSTRIAL GRAPHICS

Solid double-digit hardware revenue growth driven by PageWide Packaging; seeing strong funnel of orders and backlog for Indigo

3D

Double-digit revenue growth with cumulative parts printed exceeding 130 million, up >50% y/y.
We announced a partnership with Legor Group for development of innovative precious metal materials for the production of jewelry and fashion accessories



Q2 FY22 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	\$4,963	(6.8)%	(6.5)%	\$958	19.3%	\$7	1.4 pts
Personal Systems	\$11,532	9.3%	10.6%	\$798	6.9%	\$88	0.2 pts
Corporate Investments / Other	\$(5)	nm ²	nm ²	\$(312)	nm ²	\$(94)	nm ²
Total HP	\$16,490	3.9%	4.9%	\$1,444	8.8%	\$1	(0.3) pts

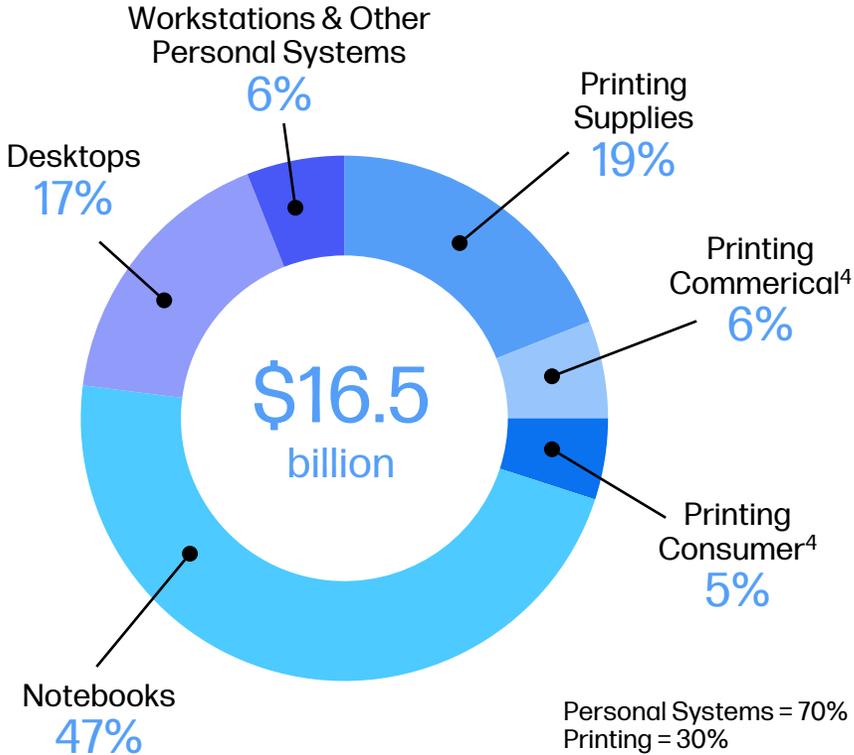
1. CC = constant currency; adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

2. Not meaningful

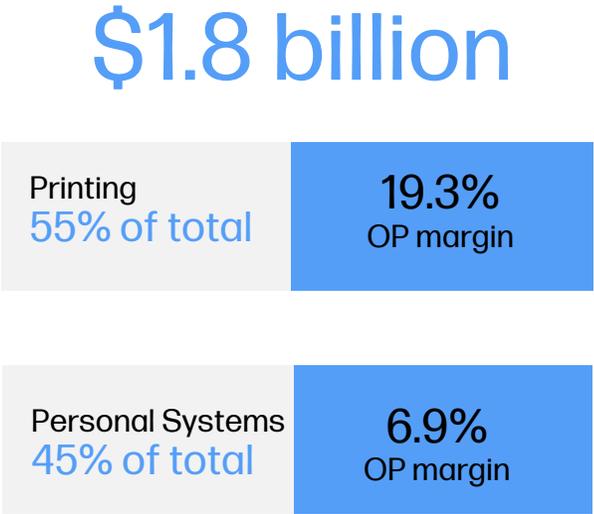
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Q2 FY22 Mix by Segment and Region

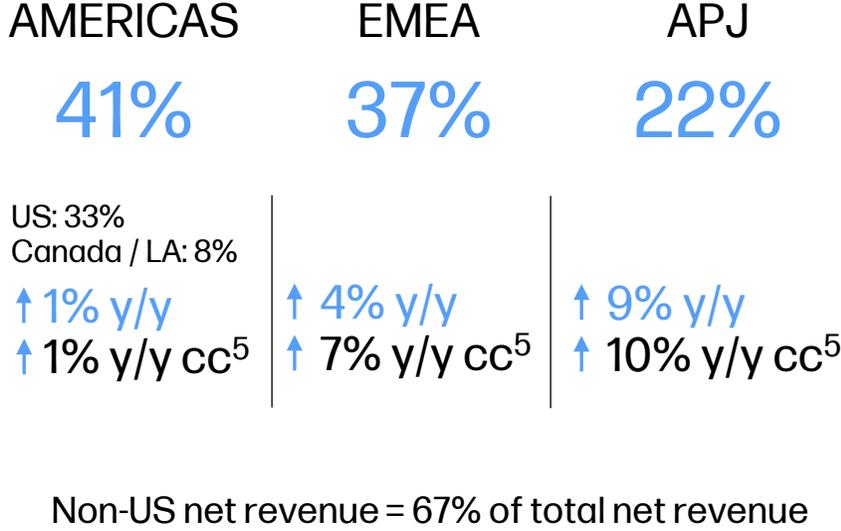
Net revenue
By key segment and business unit¹



Non-GAAP operating profit²
By key segment³

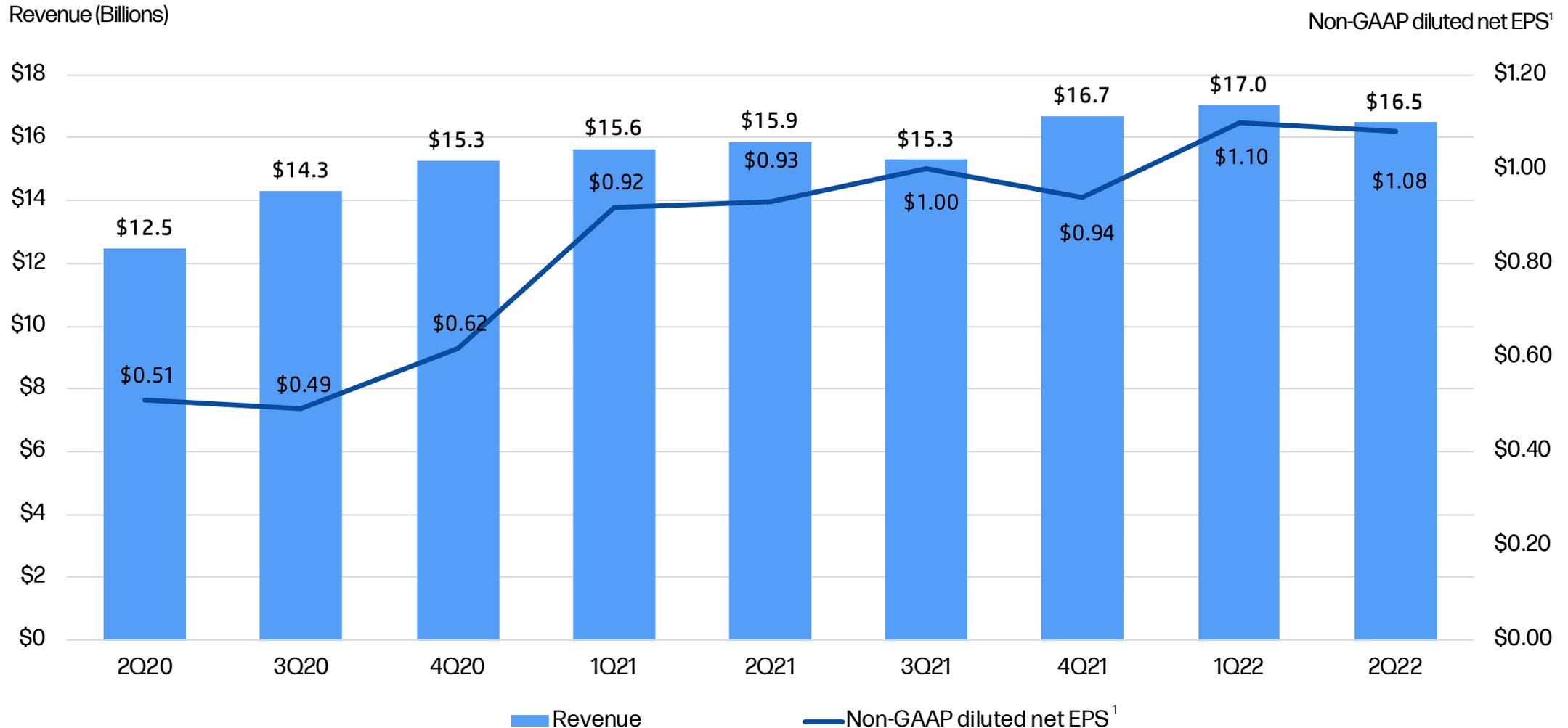


Net revenue
By region



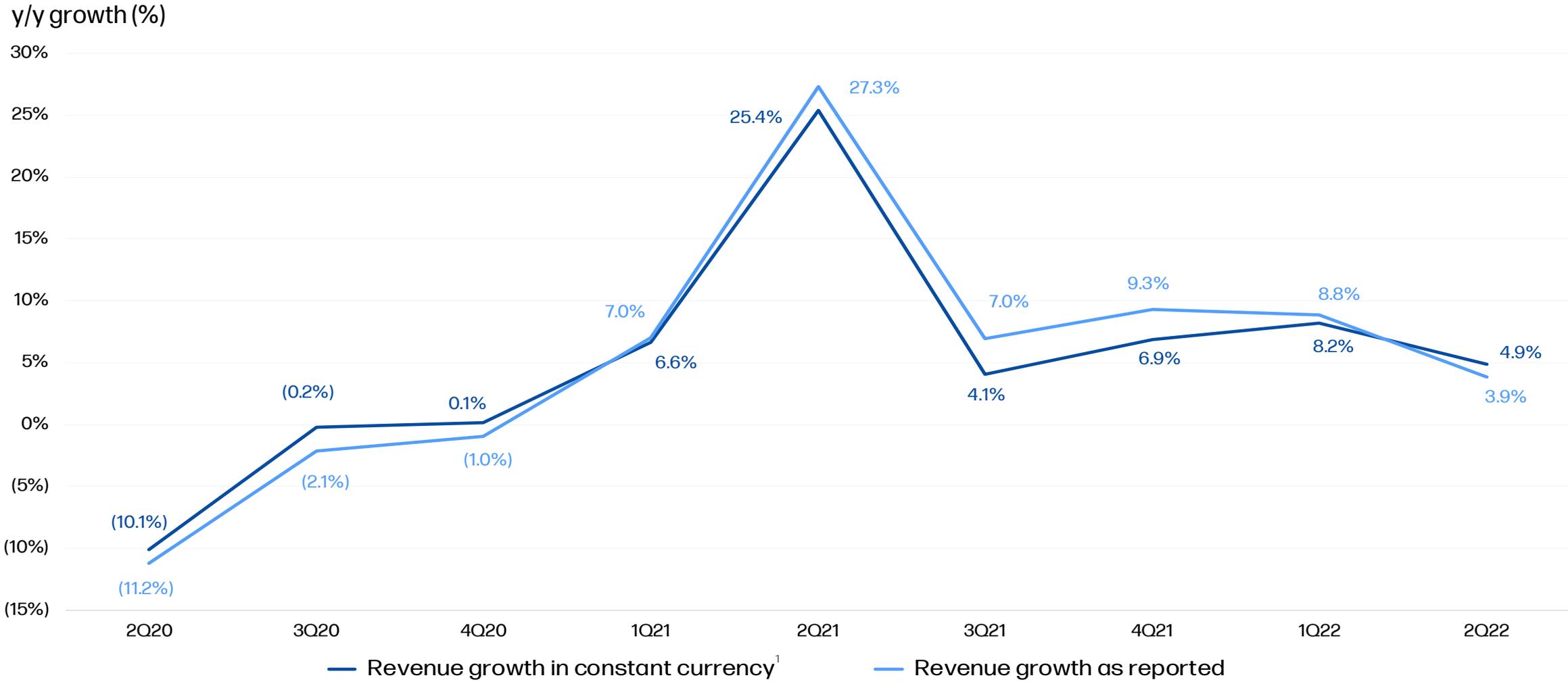
1. Revenue mix calculated based on total segment revenue, which does not include corporate investments and other
 2. A reconciliation of specific adjustments to GAAP results for the current period is included on slide 18 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides 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 segment operating profit, which does not include corporate investments and other
 4. Commercial includes Office Printing Solutions including commercial products and OEM hardware, Graphics Solutions and 3D Printing and digital manufacturing, excluding supplies. Consumer includes Home Printing Solutions, excluding supplies
 5. 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 period

Revenue & Non-GAAP Diluted Net EPS¹ Performance



1. 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"

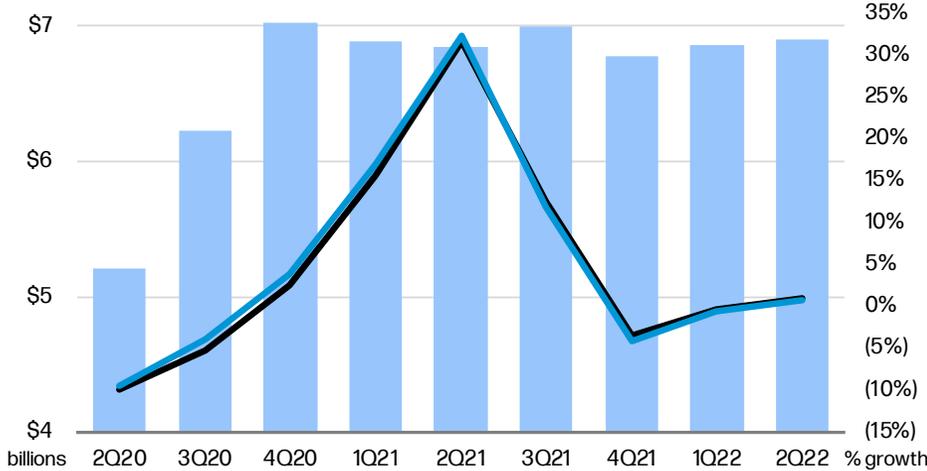
Revenue Growth



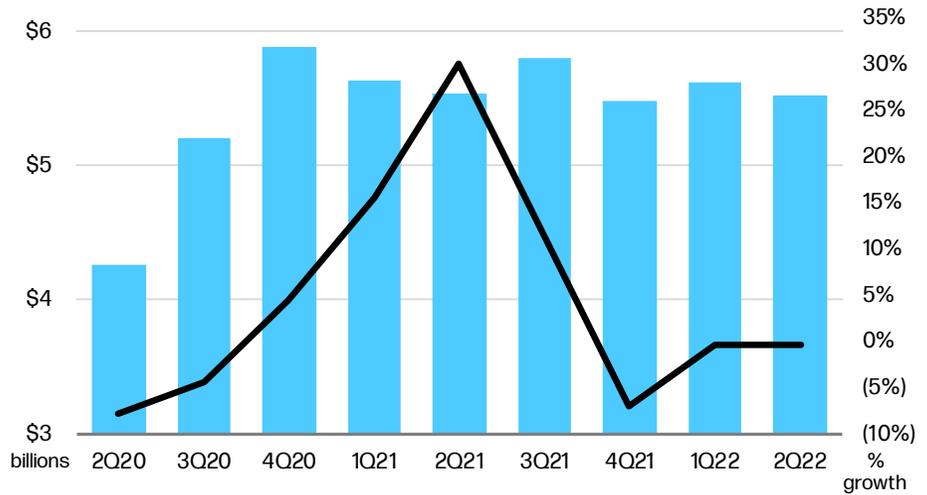
1. Adjusted to exclude the effect of foreign currency exchange fluctuations calculated by translating current period revenues using monthly exchange rates from the comparative period and excluding any hedging impact recognized in the current period

Regional Revenue Trends

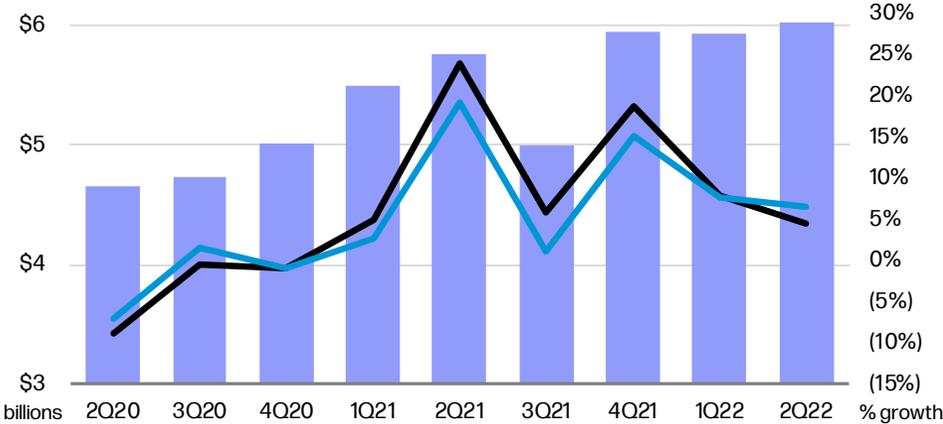
Americas (including U.S.)



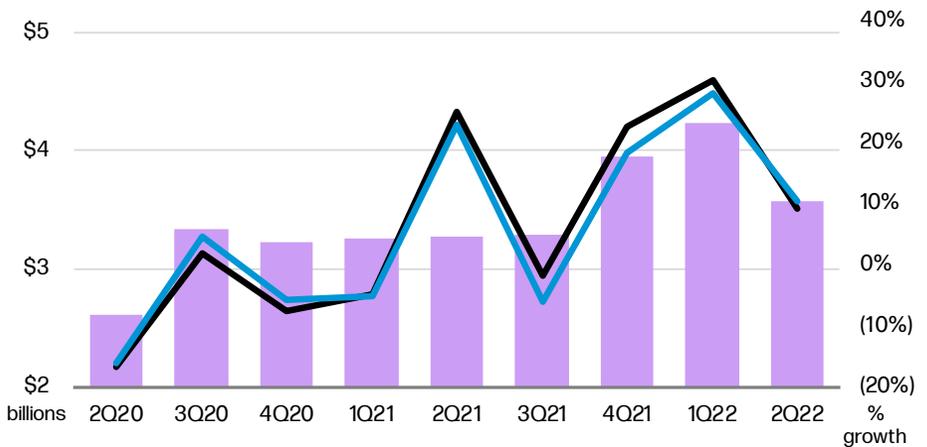
United States



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 Q2 FY22

Revenue

\$11.5

billion

↑ 9% y/y
↑ 11% CC¹

Operating profit

\$798

million

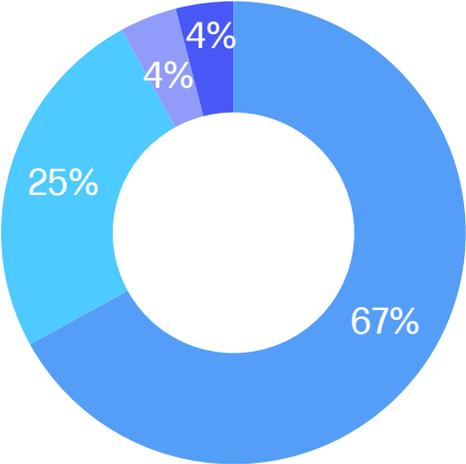
6.9%
of revenue

Record Q2 revenue resulting in operating margin at the high end of the range reflecting the durability of PC demand

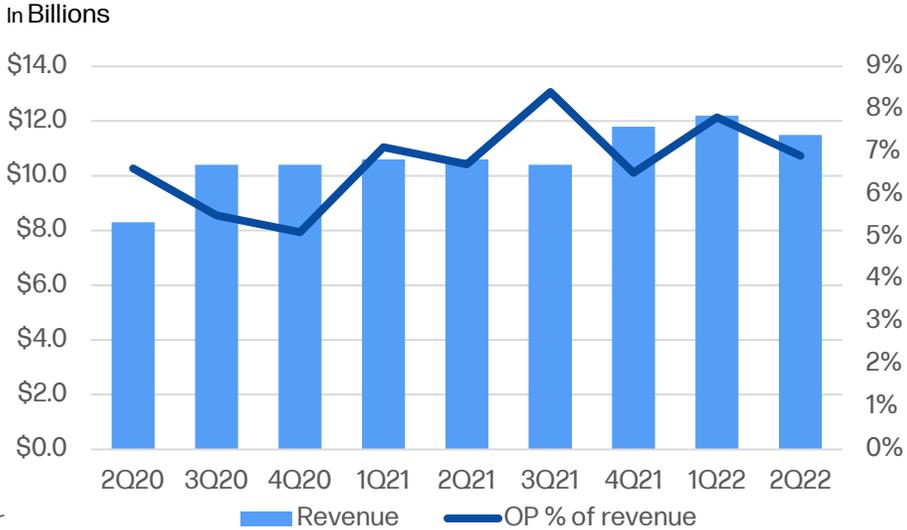
Commercial was ~65% of revenue mix, with revenue up 18% y/y driven by a strong mix of Windows-based notebooks, desktops, and workstations growing double digit

Innovation: Launched HP Anyware with Teradici, which combines the best of HP's and Teradici's high-performance remote computing solutions to create secure digital workspaces from any location

Revenue breakdown



Revenue and OP % trend



KEY METRICS

- Total units down 17% y/y
- Notebooks revenue up 3% y/y, units down 23% y/y
- Desktops revenue up 28% y/y, units up 11% y/y
- Commercial revenue up 18% y/y
- Consumer revenue down 6% 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 Q2 FY22

Revenue

\$5.0

billion

↓ 7% y/y

↓ 6% CC¹

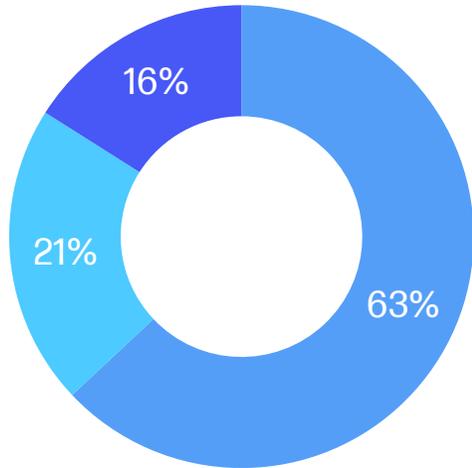
Operating profit

\$958

million

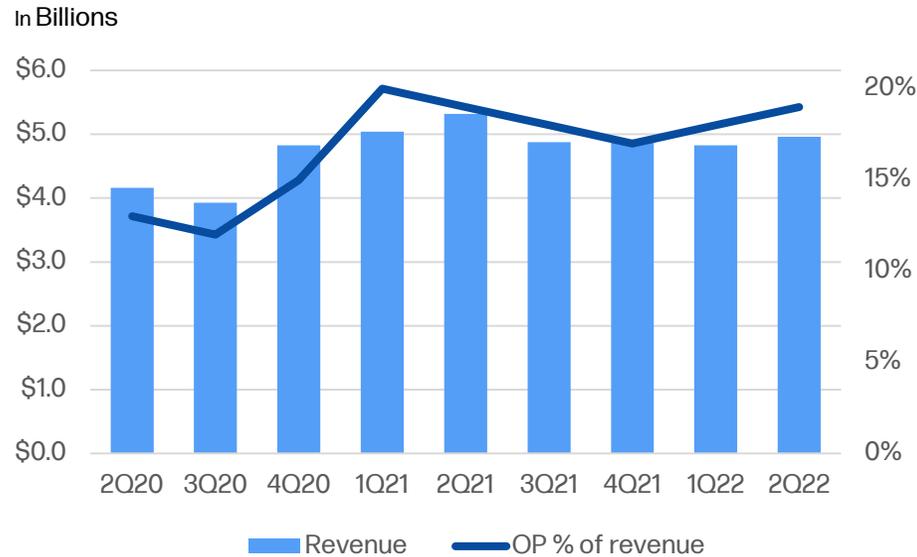
19.3%
of revenue

Revenue breakdown



■ Supplies ■ Commercial ■ Consumer

Revenue and OP % trend



Operating margin above the high end of our target range for the second consecutive quarter

HP+ and Big Tank printers now represent 48% of our shipment mix, rebalancing our system profitability toward hardware

Innovation: The new HP ScanJet Pro and Enterprise devices include our most advanced and sophisticated workflow scanner software that make scanning a simple and integrated part of the digital workplace experience

KEY METRICS

Supplies revenue down 6%, (down 6% CC¹) y/y

Total Hardware units down 23% y/y

Commercial² revenue down 4% y/y

Consumer² revenue down 12% y/y

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

ESG Key Metrics



As of year-end 2021 HP reduced single-use plastic packaging by 44% compared to 2018—a 25% improvement from 2020. The company has also launched over 300 products that contain ocean-bound plastic since 2017.

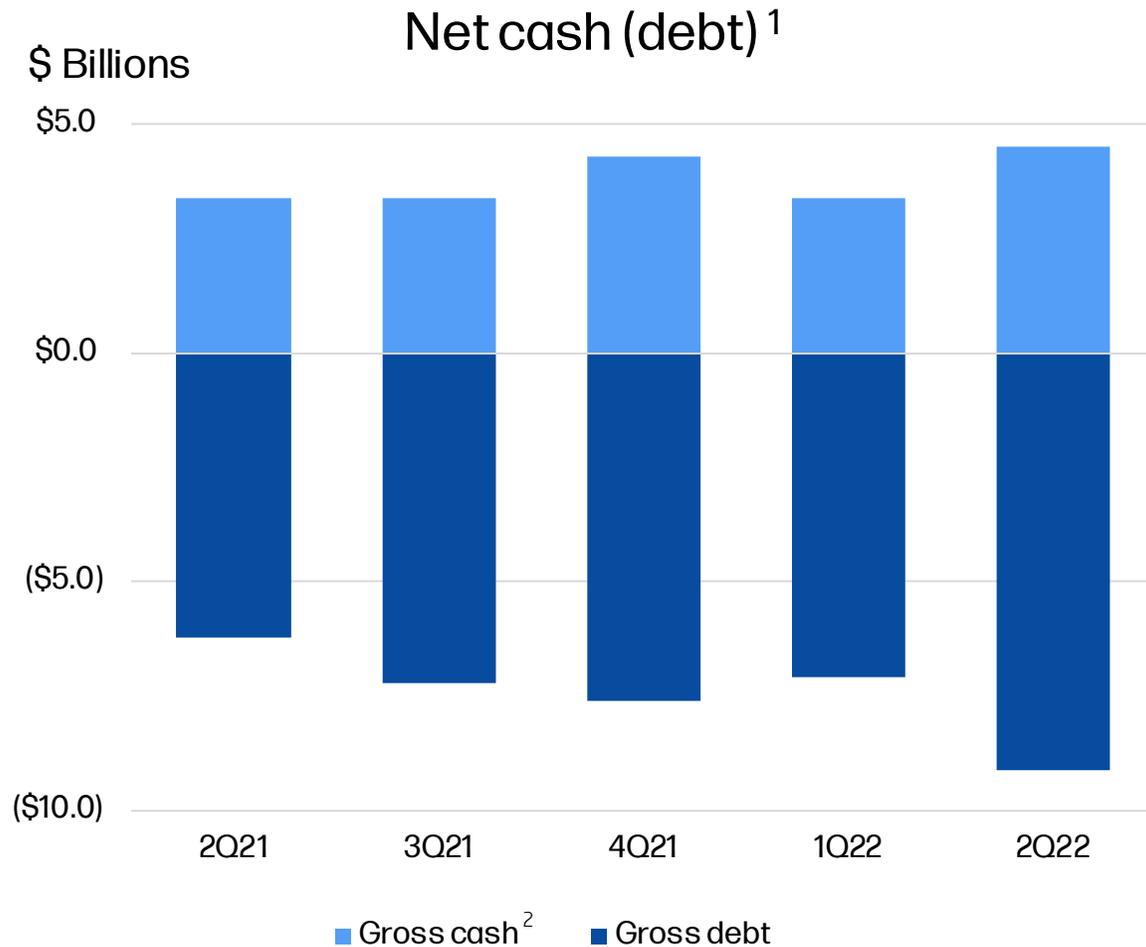


349,000 supply chain workers have now been reached through empowerment programs—a 12% increase over 2020. HP is also almost halfway toward its goal of 10% spend with Black and African American suppliers by the end of 2022.



HP has enabled better learning outcomes for over 74 million people globally since 2015. Meanwhile, the HP Foundation has contributed \$73.4 million in charitable donations since 2016—up from \$55 million in 2020.

Select Cash & Debt Balances



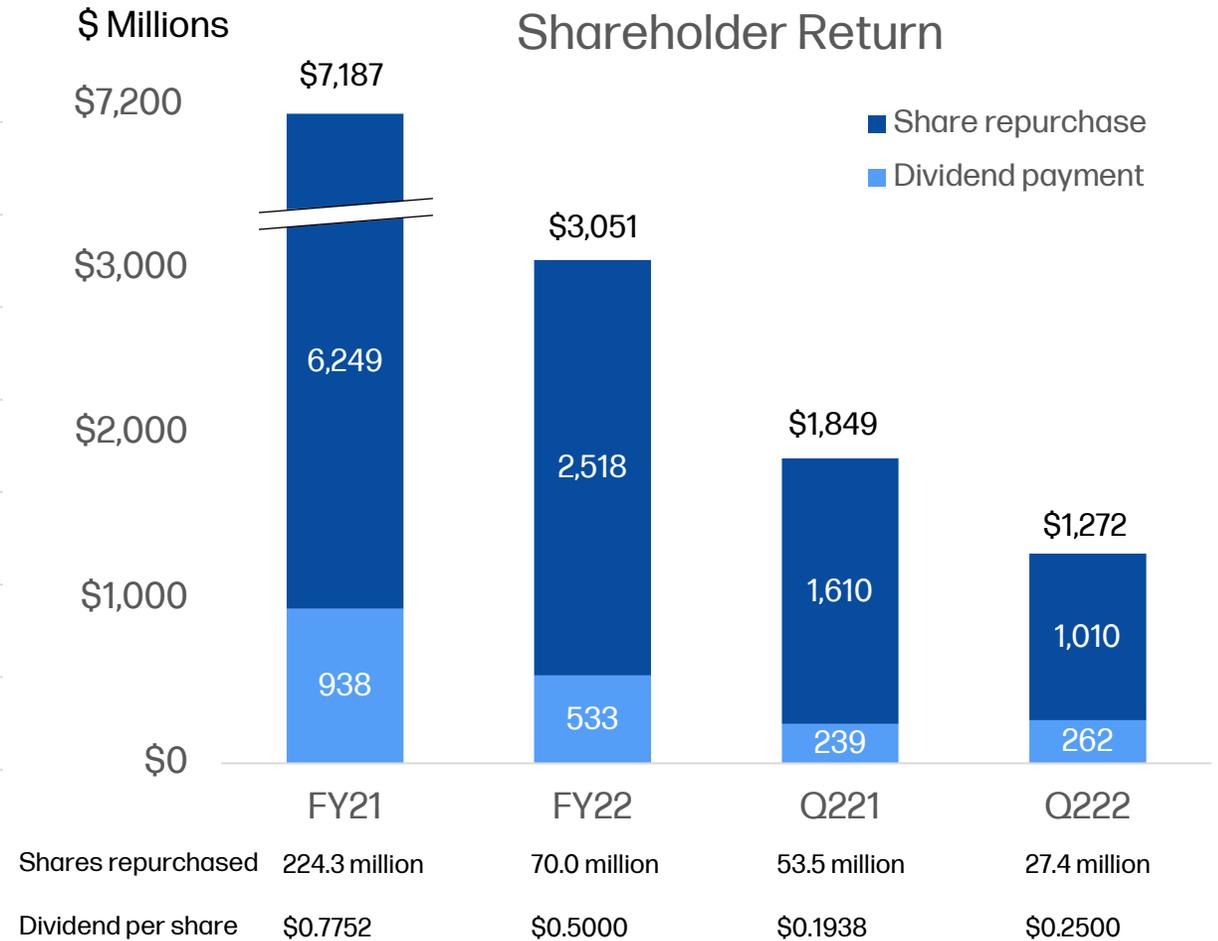
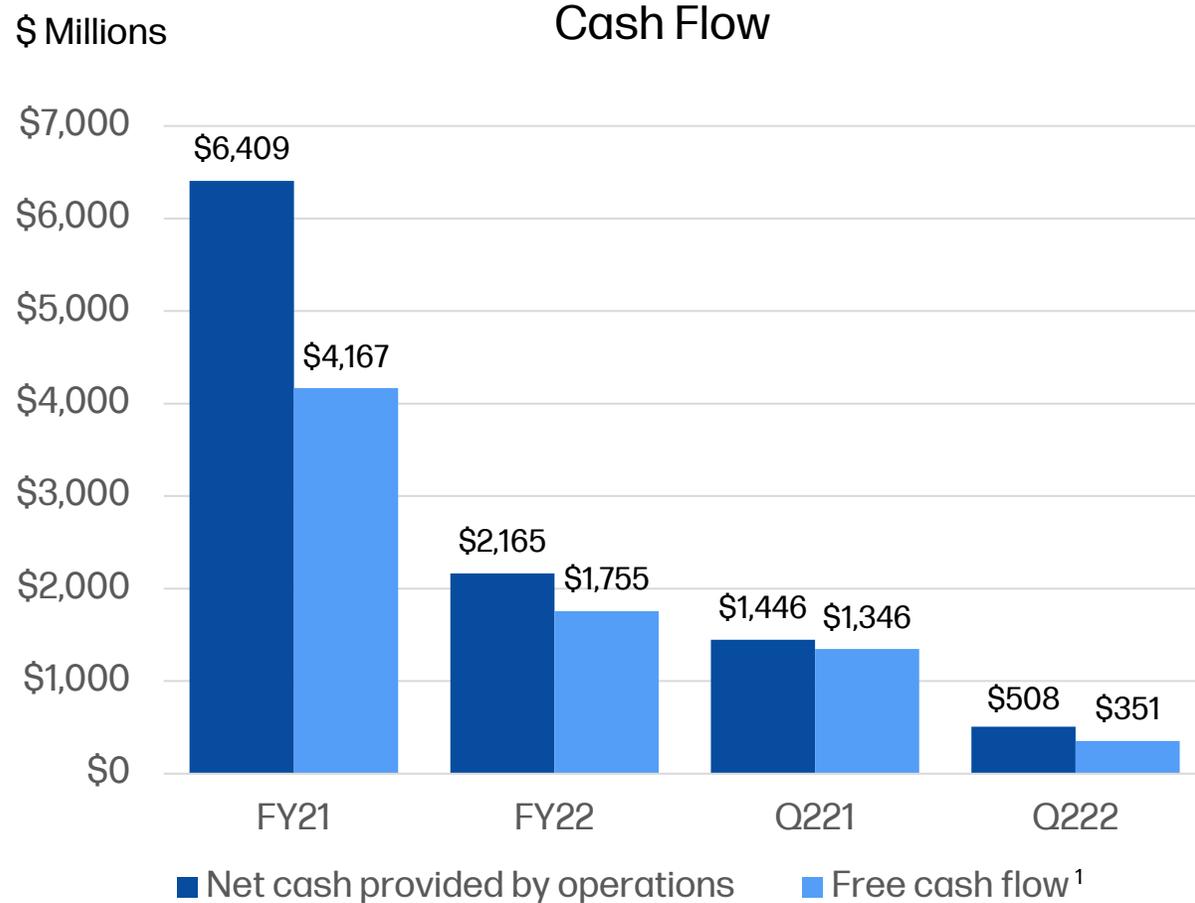
\$ Billions	2Q21	3Q21	4Q21	1Q22	2Q22
Gross cash ²	3.4	3.4	4.3	3.4	4.5
Gross debt	6.2	7.2	7.6	7.1	9.1
Net cash (debt) ^{1,3}	(2.8)	(3.7)	(3.3)	(3.7)	(4.7)

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

2. Gross cash includes cash and cash equivalents and short-term investments

3. Numbers may not foot due to rounding

Cash Flow & Shareholder Return



1. Free cash flow includes net cash provided by operating activities adjusted for net investments in leases, net investments in property, plant and equipment and the net impact of the one-time Oracle litigation proceeds received during the fourth quarter of fiscal 2021

Outlook

Q3 FY22 net EPS guidance

GAAP diluted net EPS

\$0.91 – \$0.96

Non-GAAP diluted net EPS¹

\$1.03 – \$1.08

FY22 net EPS guidance

GAAP diluted net EPS

\$3.79 – \$3.93

Non-GAAP diluted net EPS¹

\$4.24 – \$4.38

FY22 Free Cash Flow Guidance

Free Cash Flow²

At least \$4.5 billion

1. Third quarter and fiscal 2022 non-GAAP diluted net EPS estimates exclude restructuring and other charges, acquisition-related charges, Russia-related charges, amortization of intangible assets, non-operating retirement-related (credits) / charges, tax adjustments, and the related tax impact on these items

2. Free cash flow = Net cash provided by operations adjusted for net investment in leases and net investment in property, plant and equipment

Non-GAAP¹ Financial Information

\$ in millions, except per share amounts

	Q2 FY22		Q1 FY22		Q2 FY21	
Revenue	\$16,490		\$17,028		\$15,877	
Cost of revenue	13,157	79.8%	13,643	80.1%	12,437	78.3%
Total OpEx	1,889	11.4%	1,886	11.1%	1,997	12.6%
Operating profit	\$1,444	8.8%	\$1,499	8.8%	\$1,443	9.1%
Interest and other, net	(74)		(66)		(64)	
Pre-tax earnings	1,370	8.3%	1,433	8.4%	1,379	8.7%
Income tax	(218)		(230)		(221)	
Net earnings	1,152	7.0%	1,203	7.1%	1,158	7.3%
Diluted net earnings per share	\$1.08		\$1.10		\$0.93	

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Q2 FY22 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$16,490						\$16,490
Cost of revenue	13,157						13,157
Total OpEx	2,055	(52)	(82)	(32)			1,889
Operating profit	1,278	52	82	32			1,444
Interest and other, net	(39)					(35)	(74)
Pre-tax earnings	1,239	52	82	32		(35)	1,370
Income tax	(239)	(10)	(18)	(2)	44	7	(218)
Tax rate	19.3%						16.0%
Net earnings	\$1,000	42	64	30	44	(28)	\$1,152
Diluted net earnings per share	\$0.94						\$1.08



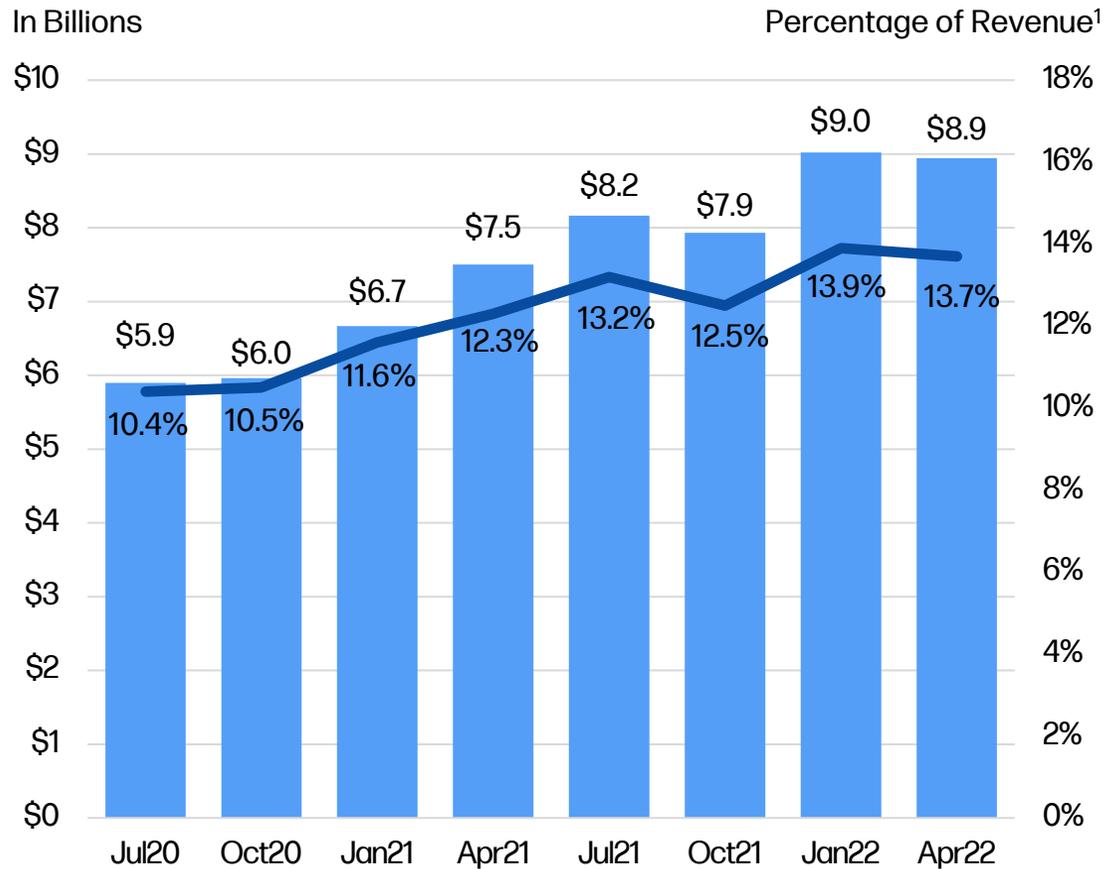
Supplemental

Slides

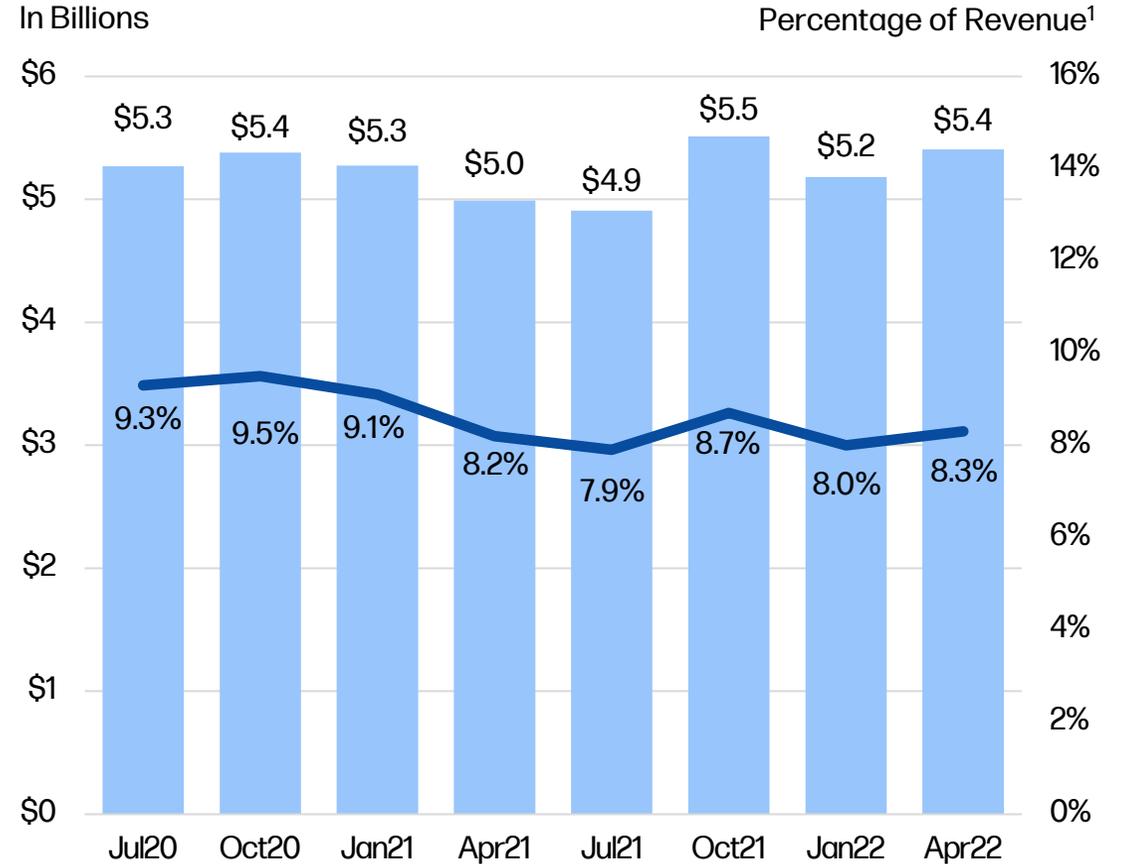


Inventory & Accounts Receivable

INVENTORY



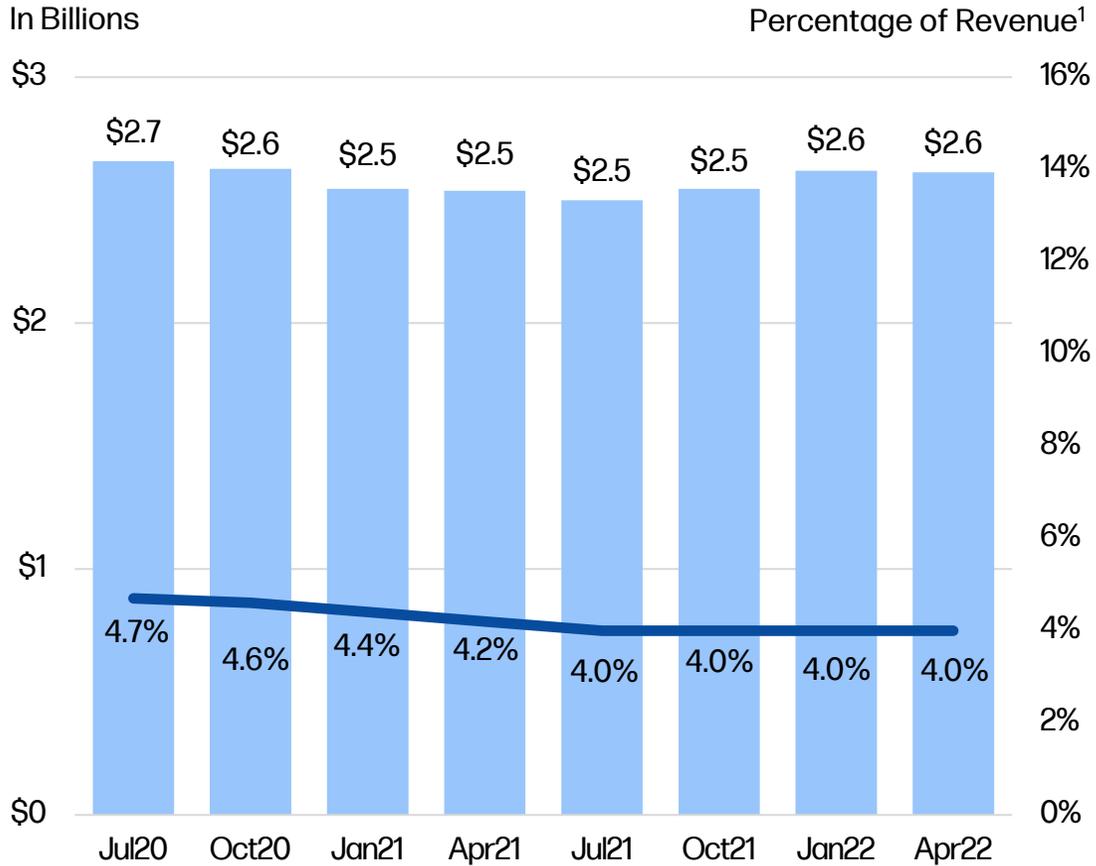
ACCOUNTS RECEIVABLE



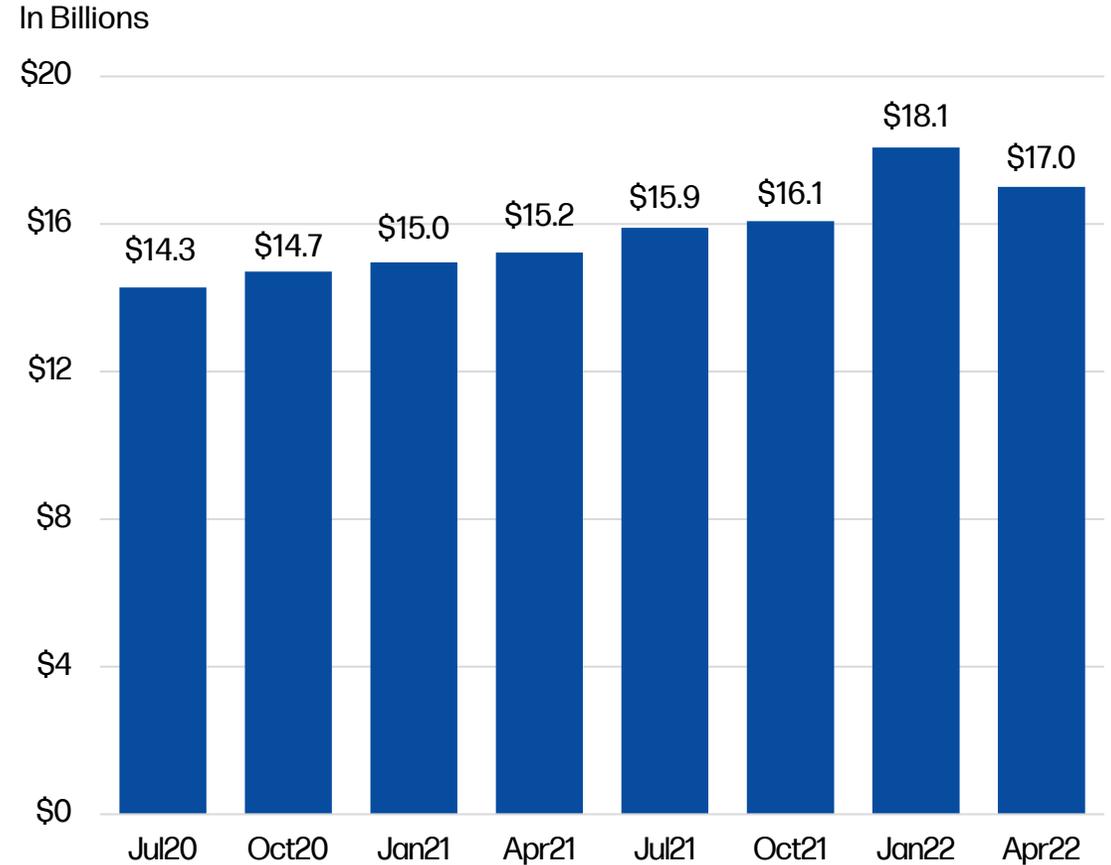
1. % of revenue calculations based on trailing 4-quarter net revenue

PP&E & Accounts Payable

PP&E

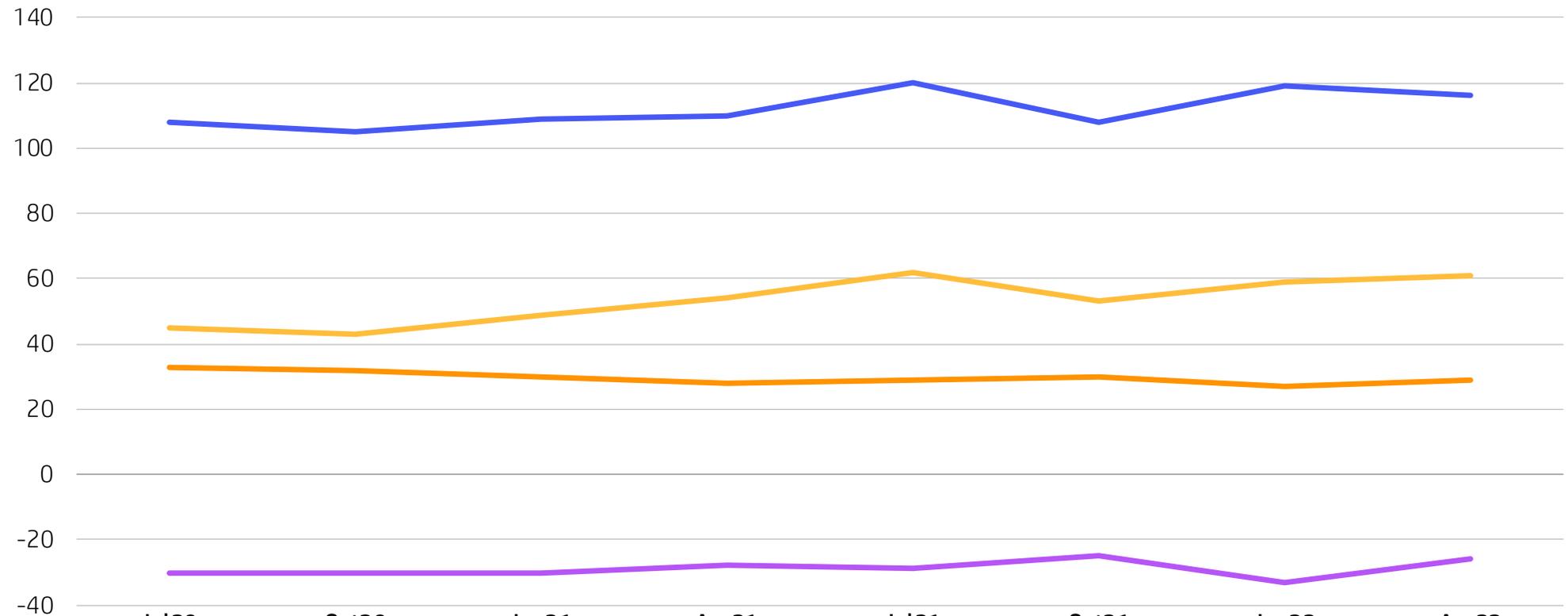


ACCOUNTS PAYABLE



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

Working Capital Metrics



	Jul20	Oct20	Jan21	Apr21	Jul21	Oct21	Jan22	Apr22
Days receivables	33	32	30	28	29	30	27	29
Days inventory	45	43	49	54	62	53	59	61
Days payable	108	105	109	110	120	108	119	116
Cash conversion cycle ¹	-30	-30	-30	-28	-29	-25	-33	-26

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

Q1 FY22 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$17,028						\$17,028
Cost of revenue	13,643						13,643
Total OpEx	2,026	(52)	(68)	(20)			1,886
Operating profit	1,359	52	68	20			1,499
Interest and other, net	(32)					(34)	(66)
Pre-tax earnings	1,327	52	68	20		(34)	1,433
Income tax	(241)	(10)	(12)	(3)	30	6	(230)
Tax rate	18.2%						16.0%
Net earnings	\$1,086	42	56	17	30	(28)	\$1,203
Diluted net earnings per share	\$0.99						\$1.10

FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Debt Extinguishment costs	Defined benefit plan settlement (gains) / charges	Tax adjustments	Oracle litigation proceeds	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$63,487									\$63,487
Cost of revenue	50,070									50,070
Total OpEx	8,115	(154)	(245)	(68)						7,648
Operating profit	5,302	154	245	68						5,769
Interest and other, net	2,209				16	(37)		(2,304)	(153)	(269)
Pre-tax earnings	7,511	154	245	68	16	(37)		(2,304)	(153)	5,500
Income tax	(1,008)	(29)	(50)	(11)	(3)	6	(326)	533	8	(880)
Tax rate	13.4%									16.0%
Net earnings	\$6,503	125	195	57	13	(31)	(326)	(1,771)	(145)	\$4,620
Diluted net earnings per share	\$5.33									\$3.79

Q4 FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Defined Benefit plan settlement (gains) / charges	Tax adjustments	Oracle litigation proceeds	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$16,675								\$16,675
Cost of revenue	13,410								13,410
Total OpEx	2,027	(51)	(29)	(28)					1,919
Operating profit	1,238	51	29	28					1,346
Interest and other, net	2,315				(37)		(2,304)	(38)	(64)
Pre-tax earnings	3,553	51	29	28	(37)		(2,304)	(38)	1,282
Income tax	(454)	(9)	(5)	(5)	6	(279)	533	7	(206)
Tax rate	12.8%								16.0%
Net earnings	\$3,099	42	24	23	(31)	(279)	(1,771)	(31)	\$1,076
Diluted net earnings per share	\$2.71								\$0.94

Q3 FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Debt extinguishment costs	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$15,289							\$15,289
Cost of revenue	11,901							11,901
Total OpEx	2,007	(42)	(56)	(24)				1,885
Operating profit	1,381	42	56	24				1,503
Interest and other, net	(55)				16		(39)	(78)
Pre-tax earnings	1,326	42	56	24	16		(39)	1,425
Income tax	(218)	(8)	(9)	(3)	(3)	13	1	(227)
Tax rate	16.4%							16.0%
Net earnings	\$1,108	34	47	21	13	13	(38)	\$1,198
Diluted net earnings per share	\$0.92							\$1.00

Q2 FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$15,877						\$15,877
Cost of revenue	12,437						12,437
Total OpEx	2,078	(32)	(39)	(10)			1,997
Operating profit	1,362	32	39	10			1,443
Interest and other, net	(26)					(38)	(64)
Pre-tax earnings	1,336	32	39	10		(38)	1,379
Income tax	(108)	(7)	(8)	(2)	(96)		(221)
Tax rate	8.1%						16.0%
Net earnings	\$1,228	25	31	8	(96)	(38)	\$1,158
Diluted net earnings per share	\$0.98						\$0.93

Q1 FY21 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$15,646						\$15,646
Cost of revenue	12,322						12,322
Total OpEx	2,003	(29)	(121)	(6)			1,847
Operating profit	1,321	29	121	6			1,477
Interest and other, net	(25)					(38)	(63)
Pre-tax earnings	1,296	29	121	6		(38)	1,414
Income tax	(228)	(5)	(28)	(1)	36		(226)
Tax rate	17.6%						16.0%
Net earnings	\$1,068	24	93	5	36	(38)	\$1,188
Diluted net earnings per share	\$0.83						\$0.92

FY20 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Debt extinguishment costs	Defined Benefit plan settlement charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$56,639								\$56,639
Cost of revenue	46,202								46,202
Total OpEx	6,975	(113)	(462)	(16)					6,384
Operating profit	3,462	113	462	16					4,053
Interest and other, net	(231)				40	214	(1)	(225)	(203)
Pre-tax earnings	3,231	113	462	16	40	214	(1)	(225)	3,850
Income tax	(387)	(21)	(91)	(3)	(7)	(40)	(72)	5	(616)
Tax rate	12.0%								16.0%
Net earnings	\$2,844	92	371	13	33	174	(73)	(220)	\$3,234
Diluted net earnings per share	\$2.00								\$2.28

Q4 FY20 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Defined Benefit plan settlement (gains) / charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$15,258							\$15,258
Cost of revenue	12,579							12,579
Total OpEx	1,687	(29)	(31)	(2)				1,625
Operating profit	992	29	31	2				1,054
Interest and other, net	(216)				214	(1)	(57)	(60)
Pre-tax earnings	776	29	31	2	214	(1)	(57)	994
Income tax	(108)	(6)	(7)		(40)	1	1	(159)
Tax rate	13.9%							16.0%
Net earnings	\$668	23	24	2	174		(56)	\$835
Diluted net earnings per share	\$0.49							\$0.62

Q3 FY20 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Debt extinguishment costs	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$14,294							\$14,294
Cost of revenue	11,901							11,901
Total OpEx	1,614	(29)	(59)	(11)				1,515
Operating profit	779	29	59	11				878
Interest and other, net	(28)				40	1	(55)	(42)
Pre-tax earnings	751	29	59	11	40	1	(55)	836
Income tax	(17)	(5)	(12)	(2)	(7)	(92)	1	(134)
Tax rate	2.3%							16.0%
Net earnings	\$734	24	47	9	33	(91)	(54)	\$702
Diluted net earnings per share	\$0.52							\$0.49

Q2 FY20 GAAP to Non-GAAP Bridge

\$ in millions, except tax rate and per share amounts	GAAP	Amortization of intangible assets	Restructuring and other charges	Acquisition-related charges	Tax adjustments	Non-operating retirement related (credits) / charges	Non-GAAP
Revenue	\$12,469						\$12,469
Cost of revenue	9,976						9,976
Total OpEx	1,667	(29)	(81)	(3)			1,554
Operating profit	826	29	81	3			939
Interest and other, net	-				(1)	(56)	(57)
Pre-tax earnings	826	29	81	3	(1)	(56)	882
Income tax	(62)	(5)	(17)	(1)	(58)	2	(141)
Tax rate	7.5%						16.0%
Net earnings	\$764	24	64	2	(59)	(54)	\$741
Diluted net earnings per share	\$0.53						\$0.51