



# 4th Quarter FY 2023 Earnings Presentation

May 18, 2023

ES DELIVERING EXCELLENCE FOR OUR  
G EXCELLENCE FOR OUR CUSTOMERS  
UR CUSTOMERS AND COLLEAGUES D

# Non-GAAP Financial Measures

We present Non-GAAP financial measures which are derived from the statements of operations, cash flow and balance sheets of DXC. These Non-GAAP financial measures include earnings before interest and taxes ("EBIT"), adjusted EBIT, adjusted EBIT margin, adjusted EBIT margin excluding pension income, adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), Non-GAAP income from continuing operations before income taxes, Non-GAAP net income attributable to DXC and Non-GAAP basic and diluted EPS, organic revenue growth, constant currency revenue, free cash flow, Non-GAAP cost of services, Non-GAAP SG&A expense, Non-GAAP depreciation and amortization, Non-GAAP gross profit, Non-GAAP income tax expense, Non-GAAP other income, and Net Debt/adjusted EBITDA.

We believe EBIT, adjusted EBIT, adjusted EBITDA, adjusted EBIT margin, adjusted EBITDA margin, Non-GAAP income before income taxes, Non-GAAP net income attributable to DXC, Non-GAAP basic and diluted EPS provide investors with useful supplemental information about our operating performance after excluding certain categories of expenses.

We believe organic revenue growth and constant currency revenue provide investors with useful supplemental information about our revenues after excluding the effect of currency exchange rate fluctuations for currencies other than U.S. dollars in the periods presented, and impact of acquisitions and divestitures. See below for a description of the methodology we use to present organic revenue growth and constant currency revenue.

One category of expenses excluded from adjusted EBIT and adjusted EBITDA, Non-GAAP income from continuing operations before tax, Non-GAAP net income attributable to DXC and Non-GAAP EPS, incremental amortization of intangible assets acquired through business combinations, may result in a significant difference in period over period amortization expense on a GAAP basis. We exclude amortization of certain acquired intangible assets as these non-cash amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions. Although DXC management excludes amortization of acquired intangible assets, primarily customer-related intangible assets, from its Non-GAAP expenses, we believe that it is important for investors to understand that such intangible assets were recorded as part of purchase accounting and support revenue generation. Any future transactions may result in a change to the acquired intangible asset balances and associated amortization expense.

Another category of expenses excluded from adjusted EBIT and adjusted EBITDA, Non-GAAP income from continuing operations before tax, Non-GAAP net income attributable to DXC and Non-GAAP EPS, impairment losses, may result in a significant difference in period over period expense on a GAAP basis. We exclude impairment losses as these non-cash amounts, generally an acceleration of what would be multiple periods of expense, have not occurred frequently. Further assets such as goodwill may be significantly impacted by market conditions outside of management's control.

There are limitations to the use of the Non-GAAP financial measures presented in this report. One of the limitations is that they do not reflect complete financial results. We compensate for this limitation by providing a reconciliation between our Non-GAAP financial measures and the respective most directly comparable financial measure calculated and presented in accordance with GAAP. Additionally, other companies, including companies in our industry, may calculate Non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes between companies.

Selected references are made to revenues on an "organic basis" so that certain financial results can be viewed without the impact of fluctuations in foreign currency rates and without the impacts of acquisitions and divestitures, thereby providing comparisons of operating performance from period to period of the business that we have owned during all periods presented. Organic revenue growth is calculated by dividing the year over year change in GAAP revenues attributed to organic growth by the GAAP revenues reported in the prior comparable period. Revenues on an "organic basis" in calculating organic revenue growth are Non-GAAP financial measures calculated by translating current period activity into U.S. dollars using the comparable prior period's currency conversion rates after excluding the impact of acquisitions and divestitures on revenue in both periods. Revenues on a "constant currency basis" are Non-GAAP financial measures calculated by translating prior period activity into U.S. dollars using the current period's currency conversion rates after excluding the impact of acquisitions and divestitures on revenue in all periods.

DXC does not provide a reconciliation of Non-GAAP financial measures that it discusses as part of its guidance because certain significant information required for such reconciliation is not available without unreasonable efforts or at all, including, most notably, the impact of significant non-recurring items. Without this information, DXC does not believe that a reconciliation would be meaningful. Explanations of Non-GAAP financial measures used herein are provided later in this document.

# Forward-Looking Statements

All statements and assumptions contained in this earnings presentation that do not directly and exclusively relate to historical facts constitute “forward-looking statements.” Forward-looking statements often include words such as “anticipates,” “believes,” “estimates,” “expects,” “forecast,” “goal,” “intends,” “objective,” “plans,” “projects,” “strategy,” “target,” and “will” and words and terms of similar substance in discussions of future operating or financial performance. These statements represent current expectations and beliefs, and no assurance can be given that the results described in such statements will be achieved. Forward-looking statements include, among other things, statements with respect to our future financial condition, results of operations, cash flows, business strategies, operating efficiencies or synergies, divestitures, competitive position, growth opportunities, share repurchases, dividend payments, plans and objectives of management and other matters. Such statements are subject to numerous assumptions, risks, uncertainties and other factors that could cause actual results to differ materially from those described in such statements, many of which are outside of our control. Important factors that could cause actual results to differ materially from those described in forward-looking statements include, but are not limited to: our inability to succeed in our strategic objectives; the risk of liability or damage to our reputation resulting from security incidents, including breaches, and cyber-attacks to our systems and networks and those of our business partners, insider threats, disclosure of sensitive data or failure to comply with data protection laws and regulations in a rapidly evolving regulatory environment; in each case, whether deliberate or accidental; our inability to develop and expand our service offerings to address emerging business demands and technological trends, including our inability to sell differentiated services amongst our offerings; our inability to compete in certain markets and expand our capacity in certain offshore locations and risks associated with such offshore locations, such as the ongoing conflict between Russia and Ukraine; failure to maintain our credit rating and ability to manage working capital, refinance and raise additional capital for future needs; public health crises such as the COVID-19 pandemic; our indebtedness; the competitive pressures faced by our business; our inability to accurately estimate the cost of services, and the completion timeline of contracts; execution risks by us and our suppliers, customers, and partners; the risks associated with climate change and natural disasters; increased scrutiny of, and evolving expectations for, sustainability and environmental, social, and governance initiatives; our inability to retain and hire key personnel and maintain relationships with key partners; the risks associated with prolonged periods of inflation or current macroeconomic conditions, including the current decline in economic growth rates in the United States and in other countries, the possibility of reduced spending by customers in the areas we serve, the success of our cost-takeout efforts, continuing unfavorable foreign exchange rate movements, and our ability to close new deals in the event of an economic slowdown; the risks associated with our international operations, such as risks related to currency exchange rates; our inability to comply with existing and new laws and regulations, including social and environmental responsibility regulations, policies and provisions, as well as customer and investor demands; our inability to achieve the expected benefits of our restructuring plans; inadvertent infringement of third-party intellectual property rights or our inability to protect our own intellectual property assets; our inability to procure third-party licenses required for the operation of our products and service offerings; risks associated with disruption of our supply chain; our inability to maintain effective disclosure controls and internal control over financial reporting; potential losses due to asset impairment charges; our inability to pay dividends or repurchase shares of our common stock; pending investigations, claims and disputes and any adverse impact on our profitability and liquidity; disruptions in the credit markets, including disruptions that reduce our customers’ access to credit and increase the costs to our customers of obtaining credit; counterparty default risk in our hedging program; our failure to bid on projects effectively; financial difficulties of our customers and our inability to collect receivables; our inability to maintain and grow our customer relationships over time and to comply with customer contracts or government contracting regulations or requirements; our inability to succeed in our strategic transactions; changes in tax rates, tax laws, and the timing and outcome of tax examinations; risks following the merger of Computer Sciences Corporation (“CSC”) and Enterprise Services business of Hewlett Packard Enterprise Company’s (“HPES”) businesses, including anticipated tax treatment, unforeseen liabilities, and future capital expenditures; risks following the spin-off of our former U.S. Public Sector business (the “USPS”) and its related mergers with Vencore Holding Corp. and KeyPoint Government Solutions in June 2018 to form Perspecta Inc. (including its successors and permitted assigns, “Perspecta”), which was acquired by Peraton in May 2021; and the other factors described in Part I, Item 1A “Risk Factors” of our upcoming Annual Report on Form 10-K for the fiscal year ended March 31, 2023 and subsequent SEC filings.

No assurance can be given that any goal or plan set forth in any forward-looking statement can or will be achieved, and readers are cautioned not to place undue reliance on such statements, which speak only as of the date they are made. Any forward-looking statement made by us in our earnings presentation speaks only as of the date on which our earnings presentation was first filed. We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date of this report or to reflect the occurrence of unanticipated events, except as required by law.

# Agenda for Today

- 1 Overview of Q4 FY23 Results
- 2 DXC's Transformation Journey
- 3 Q4 FY23 Financial Results and Guidance
- 4 Closing Remarks

# Q4 FY23 Financial Performance

## Q4 FY23 – Key Metrics and Drivers

<b>Revenue</b>	<b>\$3.59B</b>	Year-over-year organic revenue growth* of (2.9%), fourth quarter of sequentially flat revenues on a constant currency basis excluding dispositions
<b>Adjusted EBIT Margin*</b>	<b>8.9%</b>	Margin up 20 bps sequentially and 40 bps YoY
<b>Non-GAAP Diluted EPS*</b>	<b>\$1.02</b>	21.4% growth YoY, driven by lower share count, lower Non-GAAP tax rate, and expanded adjusted EBIT margin
<b>Book-to-Bill</b>	<b>1.04x</b>	GBS book-to-bill 1.04x; GIS book-to-bill 1.03x

\* Please see definitions and reconciliations of Non-GAAP measures at end of presentation.

# Transformation Journey



**Inspire and  
Take Care of  
Our Colleagues**

## **FY23 Proof Points:**

- We have done a good job changing the culture of DXC
- Our team is executing, and we continue to add to it with strong industry talent

## **FY24 Position:**

- To enhance our execution, we have changed our Operating Model to be led by our Offering Leaders.
- Our new Operational Model gives our organization clarity and places 7 of our most experienced leaders into the market focused on growth, differentiation, coaching our people, and actively managing the details of our business.
  - The core of our consistent GBS revenue growth is our A&E and Insurance offerings
  - Michael Corcoran and Ray August were the early adopters of the new operating model

# Transformation Journey



## Focus on Our Customers

### FY23 Proof Points:

- Constant currency revenues have been stable for the past four quarters - revenue is now higher-quality and trending toward GBS
- Current NPS score of 29, at the high end of the industry average
- Quotes from the customer discussions with the outside firm:
  - *“Our business doesn’t function without the business of DXC.”*
  - *“We are extending the life of our core processing system, it’s an evolution for us. We never thought we could, but DXC did it.”*
  - *“Something will always go wrong, but with DXC it will be dealt with. With others, that is not always the case.”*

### FY24 Position:

- Our customers see us as essential to their business, we have the ability to evolve them to their technology future, and they trust us
- Focus on delivering for our customers in GIS, this will build trust in DXC and ultimately, change our external perception, which will allow us to grow GBS
- Expect our new operating model to expand our relationships with our customers, as it takes our most experienced leaders and focuses them on “relationship selling”

# Transformation Journey



## Optimize Costs

### **FY23 Proof Points:**

- We have built a team that knows how to drive cost optimization and expand margin
- Adjusted EBIT margin expanded from 7.0% in Q1 FY23 to 8.9% in Q4 FY23
  - Function of cost optimization initiatives in staff optimization, contractors, real estate and data centers, and 3<sup>rd</sup> party expenses

### **FY24 Position:**

- Our cost optimization initiatives will continue in FY24, with an increased emphasis on contractor reduction and data center rationalization
- Implementing our “infrastructure-light” model in ITO
  - Will not use our balance sheet to do deals
  - Will reduce the number of data centers
  - Will shed contractors in favor of full-time employees
- These are the key items around our more disciplined approach to deal making and managing our ITO work.
- These items, along with a reduction in our pension income, will result in a higher quality Adjusted EBIT margin

# Transformation Journey



**Seize the  
Market**

## **FY23 Proof Points:**

- Relationship selling model in GBS and disciplined approach in GIS is working
- Since implementing this approach, we have delivered book-to-bill >1 for 2 quarters
- Both GBS and GIS book-to-bill >1 - customers will give us new work because we are essential to their businesses in GIS and want us to help them evolve to their technology future in GBS
- In Cloud Infrastructure and IT Outsourcing, Gartner has moved us to a leader  
– Reflects an increased “ability to deliver” and “completeness of vision”

## **FY24 Position**

- Continued focus on our new sales approach
- We believe the market needs our services and we are uniquely positioned to deliver book-to-bill results >1

# Transformation Journey



## Financial Foundation

### **FY23 Proof Points:**

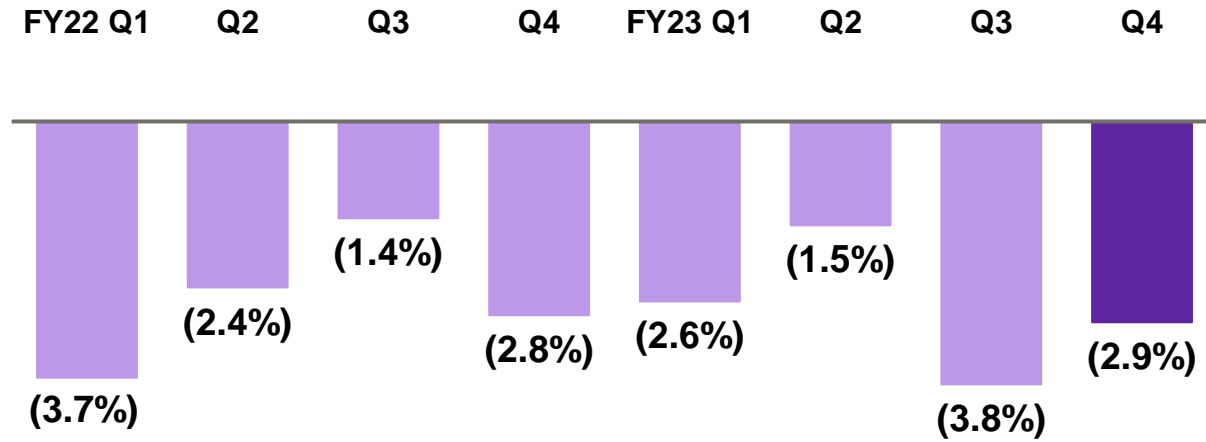
- Maintained our investment grade credit profile
- Delivered free cash flow >\$700 million for the second year
- Completed our \$1 billion share repurchase program

### **FY24 Position:**

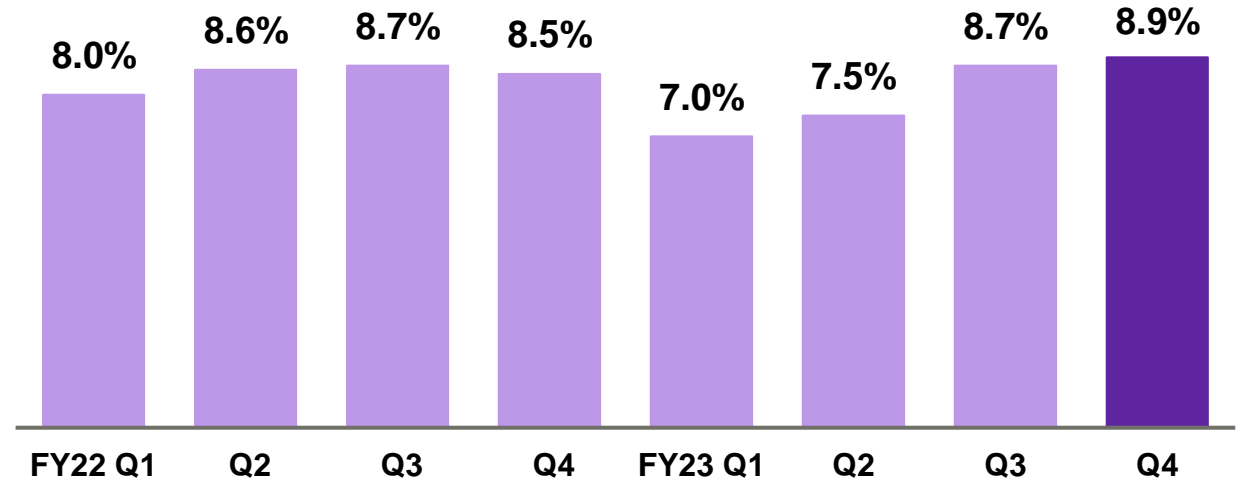
- Continue to maintain investment grade credit profile
- Expand our free cash flow generation
- Deliver higher-quality revenue, margin, and earnings per share
- Announcing a new \$1 billion share repurchase program

# Transformation Journey Continues Forward

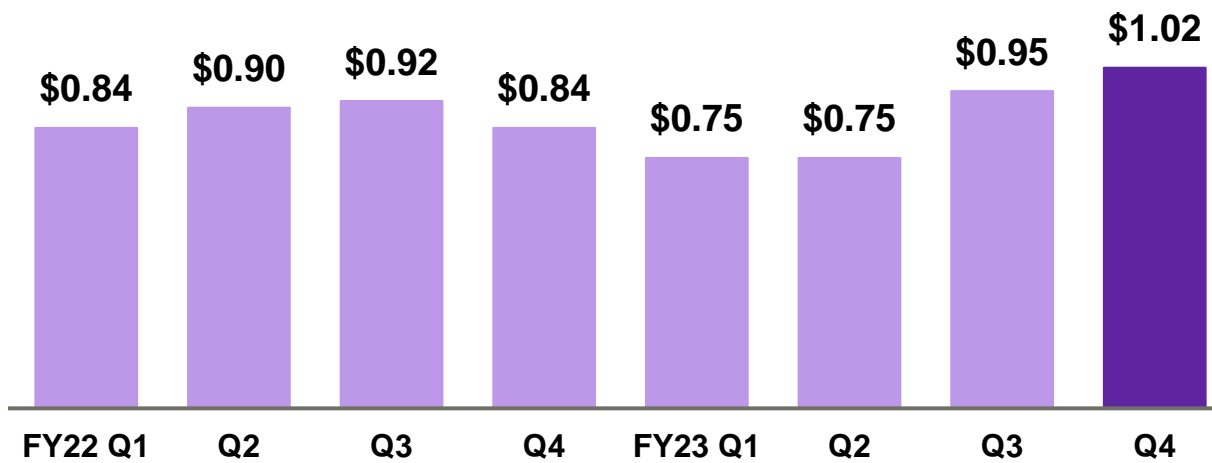
## Organic Revenue Growth Trends (YoY)



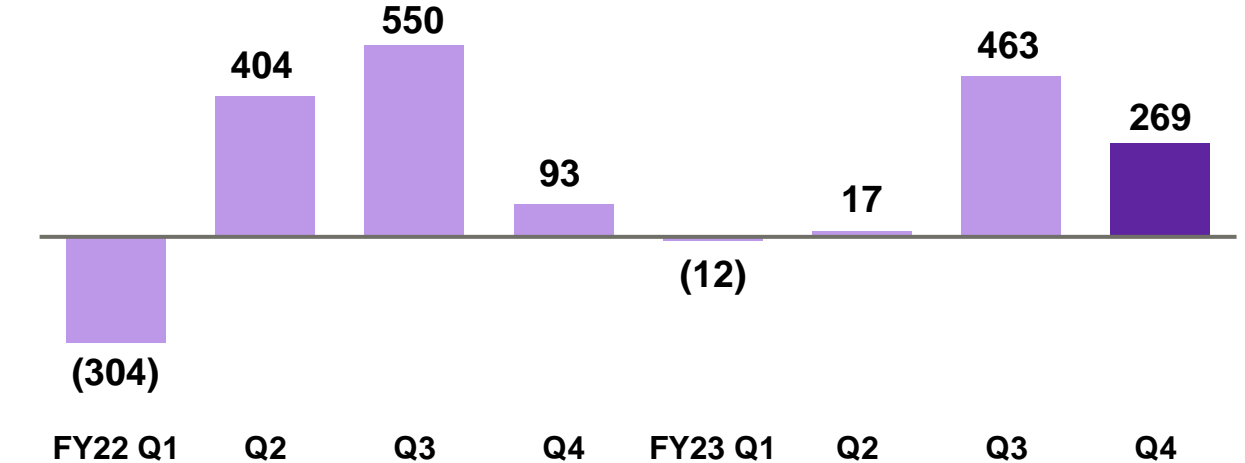
## Adjusted EBIT Margin



## Non-GAAP Diluted EPS



## Free Cash Flow (\$M)

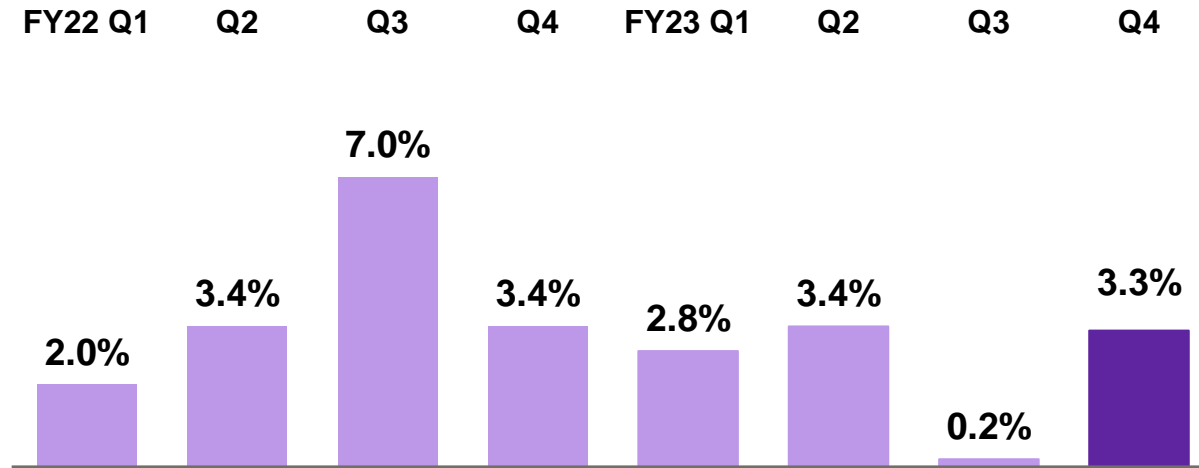


# Q4 Key Financial Metrics

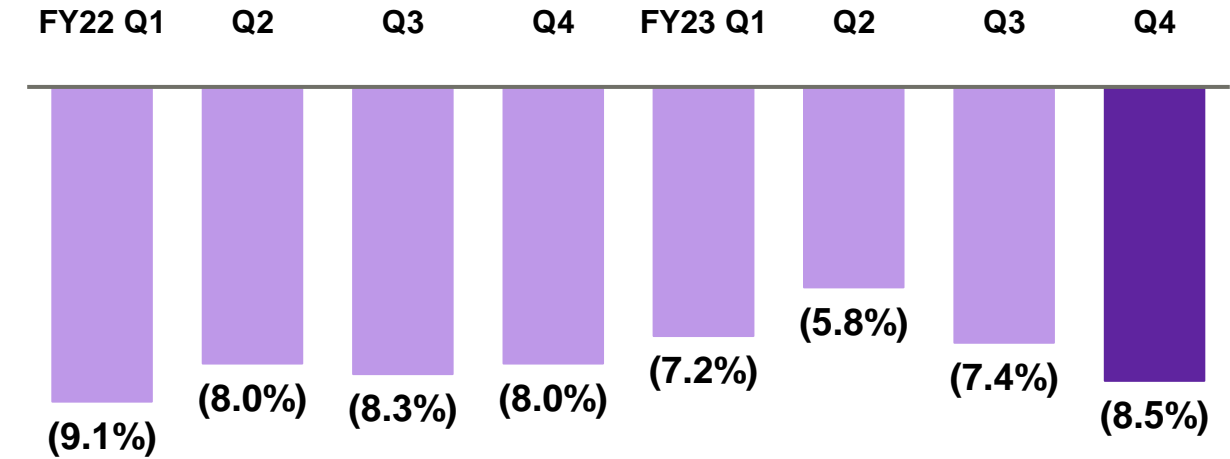
(in \$M, except EPS and shares)	Q4 FY23	Q4 FY22	Change
<b>Revenue</b>	<b>3,591</b>	<b>4,008</b>	<b>(10.4%)</b>
Non-GAAP Gross Profit	849	847	0.2%
<i>As % of sales</i>	23.6%	21.1%	250 bps
Non-GAAP SG&A Expenses	(338)	(312)	8.3%
<i>As % of sales</i>	(9.4%)	(7.8%)	(160) bps
Non-GAAP Depreciation & Amortization	(278)	(314)	(11.5%)
<i>As % of sales</i>	(7.7%)	(7.8%)	10 bps
Non-GAAP Other Income	87	121	(28.1%)
<i>As % of sales</i>	2.4%	3.0%	(60) bps
Adjusted EBIT	320	342	(6.4%)
<i>As % of sales</i>	8.9%	8.5%	40 bps
Net Interest Expense	(17)	(29)	(41.4%)
Non-GAAP Tax Rate	23.1%	31.9%	(880) bps
<b>Non-GAAP Net Income</b>	<b>233</b>	<b>209</b>	<b>11.5%</b>
<b>Non-GAAP Diluted EPS</b>	<b>\$ 1.02</b>	<b>\$ 0.84</b>	<b>21.4%</b>
<b>Weighted Average Diluted Shares (M)</b>	<b>227.6</b>	<b>247.7</b>	<b>(8.1%)</b>

# GBS/GIS Results

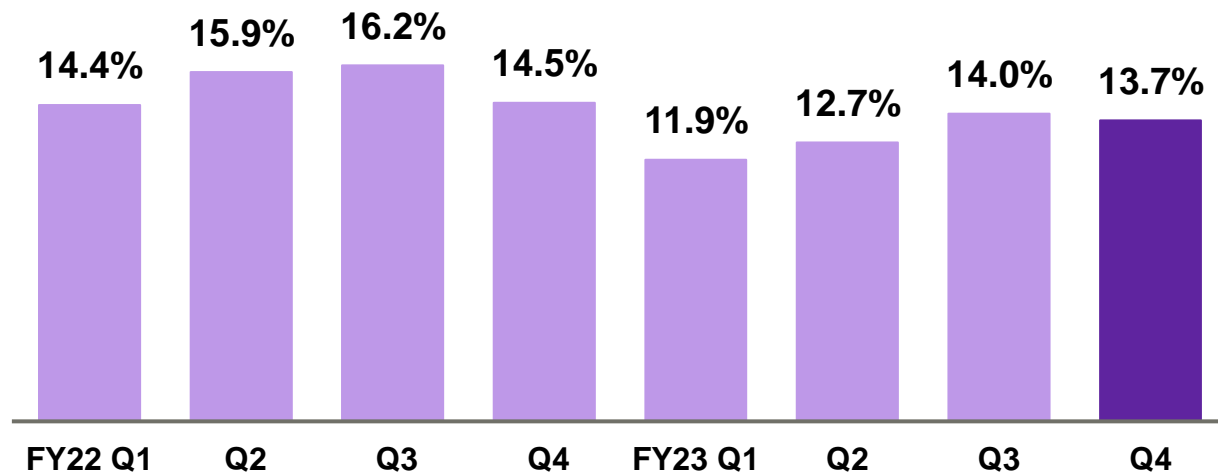
## GBS Organic Revenue Growth (YoY)



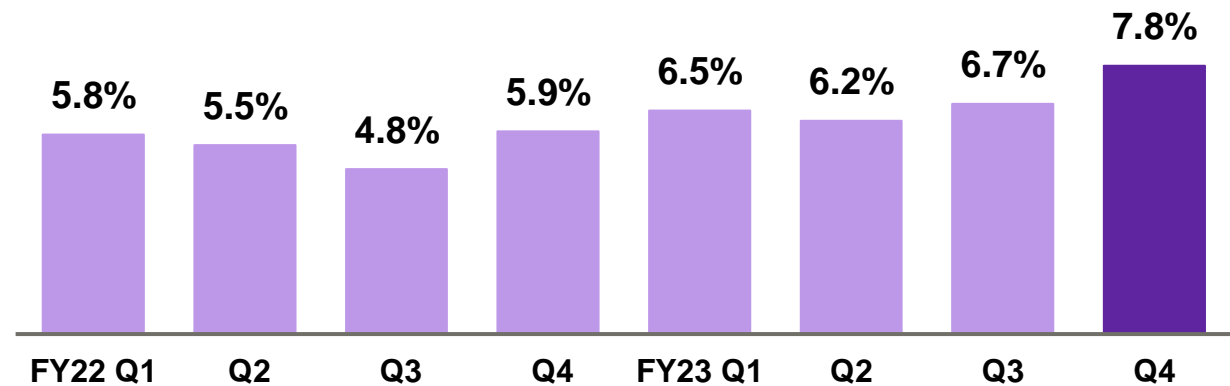
## GIS Organic Revenue Growth (YoY)



## GBS Segment Profit Margin



## GIS Segment Profit Margin

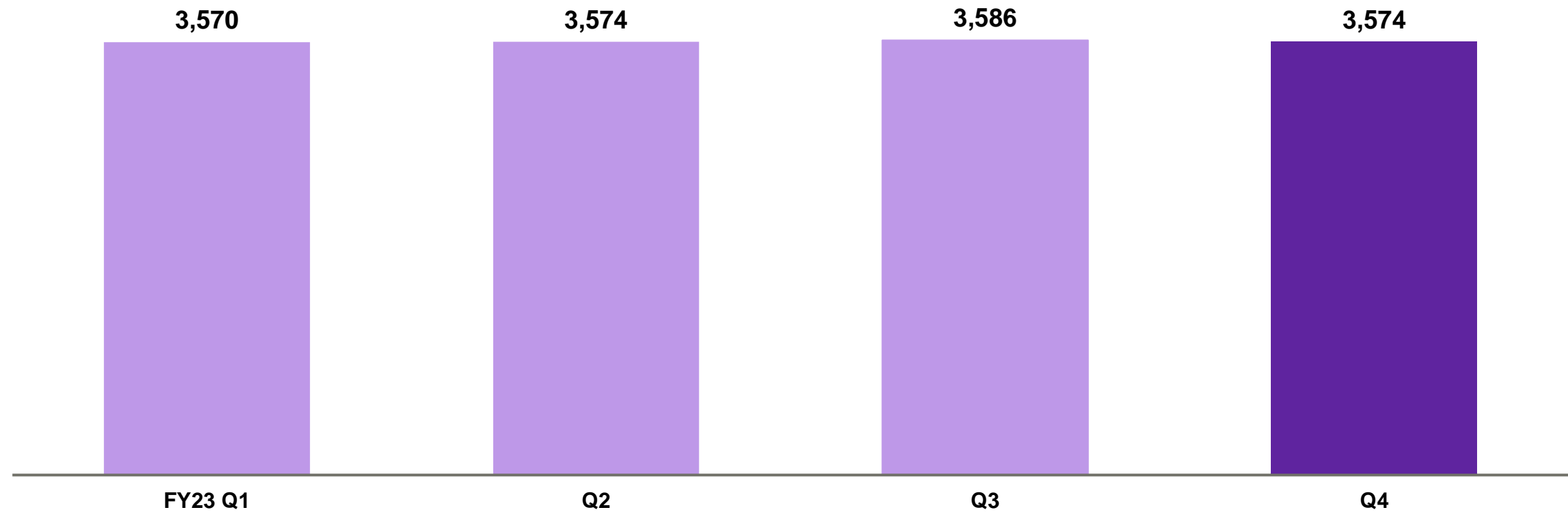


# GBS/GIS Offerings

		Q4 FY23		
		Revenue (\$M)	YoY Organic Growth*	Book-to-Bill
GBS	Analytics & Engineering	558	8.5%	1.22x
	Applications	786	(0.5%)	1.03x
	Insurance Software & BPS	390	5.9%	0.75x
	<i>Mergers, Acquisitions &amp; Divestitures</i>	17	-	-
<b>GBS Total</b>		<b>1,751</b>	<b>3.3%</b>	<b>1.04x</b>
GIS	Security	113	(0.4%)	1.42x
	Cloud Infrastructure & ITO	1,270	(10.5%)	1.10x
	Modern Workplace	457	(5.3%)	0.74x
	<i>Mergers, Acquisitions &amp; Divestitures</i>	-	-	-
<b>GIS Total</b>		<b>1,840</b>	<b>(8.5%)</b>	<b>1.03x</b>
<b>DXC TOTAL</b>		<b>3,591</b>	<b>(2.9%)</b>	<b>1.04x</b>

\* Please see definitions and reconciliations of Non-GAAP measures at end of presentation.

# Setting the Foundation for YoY CC Revenue Growth\*

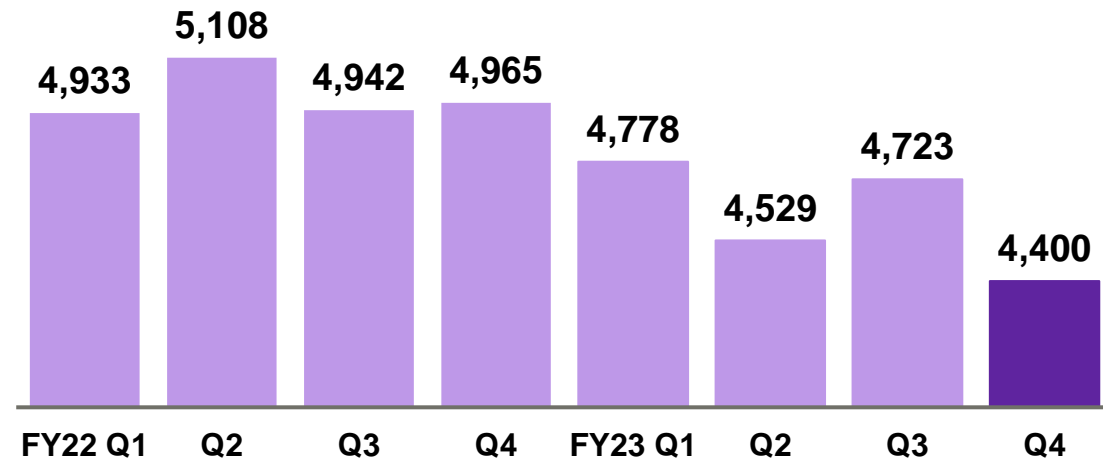


Reconciliation (\$M)	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23
<b>GAAP Revenue</b>	3,707	3,566	3,566	3,591
Fx impact @ Q4 FY23 rates	(41)	72	83	-
Dispositions	(96)	(64)	(63)	(17)
<b>CC revenue @ Q4 FY23 rates</b>	<b>3,570</b>	<b>3,574</b>	<b>3,586</b>	<b>3,574</b>

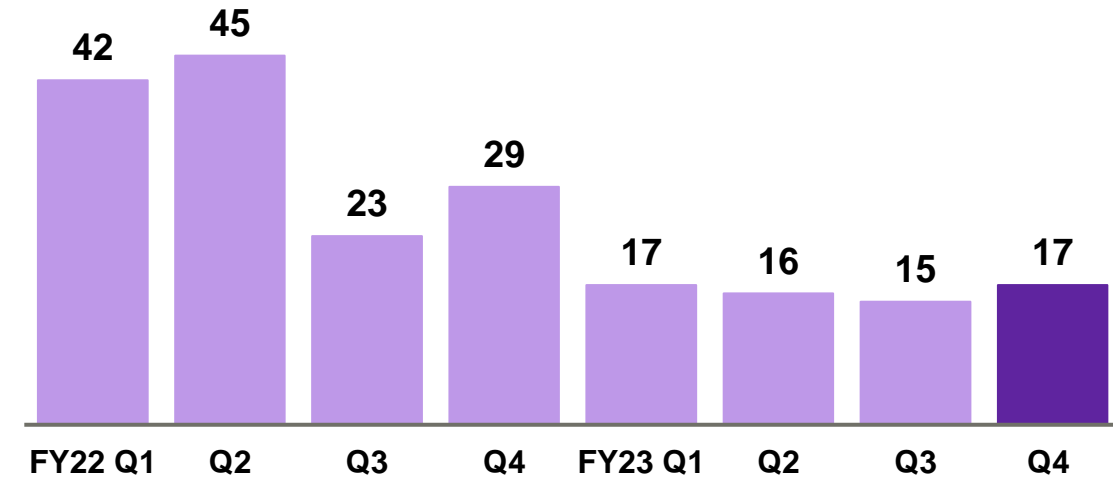
\* Constant currency revenues, at Q4 FY23 exchange rates, excluding dispositions (\$M).

# Continuing Progress on Our Financial Foundation

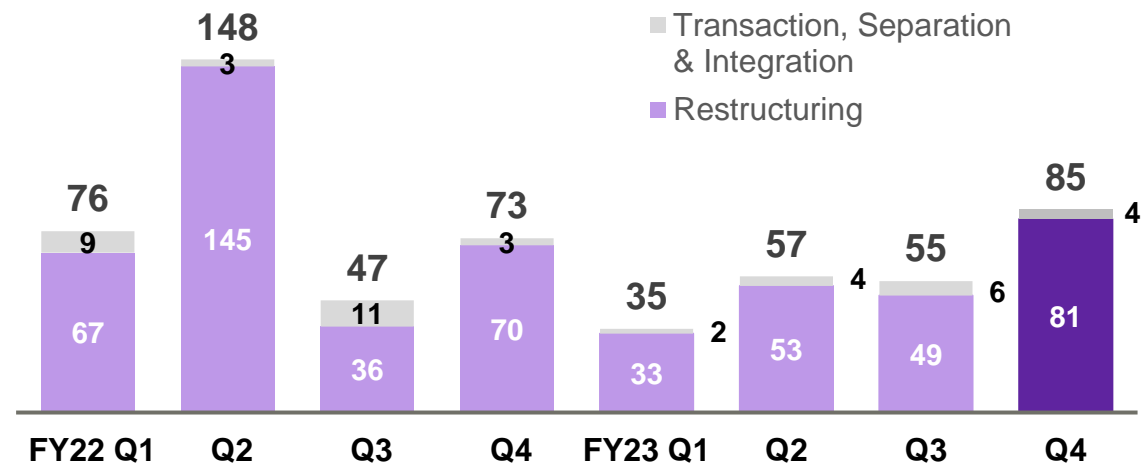
**Total Debt (\$M)**



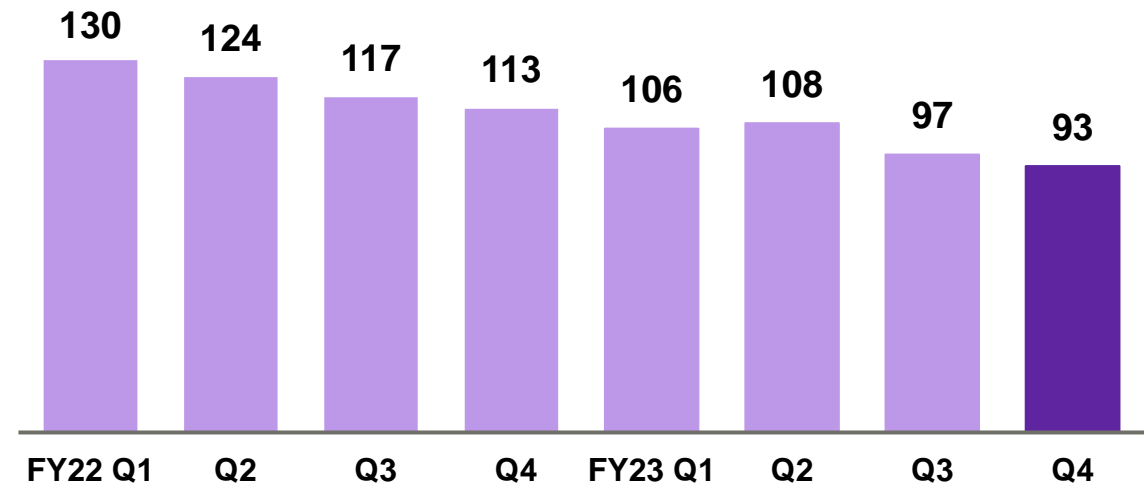
**Net Interest Expense (\$M)**



**Restructuring/Transaction, Separation & Integration (\$M)**

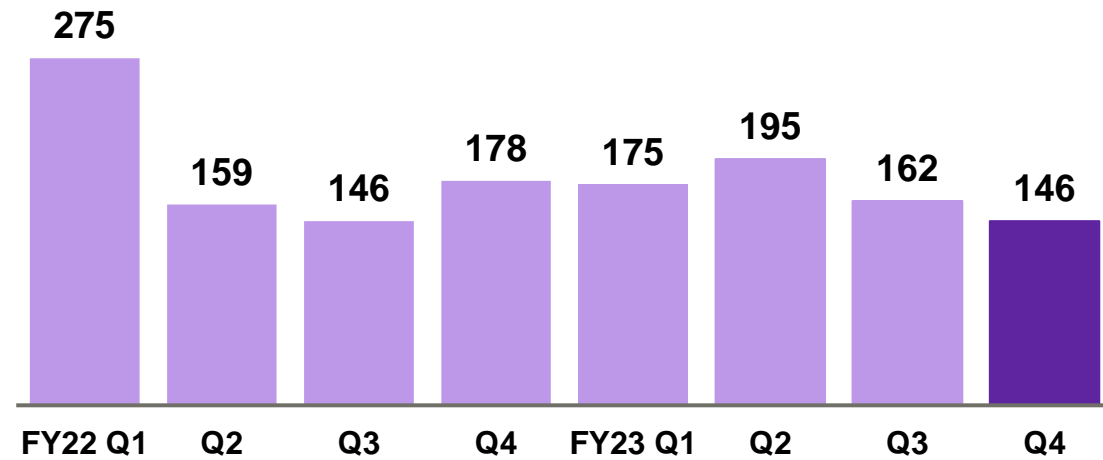


**Cash Payments for Operating Leases (\$M)**

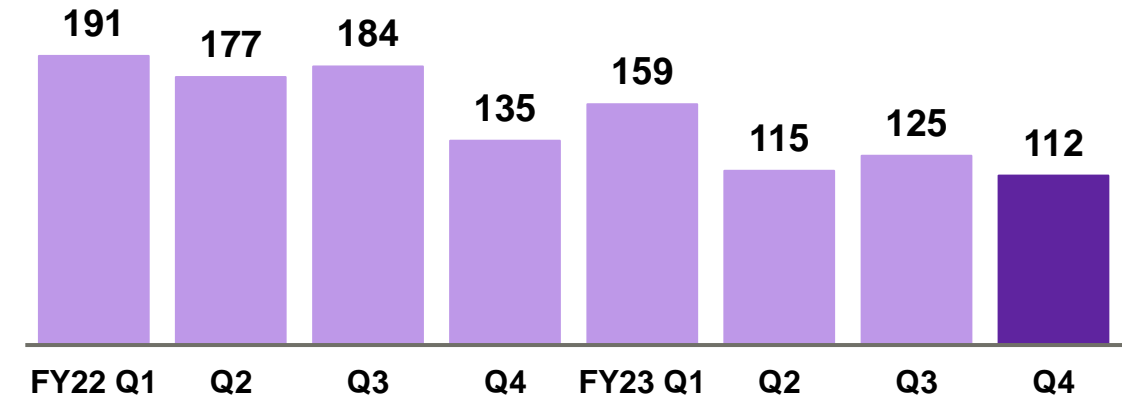


# Continuing Progress on Our Financial Foundation

Capital Expenditures (\$M)

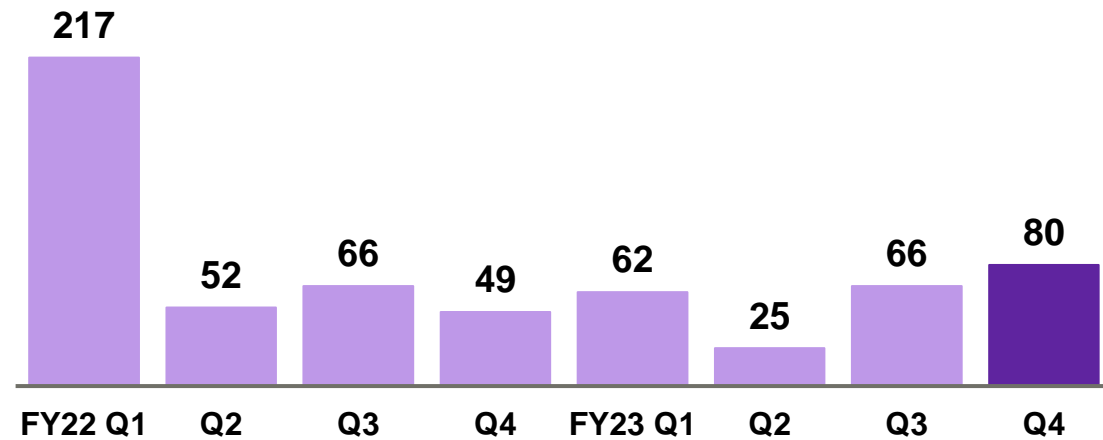


Finance Lease & Asset Financing Payments (\$M)

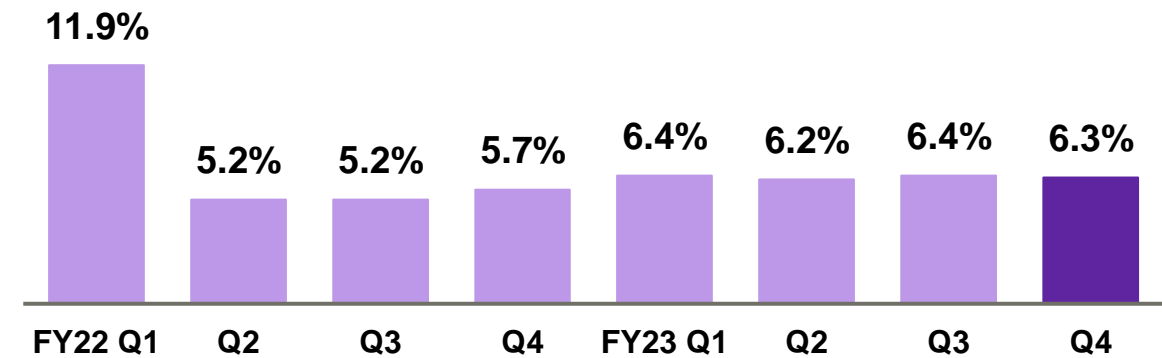


FY22 Q1 excludes \$303 million of non-scheduled accelerated paydown

Finance Lease & Asset Financing Originations (\$M)

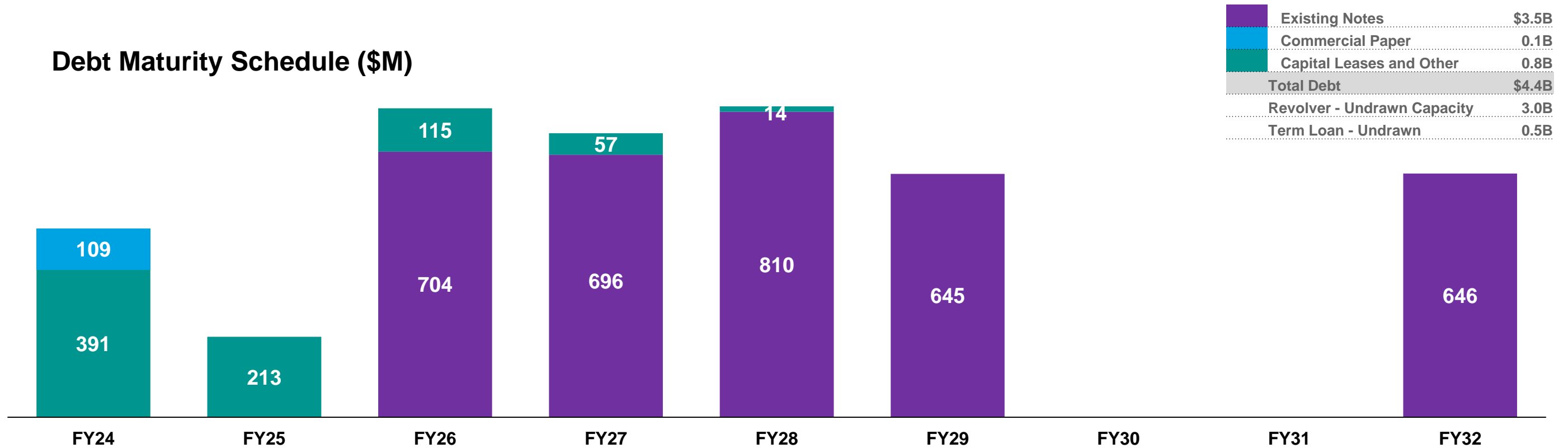


Capital Expenditures & Finance Lease Originations as a % of Revenue



# Strong Debt Position Maintains Financial Flexibility

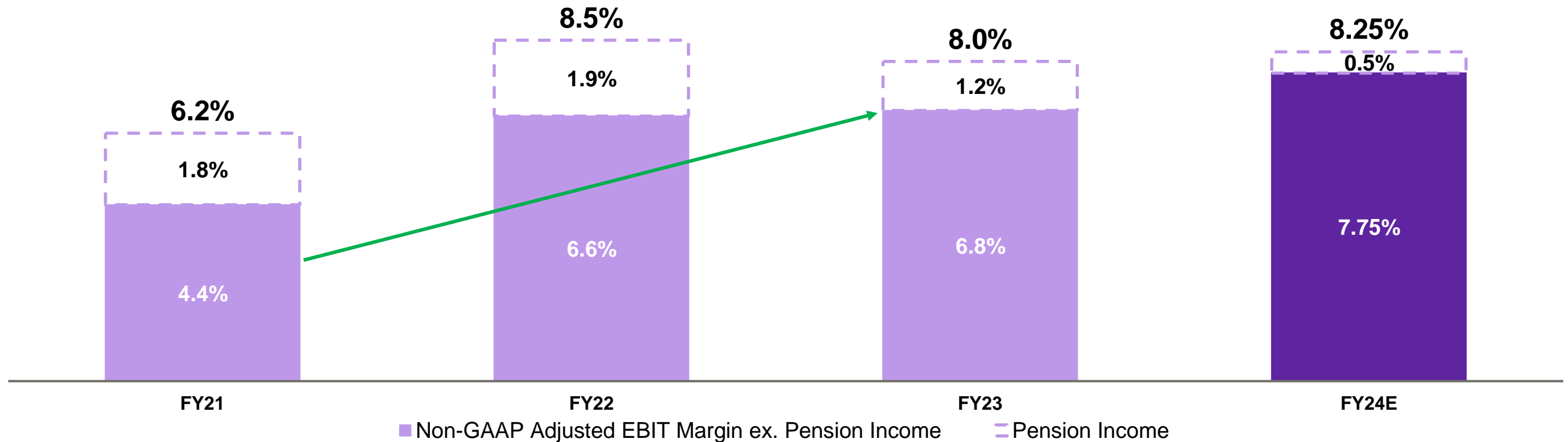
Debt Maturity Schedule (\$M)



- Strong debt position, with extended maturity ladder, resulting from the September 2021 refinancing
  - Weighted average life of 4.1 years, with no notes maturing until FY26
  - Substantially all debt fixed-rate, with effective interest rate of 1.5%; FY23 net interest expense of \$65 million
- Net debt to adjusted EBITDA ratio of 1.1x demonstrates our strong commitment to investment-grade rating

# Pension Income Impact on Adjusted EBIT Margin

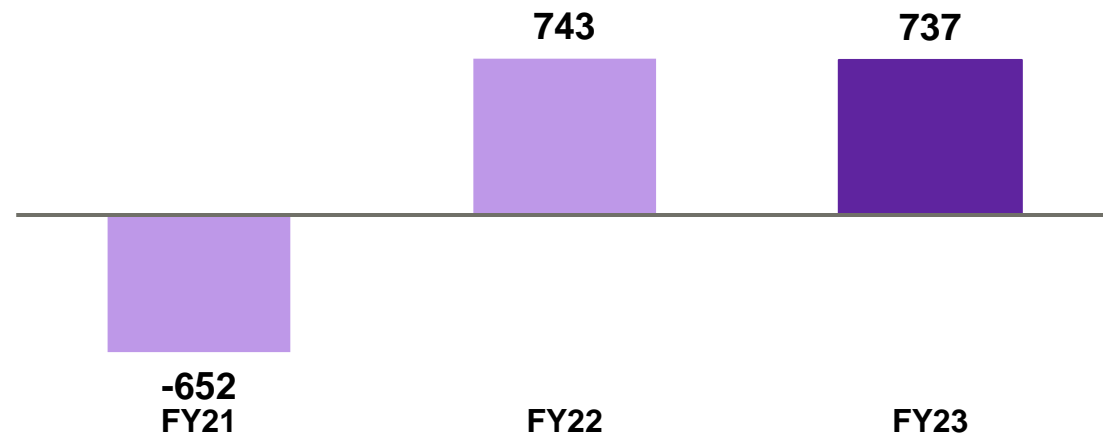
## Adjusted EBIT Margin



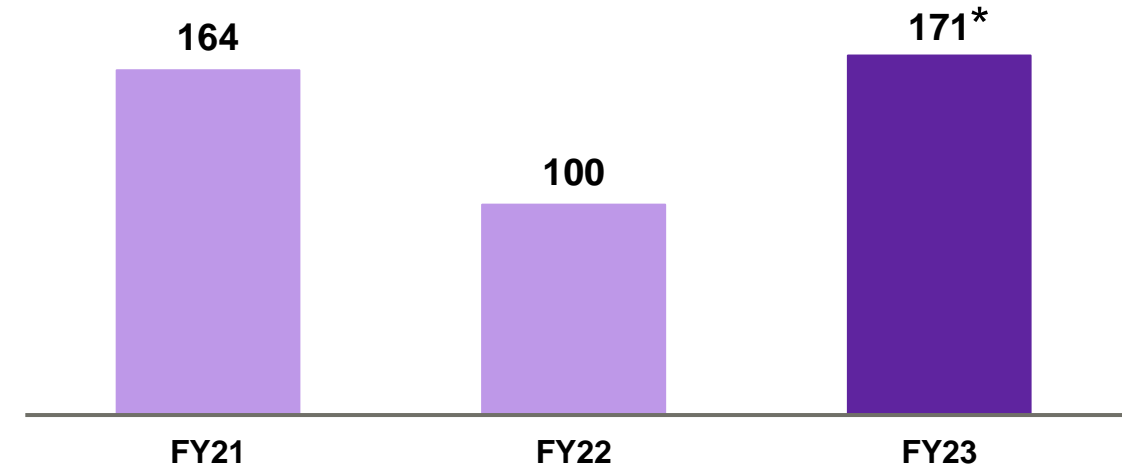
- Non-GAAP adjusted EBIT margin positively impacted by non-cash pension income
- Pension income benefit declined from \$318 million in FY21 to \$294 million in FY22 and \$178 million in FY23; expected to decline to ~\$80 million in FY24
- Pension income benefit expected to decline from 1.8% of revenues in FY21 to 0.5% of revenues in FY24

# Cash Culture and Capital Allocation

### Free Cash Flow (\$M)

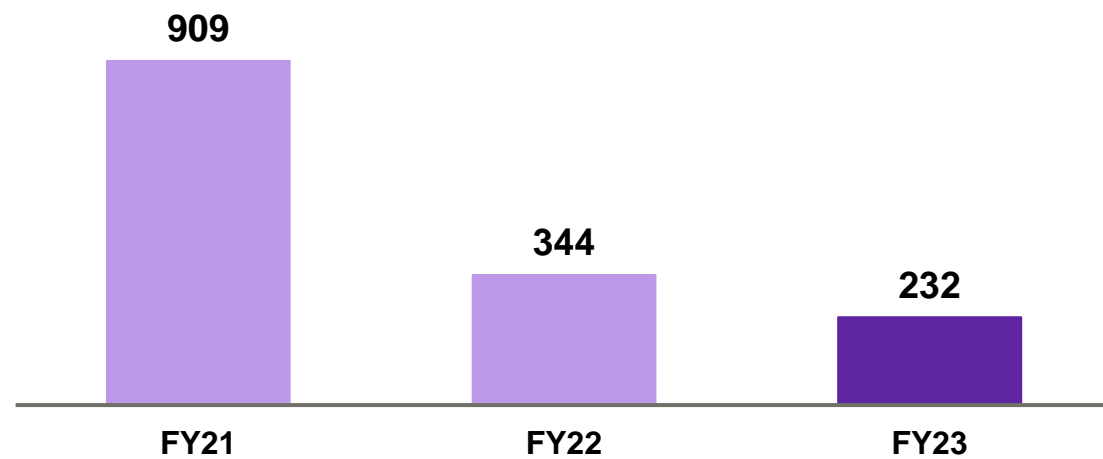


### Deployable Capital from Asset Sales (\$M)

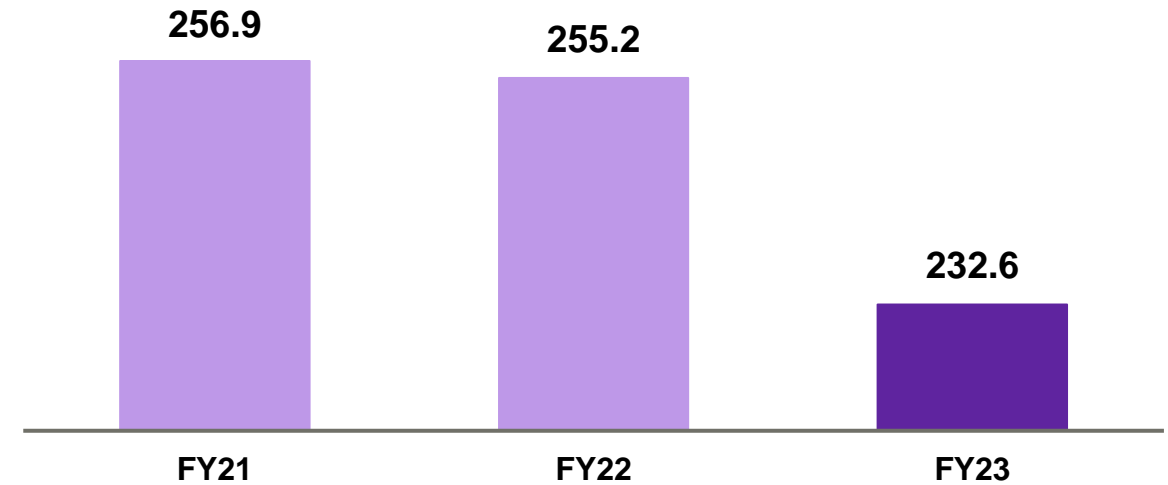


\*Excludes \$329M of proceeds from the German Financial Services Subsidiary

### Restructuring & TSI (\$M)

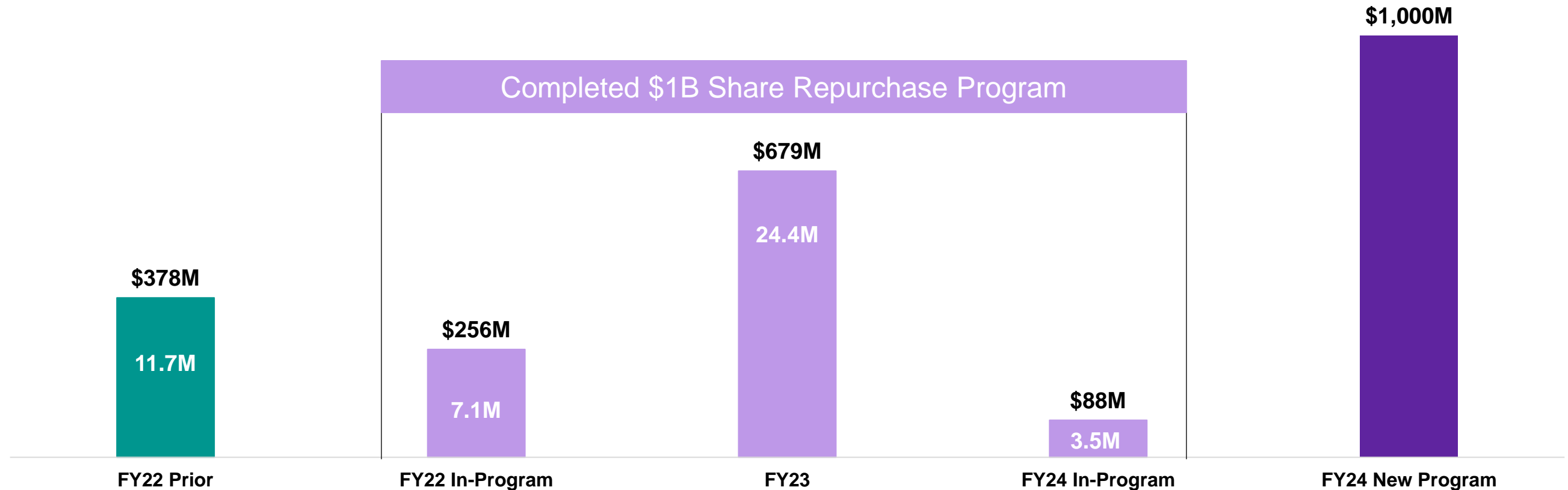


### Weighted Avg. Diluted Shares Outstanding (M)



# Capital Allocation – \$1B Completed & \$1B Program Announced

## Share Repurchases



- Since the start of FY22, DXC has repurchased 46.7 million shares for a total of \$1.4 billion returned to shareholders
  - Retired 18.3% of the outstanding shares since the beginning of FY22
  - New program will retire an additional 19% of shares outstanding at the current share price

# Q1 FY24 Outlook

**YoY Organic  
Revenue Growth**

**(2.0%) – (1.0%)**

**Adjusted  
EBIT Margin**

**7.5% – 8.0%**

**Non-GAAP  
Diluted EPS**

**\$0.80 – \$0.85**

Note: Fx rates for guidance: Euro \$1.10, Sterling \$1.26, and AUD \$0.68.

# FY24 Outlook

YoY Organic Revenue Growth	Adjusted EBIT Margin	Non-GAAP Diluted EPS	Free Cash Flow
<b>(0.5%) – 0.5%</b>	<b>8.0% – 8.5%</b>	<b>\$3.80 – \$4.05</b>	<b>\$900M</b>

Note: Fx rates for guidance: Euro \$1.10, Sterling \$1.26, and AUD \$0.68.

# FY24: Delivering the DXC We've Always Envisioned

FY23 Steps on the Transformation Journey	FY24 Initiatives	Targeted Outcomes
Inspire and Take Care of Our Colleagues	New talent in leadership team Operating model places senior leaders in position to manage accounts	Focus on differentiation, clarity and simplicity Allows leaders to focus on growth
Focus on Our Customers and Seize the Market	Build on relationship-selling Continued discipline in GIS will drive improved contracting outcomes	Organic revenue growth: (0.5%) – 0.5%
Optimize Costs	Continued cost optimization progress Implement “infrastructure-light” model	Adjusted EBIT margin: 8.0% – 8.5%
Build a Firm Financial Foundation	Maintain investment grade credit profile Reduce capital intensity Expand free cash flow \$1 billion share repurchase program	Free cash flow: \$900 million Non-GAAP diluted EPS: \$3.80 – \$4.05

**DXC Colleagues**

**DXC**

**TECHNOLOGY**

# Supplemental Information

Q4 FY23 Quarterly Result Details

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Non-GAAP Reconciliations

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Definitions

# Organic Revenue Growth and Backlog

GBS (\$M)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>GBS revenue</b>	<b>1,887</b>	<b>1,873</b>	<b>1,946</b>	<b>1,892</b>	<b>7,598</b>	<b>1,758</b>	<b>1,713</b>	<b>1,738</b>	<b>1,751</b>	<b>6,960</b>
YoY GBS revenue growth	(13.2%)	(16.5%)	1.3 %	(5.4%)	(8.9%)	(6.8%)	(8.5%)	(10.7%)	(7.5%)	(8.4%)
Foreign currency	(4.7%)	(0.9%)	1.3 %	3.2 %	(0.4%)	5.9 %	7.4 %	6.4%	3.8%	5.9%
Acquisitions and divestitures	19.9 %	20.8 %	4.4 %	5.6 %	13.2 %	3.7 %	4.5%	4.5%	7.0%	4.9%
<b>YoY GBS organic revenue growth</b>	<b>2.0 %</b>	<b>3.4 %</b>	<b>7.0 %</b>	<b>3.4 %</b>	<b>3.9 %</b>	<b>2.8 %</b>	<b>3.4%</b>	<b>0.2%</b>	<b>3.3%</b>	<b>2.4%</b>
GBS bookings (\$B)	2.4	1.7	2.5	2.8	9.4	1.7	1.7	2.1	1.8	7.3
GBS book-to-bill	1.29x	0.92x	1.28x	1.46x	1.24x	0.98x	0.96x	1.21x	1.04x	1.05x
GIS (\$M)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>GIS revenue</b>	<b>2,254</b>	<b>2,154</b>	<b>2,143</b>	<b>2,116</b>	<b>8,667</b>	<b>1,949</b>	<b>1,853</b>	<b>1,828</b>	<b>1,840</b>	<b>7,470</b>
YoY GIS revenue growth	(3.2%)	(6.8%)	(9.5%)	(11.3%)	(7.7%)	(13.5%)	(14.0%)	(14.7%)	(13.0%)	(13.8%)
Foreign currency	(6.6%)	(1.9%)	0.9 %	2.9 %	(1.2%)	5.8 %	7.5 %	6.7%	4.0%	6.0%
Acquisitions and divestitures	0.7 %	0.7 %	0.3 %	0.4 %	0.5 %	0.5 %	0.7%	0.6%	0.5%	0.6%
<b>YoY GIS organic revenue growth</b>	<b>(9.1%)</b>	<b>(8.0%)</b>	<b>(8.3%)</b>	<b>(8.0%)</b>	<b>(8.4%)</b>	<b>(7.2%)</b>	<b>(5.8%)</b>	<b>(7.4%)</b>	<b>(8.5%)</b>	<b>(7.2%)</b>
GIS bookings (\$B)	2.2	2.0	2.5	2.0	8.7	1.5	1.3	2.7	1.9	7.4
GIS book-to-bill	0.97x	0.91x	1.18x	0.96x	1.01x	0.77x	0.71x	1.46x	1.03x	0.99x
Total (\$M)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>GAAP revenue</b>	<b>4,141</b>	<b>4,027</b>	<b>4,089</b>	<b>4,008</b>	<b>16,265</b>	<b>3,707</b>	<b>3,566</b>	<b>3,566</b>	<b>3,591</b>	<b>14,430</b>
Total revenue growth	(8.0%)	(11.6%)	(4.6%)	(8.6%)	(8.3%)	(10.5%)	(11.4%)	(12.8%)	(10.4%)	(11.3%)
Foreign currency	(5.7%)	(1.4)%	1.0 %	3.0 %	(0.8) %	5.8 %	7.4 %	6.6%	3.9%	6.0%
Acquisitions and divestitures	10.0 %	10.6 %	2.2 %	2.8 %	6.5 %	2.1 %	2.5%	2.4%	3.6%	2.6%
<b>YoY organic revenue growth</b>	<b>(3.7%)</b>	<b>(2.4%)</b>	<b>(1.4%)</b>	<b>(2.8%)</b>	<b>(2.6%)</b>	<b>(2.6%)</b>	<b>(1.5%)</b>	<b>(3.8%)</b>	<b>(2.9%)</b>	<b>(2.7%)</b>
Bookings (\$B)	4.6	3.7	5.0	4.8	18.1	3.2	3.0	4.8	3.7	14.7
Book-to-bill	1.12x	0.91x	1.23x	1.20x	1.11x	0.87x	0.83x	1.34x	1.04x	1.02x
Backlog (\$B)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>Beginning ASC 606 backlog</b>	<b>22.9</b>	<b>23.6</b>	<b>22.2</b>	<b>21.8</b>	<b>22.9</b>	<b>21.7</b>	<b>20.3</b>	<b>18.8</b>	<b>19.6</b>	<b>21.7</b>
Less: revenue	(4.1)	(4.0)	(4.1)	(4.0)	(16.2)	(3.7)	(3.6)	(3.6)	(3.6)	(14.5)
Plus: bookings	4.6	3.7	5.0	4.8	18.1	3.2	3.0	4.8	3.7	14.7
Plus/minus: Fx impact	0.2	(0.5)	(0.6)	(0.1)	(1.0)	(0.6)	(0.8)	0.6	—	(0.8)
Plus/minus: backlog adjustments & terminations	0.1	(0.6)	(0.7)	(0.5)	(1.7)	(0.3)	—	(0.6)	0.1	(0.8)
Plus/minus: Acquisitions & divestitures	(0.1)	—	—	(0.3)	(0.4)	—	(0.1)	(0.4)	(0.1)	(0.6)
<b>Ending ASC 606 backlog</b>	<b>23.6</b>	<b>22.2</b>	<b>21.8</b>	<b>21.7</b>	<b>21.7</b>	<b>20.3</b>	<b>18.8</b>	<b>19.6</b>	<b>19.7</b>	<b>19.7</b>
<b>Bookings less backlog adjustments &amp; terminations</b>	<b>4.7</b>	<b>3.1</b>	<b>4.3</b>	<b>4.3</b>	<b>16.4</b>	<b>2.9</b>	<b>3.0</b>	<b>4.2</b>	<b>3.8</b>	<b>13.9</b>

# Organic Revenue Growth and Book-to-Bill by Offering

Organic Revenue Growth (YoY)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>GBS</b>	<b>2.0%</b>	<b>3.4%</b>	<b>7.0%</b>	<b>3.4%</b>	<b>3.9%</b>	<b>2.8%</b>	<b>3.4%</b>	<b>0.2%</b>	<b>3.3%</b>	<b>2.4%</b>
Analytics & Engineering	12.9%	17.3%	18.7%	19.7%	17.3%	15.7%	14.0%	11.7%	8.5%	12.3%
Applications	0.1%	(2.6%)	5.5%	(1.1%)	0.5%	(2.0%)	(1.1%)	(6.8%)	(0.5%)	(2.7%)
Insurance Software & BPS	(1.7%)	5.4%	(1.5%)	(3.2%)	(0.4%)	0.3%	1.1%	3.0%	5.9%	2.6%
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>GIS</b>	<b>(9.1%)</b>	<b>(8.0%)</b>	<b>(8.3%)</b>	<b>(8.0%)</b>	<b>(8.4%)</b>	<b>(7.2%)</b>	<b>(5.8%)</b>	<b>(7.4%)</b>	<b>(8.5%)</b>	<b>(7.2%)</b>
Security	(4.5%)	6.8%	(10.2%)	1.4%	(1.7%)	(0.3%)	(10.8%)	4.2%	(0.4%)	(2.1%)
Cloud Infrastructure & ITO	(5.1%)	(8.2%)	(4.8%)	(4.0%)	(5.5%)	(4.4%)	(0.9%)	(5.4%)	(10.5%)	(5.3%)
Modern Workplace	(19.7%)	(10.9%)	(16.0%)	(19.6%)	(16.6%)	(16.1%)	(16.9%)	(15.3%)	(5.3%)	(13.6%)
Book-to-Bill	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>GBS</b>	<b>1.29x</b>	<b>0.92x</b>	<b>1.28x</b>	<b>1.46x</b>	<b>1.24x</b>	<b>0.98x</b>	<b>0.96x</b>	<b>1.21x</b>	<b>1.04x</b>	<b>1.05x</b>
Analytics & Engineering	1.35x	0.96x	1.48x	1.47x	1.32x	1.17x	1.18x	1.15x	1.22x	1.18x
Applications	1.46x	0.99x	1.33x	1.18x	1.24x	0.86x	0.95x	1.32x	1.03x	1.04x
Insurance Software & BPS	0.80x	0.73x	0.96x	2.23x	1.18x	1.01x	0.62x	1.06x	0.75x	0.86x
	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>GIS</b>	<b>0.97x</b>	<b>0.91x</b>	<b>1.18x</b>	<b>0.96x</b>	<b>1.01x</b>	<b>0.77x</b>	<b>0.71x</b>	<b>1.46x</b>	<b>1.03x</b>	<b>0.99x</b>
Security	1.46x	1.27x	1.44x	1.18x	1.33x	0.92x	0.95x	1.09x	1.42x	1.10x
Cloud Infrastructure & ITO	0.93x	0.76x	1.08x	0.97x	0.94x	0.67x	0.73x	1.69x	1.10x	1.04x
Modern Workplace	1.01x	1.19x	1.39x	0.89x	1.13x	1.02x	0.59x	0.89x	0.74x	0.81x

# DXC Insurance Key Metrics

(in \$M)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Insurance Software Revenue	120	119	121	124	484	118	116	121	140	495
Insurance Business Process as a Service Revenue	147	146	146	149	588	142	148	150	150	590
<b>Total Insurance SaaS Revenue</b>	<b>267</b>	<b>265</b>	<b>267</b>	<b>273</b>	<b>1,072</b>	<b>260</b>	<b>264</b>	<b>271</b>	<b>290</b>	<b>1,085</b>
Business Process Services Revenue	118	118	116	112	464	108	100	99	100	407
<b>Total Insurance &amp; BPS Revenue</b>	<b>385</b>	<b>383</b>	<b>383</b>	<b>385</b>	<b>1,536</b>	<b>368</b>	<b>364</b>	<b>370</b>	<b>390</b>	<b>1,492</b>
Insurance SaaS YoY Growth	5.1%	19.3%	0.6%	0.0%	5.3%	-2.6%	-0.4%	1.5%	6.2%	1.2%
Total Insurance & BPS YoY Growth	-5.4%	-8.1%	-6.6%	-10.6%	-7.8%	-4.4%	-5.0%	-3.4%	1.3%	-2.9%

# Services and Resale Revenue by Offering

Services Revenue (\$M)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Analytics & Engineering	451	484	498	523	1,956	496	515	523	547	2,081
Applications	925	887	918	787	3,517	846	790	788	754	3,178
Insurance Software & BPS	385	384	383	384	1,536	367	362	370	387	1,486
<b>GBS</b>	<b>1,761</b>	<b>1,755</b>	<b>1,799</b>	<b>1,694</b>	<b>7,009</b>	<b>1,709</b>	<b>1,667</b>	<b>1,681</b>	<b>1,688</b>	<b>6,745</b>
Security	107	113	108	104	432	99	97	98	99	393
Cloud Infrastructure & ITO	1,355	1,335	1,269	1,256	5,215	1,226	1,148	1,144	1,131	4,649
Modern Workplace	457	456	417	405	1,735	373	348	338	350	1,409
<b>GIS</b>	<b>1,919</b>	<b>1,904</b>	<b>1,794</b>	<b>1,765</b>	<b>7,382</b>	<b>1,698</b>	<b>1,593</b>	<b>1,580</b>	<b>1,580</b>	<b>6,451</b>
<b>Divestitures</b>	<b>92</b>	<b>97</b>	<b>100</b>	<b>155</b>	<b>444</b>	<b>6</b>	<b>1</b>	<b>-</b>	<b>14</b>	<b>21</b>
<b>Total services revenue</b>	<b>3,772</b>	<b>3,756</b>	<b>3,693</b>	<b>3,614</b>	<b>14,835</b>	<b>3,413</b>	<b>3,261</b>	<b>3,261</b>	<b>3,282</b>	<b>13,217</b>
<i>Services revenue as a % of total revenue</i>	<i>91.1%</i>	<i>93.3%</i>	<i>90.3%</i>	<i>90.2%</i>	<i>91.2%</i>	<i>92.1%</i>	<i>91.4%</i>	<i>91.4%</i>	<i>91.4%</i>	<i>91.6%</i>

Resale Revenue (\$M)	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Analytics & Engineering	7	6	8	6	27	7	9	12	11	39
Applications	42	28	51	40	161	36	35	44	32	147
Insurance Software & BPS	-	-	-	1	1	1	1	1	3	7
<b>GBS</b>	<b>49</b>	<b>34</b>	<b>59</b>	<b>47</b>	<b>189</b>	<b>44</b>	<b>45</b>	<b>57</b>	<b>46</b>	<b>192</b>
Security	6	20	8	16	50	6	11	14	14	45
Cloud Infrastructure & ITO	199	97	191	223	710	169	161	139	139	608
Modern Workplace	114	119	138	102	473	75	88	95	107	365
<b>GIS</b>	<b>319</b>	<b>236</b>	<b>337</b>	<b>341</b>	<b>1,233</b>	<b>250</b>	<b>260</b>	<b>248</b>	<b>260</b>	<b>1,018</b>
<b>Divestitures</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>6</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>3</b>
<b>Total resale revenue</b>	<b>369</b>	<b>271</b>	<b>396</b>	<b>394</b>	<b>1,430</b>	<b>294</b>	<b>305</b>	<b>305</b>	<b>309</b>	<b>1,213</b>
<i>Resale revenue as a % of total revenue</i>	<i>8.9%</i>	<i>6.7%</i>	<i>9.7%</i>	<i>9.8%</i>	<i>8.8%</i>	<i>7.9%</i>	<i>8.6%</i>	<i>8.6%</i>	<i>8.6%</i>	<i>8.4%</i>

# Reconciliation of Segment Profit to Pretax Income

GBS (\$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Segment revenue	2,174	2,242	1,921	1,999	8,336	1,887	1,873	1,946	1,892	7,598	1,758	1,713	1,738	1,751	6,960
<b>Segment profit</b>	<b>215</b>	<b>317</b>	<b>273</b>	<b>315</b>	<b>1,120</b>	<b>272</b>	<b>298</b>	<b>315</b>	<b>275</b>	<b>1,160</b>	<b>210</b>	<b>218</b>	<b>244</b>	<b>240</b>	<b>912</b>
<i>GBS profit %</i>	<i>9.9%</i>	<i>14.1%</i>	<i>14.2%</i>	<i>15.8%</i>	<i>13.4%</i>	<i>14.4%</i>	<i>15.9%</i>	<i>16.2%</i>	<i>14.5%</i>	<i>15.3%</i>	<i>11.9%</i>	<i>12.7%</i>	<i>14.0%</i>	<i>13.7%</i>	<i>13.1%</i>

GIS (\$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Segment revenue	2,328	2,312	2,367	2,386	9,393	2,254	2,154	2,143	2,116	8,667	1,949	1,853	1,828	1,840	7,470
<b>Segment profit</b>	<b>23</b>	<b>36</b>	<b>88</b>	<b>98</b>	<b>245</b>	<b>131</b>	<b>118</b>	<b>102</b>	<b>124</b>	<b>475</b>	<b>127</b>	<b>114</b>	<b>123</b>	<b>143</b>	<b>507</b>
<i>GIS profit %</i>	<i>1.0%</i>	<i>1.6%</i>	<i>3.7%</i>	<i>4.1%</i>	<i>2.6%</i>	<i>5.8%</i>	<i>5.5%</i>	<i>4.8%</i>	<i>5.9%</i>	<i>5.5%</i>	<i>6.5%</i>	<i>6.2%</i>	<i>6.7%</i>	<i>7.8%</i>	<i>6.8%</i>

Total (\$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Total revenue for reportable segments	4,502	4,554	4,288	4,385	17,729	4,141	4,027	4,089	4,008	16,265	3,707	3,566	3,566	3,591	14,430
<b>Total profit for reportable segments</b>	<b>238</b>	<b>353</b>	<b>361</b>	<b>413</b>	<b>1,365</b>	<b>403</b>	<b>416</b>	<b>417</b>	<b>399</b>	<b>1,635</b>	<b>337</b>	<b>332</b>	<b>367</b>	<b>383</b>	<b>1,419</b>
<i>Total segment profit margin</i>	<i>5.3%</i>	<i>7.8%</i>	<i>8.4%</i>	<i>9.4%</i>	<i>7.7%</i>	<i>9.7%</i>	<i>10.3%</i>	<i>10.2%</i>	<i>10.0%</i>	<i>10.1%</i>	<i>9.1%</i>	<i>9.3%</i>	<i>10.3%</i>	<i>10.7%</i>	<i>9.8%</i>
All other	(48)	(70)	(61)	(84)	(263)	(71)	(70)	(62)	(57)	(260)	(78)	(63)	(58)	(63)	(262)
Restructuring costs	(72)	(265)	(104)	(110)	(551)	(67)	(145)	(36)	(70)	(318)	(33)	(53)	(49)	(81)	(216)
TSI	(110)	(101)	(96)	(51)	(358)	(9)	(3)	(11)	(3)	(26)	(2)	(4)	(6)	(4)	(16)
Amortization of intangible assets	(148)	(152)	(114)	(116)	(530)	(109)	(110)	(106)	(109)	(434)	(104)	(101)	(100)	(97)	(402)
Merger related indemnification	—	—	—	—	—	—	—	—	—	—	(10)	—	(11)	(25)	(46)
SEC matter	—	—	—	—	—	—	—	—	—	—	—	(8)	—	—	(8)
Gains and losses on dispositions	—	—	2,046	(42)	2,004	347	—	(4)	(2)	341	29	(32)	(9)	202	190
Pension, actuarial & settlement losses	(2)	—	—	(517)	(519)	—	—	(7)	691	684	—	(1)	—	(1,430)	(1,431)
Impairment losses	—	—	—	(190)	(190)	—	(10)	—	(21)	(31)	—	—	(8)	(11)	(19)
Arbitration	—	—	—	—	—	—	—	—	—	—	—	—	(9)	(20)	(29)
Debt extinguishment costs	—	—	—	(41)	(41)	(28)	(281)	(2)	—	(311)	—	—	—	—	—
<b>EBIT <sup>(1)</sup></b>	<b>(142)</b>	<b>(235)</b>	<b>2,032</b>	<b>(738)</b>	<b>917</b>	<b>466</b>	<b>(203)</b>	<b>189</b>	<b>828</b>	<b>1,280</b>	<b>139</b>	<b>70</b>	<b>117</b>	<b>(1,146)</b>	<b>(820)</b>
Net interest	(83)	(71)	(54)	(55)	(263)	(42)	(45)	(23)	(29)	(139)	(17)	(16)	(15)	(17)	(65)
<b>Income before taxes</b>	<b>(225)</b>	<b>(306)</b>	<b>1,978</b>	<b>(793)</b>	<b>654</b>	<b>424</b>	<b>(248)</b>	<b>166</b>	<b>799</b>	<b>1,141</b>	<b>122</b>	<b>54</b>	<b>102</b>	<b>(1,163)</b>	<b>(885)</b>

<sup>(1)</sup> Defined at end of presentation.

# Adjusted EBIT and Adjusted EBITDA Reconciliation

EBIT to Adjusted EBIT (\$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Net income (loss)	(199)	(246)	1,103	(804)	(146)	282	(187)	102	539	736	103	28	61	(758)	(566)
Income tax expense (benefit)	(26)	(60)	875	11	800	142	(61)	64	260	405	19	26	41	(405)	(319)
Interest income	(23)	(25)	(28)	(22)	(98)	(20)	(16)	(15)	(14)	(65)	(20)	(28)	(41)	(46)	(135)
Interest expense	106	96	82	77	361	62	61	38	43	204	37	44	56	63	200
<b>EBIT <sup>(1)</sup></b>	<b>(142)</b>	<b>(235)</b>	<b>2,032</b>	<b>(738)</b>	<b>917</b>	<b>466</b>	<b>(203)</b>	<b>189</b>	<b>828</b>	<b>1,280</b>	<b>139</b>	<b>70</b>	<b>117</b>	<b>(1,146)</b>	<b>(820)</b>
Restructuring costs	72	265	104	110	551	67	145	36	70	318	33	53	49	81	216
Transaction, separation & integration-related costs	110	101	96	51	358	9	3	11	3	26	2	4	6	4	16
Amortization of acquired intangible assets	148	152	114	116	530	109	110	106	109	434	104	101	100	97	402
Merger related indemnification	—	—	—	—	—	—	—	—	—	—	10	—	11	25	46
SEC matter	—	—	—	—	—	—	—	—	—	—	—	8	—	—	8
Impairment losses	—	—	—	190	190	—	10	—	21	31	—	—	8	11	19
Arbitration losses	—	—	—	—	—	—	—	—	—	—	—	—	9	20	29
Gains and losses on disposition of businesses	—	—	(2,046)	42	(2,004)	(347)	—	4	2	(341)	(29)	32	9	(202)	(190)
Pension & OPEB actuarial & settlement losses	2	—	—	517	519	—	—	7	(691)	(684)	—	1	—	1,430	1,431
Debt extinguishment costs	—	—	—	41	41	28	281	2	—	311	—	—	—	—	—
<b>Adjusted EBIT <sup>(1)</sup></b>	<b>190</b>	<b>283</b>	<b>300</b>	<b>329</b>	<b>1,102</b>	<b>332</b>	<b>346</b>	<b>355</b>	<b>342</b>	<b>1,375</b>	<b>259</b>	<b>269</b>	<b>309</b>	<b>320</b>	<b>1,157</b>
Depreciation and amortization	492	525	475	478	1,970	422	448	424	423	1,717	389	380	375	375	1,519
Less: Amortization of acquired intangible assets	(148)	(152)	(114)	(116)	(530)	(109)	(110)	(106)	(109)	(434)	(104)	(101)	(100)	(97)	(402)
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>534</b>	<b>656</b>	<b>661</b>	<b>691</b>	<b>2,542</b>	<b>645</b>	<b>684</b>	<b>673</b>	<b>656</b>	<b>2,658</b>	<b>544</b>	<b>548</b>	<b>584</b>	<b>598</b>	<b>2,274</b>
<b>EBIT margin <sup>(1)</sup></b>	<b>(3.2%)</b>	<b>(5.2%)</b>	<b>47.4%</b>	<b>(16.8%)</b>	<b>5.2%</b>	<b>11.3%</b>	<b>(5.0%)</b>	<b>4.6%</b>	<b>20.7%</b>	<b>7.9%</b>	<b>3.7%</b>	<b>2.0%</b>	<b>3.3%</b>	<b>(31.9%)</b>	<b>(5.7%)</b>
<b>Adjusted EBIT margin <sup>(1)</sup></b>	<b>4.2%</b>	<b>6.2%</b>	<b>7.0%</b>	<b>7.5%</b>	<b>6.2%</b>	<b>8.0%</b>	<b>8.6%</b>	<b>8.7%</b>	<b>8.5%</b>	<b>8.5%</b>	<b>7.0%</b>	<b>7.5%</b>	<b>8.7%</b>	<b>8.9%</b>	<b>8.0%</b>

<sup>(1)</sup> Defined at end of presentation.

# Non-GAAP Reconciliation – Income Statement Measures

COS, SG&A, D&A (\$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>Cost of services</b>	<b>3,629</b>	<b>3,563</b>	<b>3,333</b>	<b>3,561</b>	<b>14,086</b>	<b>3,255</b>	<b>3,088</b>	<b>3,179</b>	<b>3,161</b>	<b>12,683</b>	<b>2,930</b>	<b>2,775</b>	<b>2,799</b>	<b>2,742</b>	<b>11,246</b>
Less: Impairment losses	—	—	—	(190)	(190)	—	—	—	—	—	—	—	(8)	—	(8)
Less: TSI	—	—	—	(2)	(2)	—	—	—	—	—	—	—	—	—	—
<b>Non-GAAP COS</b>	<b>3,629</b>	<b>3,563</b>	<b>3,333</b>	<b>3,369</b>	<b>13,894</b>	<b>3,255</b>	<b>3,088</b>	<b>3,179</b>	<b>3,161</b>	<b>12,683</b>	<b>2,930</b>	<b>2,775</b>	<b>2,791</b>	<b>2,742</b>	<b>11,238</b>
As a % of revenue	80.6%	78.2%	77.7%	76.8%	78.4%	78.6%	76.7%	77.7%	78.9%	78.0%	79.0%	77.8%	78.3%	76.4%	77.9%
<b>Non-GAAP gross profit <sup>(1)</sup></b>	<b>873</b>	<b>991</b>	<b>955</b>	<b>1,016</b>	<b>3,835</b>	<b>886</b>	<b>939</b>	<b>910</b>	<b>847</b>	<b>3,582</b>	<b>777</b>	<b>791</b>	<b>775</b>	<b>849</b>	<b>3,192</b>
As a % of revenue	19.4%	21.8%	22.3%	23.2%	21.6%	21.4%	23.3%	22.3%	21.1%	22.0%	21.0%	22.2%	21.7%	23.6%	22.1%
<b>SG&amp;A expense</b>	<b>539</b>	<b>539</b>	<b>517</b>	<b>471</b>	<b>2,066</b>	<b>383</b>	<b>370</b>	<b>340</b>	<b>315</b>	<b>1,408</b>	<b>349</b>	<b>324</b>	<b>315</b>	<b>387</b>	<b>1,375</b>
Less: Impairment losses	—	—	—	—	—	—	(10)	—	—	(10)	—	—	—	—	—
Less: SEC matter	—	—	—	—	—	—	—	—	—	—	—	(8)	—	—	(8)
Less: Arbitration losses	—	—	—	—	—	—	—	—	—	—	—	—	(9)	(20)	(29)
Less: Merger related indemnification	—	—	—	—	—	—	—	—	—	—	(10)	—	(11)	(25)	(46)
Less: TSI	(110)	(108)	(96)	(49)	(363)	(9)	(3)	(11)	(3)	(26)	(2)	(4)	(6)	(4)	(16)
<b>Non-GAAP SG&amp;A expense</b>	<b>429</b>	<b>431</b>	<b>421</b>	<b>422</b>	<b>1,703</b>	<b>374</b>	<b>357</b>	<b>329</b>	<b>312</b>	<b>1,372</b>	<b>337</b>	<b>312</b>	<b>289</b>	<b>338</b>	<b>1,276</b>
As a % of revenue	9.5%	9.5%	9.8%	9.6%	9.6%	9.0%	8.9%	8.0%	7.8%	8.4%	9.1%	8.8%	8.1%	9.4%	8.8%
Depreciation	178	200	185	191	754	158	165	156	146	625	138	129	123	129	519
Amortization	314	325	290	287	1,216	264	283	268	277	1,092	251	251	252	246	1,000
<b>Total depreciation &amp; amortization</b>	<b>492</b>	<b>525</b>	<b>475</b>	<b>478</b>	<b>1,970</b>	<b>422</b>	<b>448</b>	<b>424</b>	<b>423</b>	<b>1,717</b>	<b>389</b>	<b>380</b>	<b>375</b>	<b>375</b>	<b>1,519</b>
Less: Amortization of acquired intangible assets	(148)	(152)	(114)	(116)	(530)	(109)	(110)	(106)	(109)	(434)	(104)	(101)	(100)	(97)	(402)
<b>Non-GAAP depreciation &amp; amortization</b>	<b>344</b>	<b>373</b>	<b>361</b>	<b>362</b>	<b>1,440</b>	<b>313</b>	<b>338</b>	<b>318</b>	<b>314</b>	<b>1,283</b>	<b>285</b>	<b>279</b>	<b>275</b>	<b>278</b>	<b>1,117</b>
As a % of revenue	7.6%	8.2%	8.4%	8.3%	8.1%	7.6%	8.4%	7.8%	7.8%	7.9%	7.7%	7.8%	7.7%	7.7%	7.7%
<b>Other income, net</b>	<b>(88)</b>	<b>(103)</b>	<b>(127)</b>	<b>420</b>	<b>102</b>	<b>(103)</b>	<b>(102)</b>	<b>(85)</b>	<b>(791)</b>	<b>(1,081)</b>	<b>(104)</b>	<b>(68)</b>	<b>(98)</b>	<b>1,354</b>	<b>1,084</b>
Less: Gains and losses on disposition of businesses	—	—	—	—	—	(30)	—	—	—	(30)	—	—	—	—	—
Less: Impairment losses	—	—	—	—	—	—	—	—	(21)	(21)	—	—	—	(11)	(11)
Less: TSI	—	7	—	—	7	—	—	—	—	—	—	—	—	—	—
Less: Pension & OPEB actuarial & settlement losses	(2)	—	—	(517)	(519)	—	—	(7)	691	684	—	(1)	—	(1,430)	(1,431)
<b>Non-GAAP other income</b>	<b>(90)</b>	<b>(96)</b>	<b>(127)</b>	<b>(97)</b>	<b>(410)</b>	<b>(133)</b>	<b>(102)</b>	<b>(92)</b>	<b>(121)</b>	<b>(448)</b>	<b>(104)</b>	<b>(69)</b>	<b>(98)</b>	<b>(87)</b>	<b>(358)</b>
As a % of revenue	(2.0%)	(2.1%)	(3.0%)	(2.2%)	(2.3%)	(3.2%)	(2.5%)	(2.2%)	(3.0%)	(2.8%)	(2.8%)	(1.9%)	(2.8%)	(2.4%)	(2.5%)

<sup>(1)</sup> Defined at end of presentation.

# Non-GAAP Reconciliation – Income Statement Measures

EBIT to EPS (in \$M, except EPS)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Adjusted EBIT	190	283	300	329	1,102	332	346	355	342	1,375	259	269	309	320	1,157
Interest expense	106	96	82	77	361	62	61	38	43	204	37	44	56	63	200
Interest income	(23)	(25)	(28)	(22)	(98)	(20)	(16)	(15)	(14)	(65)	(20)	(28)	(41)	(46)	(135)
Net interest	83	71	54	55	263	42	45	23	29	139	17	16	15	17	65
Non-GAAP income before income taxes	107	212	246	274	839	290	301	332	313	1,236	242	253	294	303	1,092
Income tax expense	(26)	(60)	875	11	800	142	(61)	64	260	405	19	26	41	(405)	(319)
<i>As % of pre-tax income</i>	11.6%	19.6%	44.2%	(1.4%)	122.3%	33.5%	24.6%	38.6%	32.5%	35.5%	15.6%	48.1%	40.2%	34.8%	36.0%
Tax impact of restructuring	12	52	11	17	92	10	34	4	17	65	8	10	10	16	44
Tax impact of TSI	28	26	16	17	87	4	1	1	1	7	—	1	1	1	3
Tax impact of amortization	34	35	26	26	121	24	26	13	27	90	24	18	20	19	81
Tax impact of merger related indemnification	—	—	—	—	—	—	—	—	—	—	2	—	2	27	31
Tax impact of SEC matter	—	—	—	—	—	—	—	—	—	—	—	1	—	—	1
Tax impact of arbitration losses	—	—	—	—	—	—	—	—	—	—	—	—	2	(3)	(1)
Tax impact of gain/loss on dispositions	—	—	(903)	(17)	(920)	(91)	—	—	(13)	(104)	9	22	(7)	1	25
Tax impact of impairment losses	—	—	—	49	49	—	2	—	5	7	—	—	1	3	4
Tax impact of other	—	(2)	—	(15)	(17)	(21)	66	11	(197)	(141)	—	—	—	411	411
Non-GAAP income tax expense	48	51	25	88	212	68	68	93	100	329	62	78	70	70	280
<i>As % of Non-GAAP pre-tax income</i>	44.9%	24.1%	10.2%	32.1%	25.3%	23.4%	22.6%	28.0%	31.9%	26.6%	25.6%	30.8%	23.8%	23.1%	25.6%
<b>Net income (Loss)</b>	<b>(199)</b>	<b>(246)</b>	<b>1,103</b>	<b>(804)</b>	<b>(146)</b>	<b>282</b>	<b>(187)</b>	<b>102</b>	<b>539</b>	<b>736</b>	<b>103</b>	<b>28</b>	<b>61</b>	<b>(758)</b>	<b>(566)</b>
Less: Net income attributed to NCI	6	(2)	5	(6)	3	4	1	4	9	18	1	1	2	(2)	2
<b>Net income (Loss) attributable to DXC</b>	<b>(205)</b>	<b>(244)</b>	<b>1,098</b>	<b>(798)</b>	<b>(149)</b>	<b>278</b>	<b>(188)</b>	<b>98</b>	<b>530</b>	<b>718</b>	<b>102</b>	<b>27</b>	<b>59</b>	<b>(756)</b>	<b>(568)</b>
<b>GAAP EPS (basic)</b>	<b>\$ (0.81)</b>	<b>\$ (0.96)</b>	<b>\$ 4.32</b>	<b>\$ (3.14)</b>	<b>\$ (0.59)</b>	<b>\$ 1.09</b>	<b>\$ (0.74)</b>	<b>\$ 0.39</b>	<b>\$ 2.18</b>	<b>\$ 2.87</b>	<b>\$ 0.44</b>	<b>\$ 0.12</b>	<b>\$ 0.26</b>	<b>\$ (3.38)</b>	<b>\$ (2.48)</b>
<b>GAAP EPS (diluted)</b>	<b>\$ (0.81)</b>	<b>\$ (0.96)</b>	<b>\$ 4.29</b>	<b>\$ (3.14)</b>	<b>\$ (0.59)</b>	<b>\$ 1.07</b>	<b>\$ (0.74)</b>	<b>\$ 0.38</b>	<b>\$ 2.14</b>	<b>\$ 2.81</b>	<b>\$ 0.43</b>	<b>\$ 0.12</b>	<b>\$ 0.25</b>	<b>\$ (3.38)</b>	<b>\$ (2.48)</b>
Shares outstanding (basic)	253.6	254.1	254.3	254.5	254.1	254.7	252.4	250.3	242.7	250.0	232.5	230.0	229.5	223.9	229.0
Shares outstanding (diluted)	253.6	254.1	255.8	254.5	254.1	260.3	252.4	254.8	247.7	255.2	237.4	233.2	233.0	223.9	229.0

# Non-GAAP Reconciliation – EPS

Non-GAAP EPS (in \$M, except EPS)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>Net income (loss) attributable to DXC</b>	<b>(205)</b>	<b>(244)</b>	<b>1,098</b>	<b>(798)</b>	<b>(149)</b>	<b>278</b>	<b>(188)</b>	<b>98</b>	<b>530</b>	<b>718</b>	<b>102</b>	<b>27</b>	<b>59</b>	<b>(756)</b>	<b>(568)</b>
Restructuring costs	60	213	93	93	459	57	11	32	53	253	25	43	39	65	172
TSI	82	75	80	34	271	5	2	10	2	19	2	3	5	3	13
Amortization of acquired intangible assets	114	117	88	90	409	85	84	93	82	344	80	83	80	78	321
Merger related indemnification	—	—	—	—	—	—	—	—	—	—	8	—	9	(2)	15
SEC matter	—	—	—	—	—	—	—	—	—	—	—	7	—	—	7
Arbitration losses	—	—	—	—	—	—	—	—	—	—	—	—	7	23	30
Impairment losses	—	—	—	141	141	—	8	—	16	24	—	—	7	8	15
Gains and losses on disposition of businesses	—	—	(1,143)	59	(1,084)	(256)	—	4	15	(237)	(38)	10	16	(203)	(215)
Debt extinguishment costs	—	—	—	31	31	21	215	2	—	238	—	—	—	—	—
Pension & OPEB actuarial & settlement gains and losses	2	—	—	402	404	—	—	6	(514)	(508)	—	1	—	1,137	1,138
Tax adjustment	—	2	—	140	142	28	—	(10)	25	43	—	—	—	(120)	(120)
<b>Non-GAAP net income attributable to DXC</b>	<b>53</b>	<b>163</b>	<b>216</b>	<b>192</b>	<b>624</b>	<b>218</b>	<b>232</b>	<b>235</b>	<b>209</b>	<b>894</b>	<b>179</b>	<b>174</b>	<b>222</b>	<b>233</b>	<b>808</b>
<b>Non-GAAP EPS (basic)</b>	<b>\$ 0.21</b>	<b>\$ 0.64</b>	<b>\$ 0.85</b>	<b>\$ 0.75</b>	<b>\$ 2.46</b>	<b>\$ 0.86</b>	<b>\$ 0.92</b>	<b>\$ 0.94</b>	<b>\$ 0.86</b>	<b>\$ 3.58</b>	<b>\$ 0.77</b>	<b>\$ 0.76</b>	<b>\$ 0.97</b>	<b>\$ 1.04</b>	<b>\$ 3.53</b>
<b>Non-GAAP EPS (diluted) <sup>(1)</sup></b>	<b>\$ 0.21</b>	<b>\$ 0.64</b>	<b>\$ 0.84</b>	<b>\$ 0.74</b>	<b>\$ 2.43</b>	<b>\$ 0.84</b>	<b>\$ 0.90</b>	<b>\$ 0.92</b>	<b>\$ 0.84</b>	<b>\$ 3.50</b>	<b>\$ 0.75</b>	<b>\$ 0.75</b>	<b>\$ 0.95</b>	<b>\$ 1.02</b>	<b>\$ 3.47</b>
Shares outstanding (basic)	253.6	254.1	254.3	254.5	254.1	254.7	252.4	250.3	242.7	250.0	232.5	230.0	229.5	223.9	229.0
Shares outstanding (diluted)	254.4	255.2	255.8	258.4	256.9	260.3	257.2	254.8	247.7	255.2	237.4	233.2	233.0	227.6	232.6

<sup>(1)</sup> EPS and per-share values of certain items may not sum to Non-GAAP diluted EPS due to rounding.

# Non-GAAP Reconciliation – EPS

Non-GAAP EPS	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>GAAP EPS (diluted)</b>	<b>\$ (0.81)</b>	<b>\$ (0.96)</b>	<b>\$ 4.29</b>	<b>\$ (3.14)</b>	<b>\$ (0.59)</b>	<b>\$ 1.07</b>	<b>\$ (0.74)</b>	<b>\$ 0.38</b>	<b>\$ 2.14</b>	<b>\$ 2.81</b>	<b>\$ 0.43</b>	<b>\$ 0.12</b>	<b>\$ 0.25</b>	<b>\$ (3.38)</b>	<b>\$ (2.48)</b>
Restructuring costs	0.24	0.83	0.36	0.36	1.79	0.22	0.43	0.13	0.21	0.99	0.11	0.18	0.17	0.29	0.74
TSI	0.32	0.29	0.31	0.13	1.06	0.02	0.01	0.04	0.01	0.07	0.01	0.01	0.02	0.01	0.06
Amortization of acquired intangible assets	0.45	0.46	0.34	0.35	1.59	0.33	0.33	0.36	0.33	1.35	0.34	0.36	0.34	0.34	1.38
Impairment losses	—	—	—	0.55	0.55	—	0.03	—	0.06	0.09	—	—	0.03	0.04	0.06
Arbitration losses	—	—	—	—	—	—	—	—	—	—	—	—	0.03	0.10	0.13
Merger related indemnification	—	—	—	—	—	—	—	—	—	—	0.03	—	0.04	(0.01)	0.06
SEC matter	—	—	—	—	—	—	—	—	—	—	—	0.03	—	—	0.03
Gains and losses on disposition of businesses	—	—	(4.47)	0.23	(4.22)	(0.98)	—	0.02	0.06	(0.93)	(0.16)	0.04	0.07	(0.89)	(0.92)
Debt extinguishment costs	—	—	—	0.12	0.12	0.08	0.84	0.01	—	0.93	—	—	—	—	—
Pension & OPEB actuarial & settlement gains and losses	0.01	—	—	1.56	1.57	—	—	0.02	(2.08)	(1.99)	—	—	—	5.00	4.89
Tax adjustment	—	0.01	—	0.54	0.55	0.11	—	(0.04)	0.10	0.17	—	—	—	(0.53)	(0.52)
Non-GAAP dilution adjustment	—	0.01	—	0.04	0.01	—	—	—	—	—	—	—	—	0.05	0.04
<b>Non-GAAP EPS (diluted) <sup>(1)</sup></b>	<b>\$ 0.21</b>	<b>\$ 0.64</b>	<b>\$ 0.84</b>	<b>\$ 0.74</b>	<b>\$ 2.43</b>	<b>\$ 0.84</b>	<b>\$ 0.90</b>	<b>\$ 0.92</b>	<b>\$ 0.84</b>	<b>\$ 3.50</b>	<b>\$ 0.75</b>	<b>\$ 0.75</b>	<b>\$ 0.95</b>	<b>\$ 1.02</b>	<b>\$ 3.47</b>
Shares outstanding (diluted)	254.4	255.2	255.8	258.4	256.9	260.3	257.2	254.8	247.7	255.2	237.4	233.2	233.0	227.6	232.6

<sup>(1)</sup> EPS and per-share values of certain items may not sum to Non-GAAP diluted EPS due to rounding.

# Income Statement Drivers – Headcount

DXC Employees	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
GBS	72,500	72,786	75,587	76,718	76,718	75,527	76,233	76,284	75,945	75,945
GIS	46,540	47,868	49,438	50,333	50,333	50,221	49,252	48,273	47,412	47,412
Other	11,314	10,655	10,512	10,078	10,078	10,293	10,263	9,478	9,448	9,448
<b>Total Employees</b>	<b>130,354</b>	<b>131,309</b>	<b>135,537</b>	<b>137,129</b>	<b>137,129</b>	<b>136,041</b>	<b>135,748</b>	<b>134,035</b>	<b>132,805</b>	<b>132,805</b>

Contractors	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
GBS	5,359	5,743	5,677	5,115	5,115	4,931	4,806	5,105	4,977	4,977
GIS	11,342	10,238	9,300	8,036	8,036	7,186	6,694	6,430	6,004	6,004
Other	6,204	5,525	6,003	6,035	6,035	5,774	5,047	5,097	4,526	4,526
<b>Total Contractors</b>	<b>22,905</b>	<b>21,506</b>	<b>20,980</b>	<b>19,186</b>	<b>19,186</b>	<b>17,891</b>	<b>16,547</b>	<b>16,632</b>	<b>15,507</b>	<b>15,507</b>

DXC Employee Locations	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Onshore	45.8%	45.5%	44.4%	44.0%	44.0%	44.5%	43.7%	43.4%	43.1%	43.1%
Offshore	54.2%	54.5%	55.6%	56.0%	56.0%	55.5%	56.3%	56.6%	56.9%	56.9%

# Income Statement Drivers – Other Income and Pension Income

Other Income (\$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Non-service cost components of net periodic pension income	(95)	(99)	(103)	407	110	(97)	(96)	(87)	(786)	(1,066)	(67)	(60)	(60)	1,367	1,180
Foreign currency (gain)/loss	—	8	3	3	14	1	6	3	3	13	(2)	(1)	(8)	(4)	(15)
(Gain)/loss on sale of asset	2	—	(16)	8	(6)	(46)	(12)	(4)	(26)	(88)	(38)	(6)	(28)	(18)	(90)
Other (gain)/loss	5	(12)	(11)	2	(16)	39	—	3	18	60	3	(1)	(2)	9	9
<b>Other income, net</b>	<b>(88)</b>	<b>(103)</b>	<b>(127)</b>	<b>420</b>	<b>102</b>	<b>(103)</b>	<b>(102)</b>	<b>(85)</b>	<b>(791)</b>	<b>(1,081)</b>	<b>(104)</b>	<b>(68)</b>	<b>(98)</b>	<b>1,354</b>	<b>1,084</b>
<i>Non-service cost components of net periodic pension income adjustments</i>															
Pension & OPEB actuarial & settlement losses	(2)	—	—	(517)	(519)	—	—	(7)	691	684	—	(1)	—	(1,430)	(1,431)
<i>Other (gain)/loss adjustments</i>															
Gains and losses on disposition of businesses	—	—	—	—	—	(30)	—	—	—	(30)	—	—	—	—	—
Impairment losses	—	—	—	—	—	—	—	—	(21)	(21)	—	—	—	(11)	(11)
TSI	—	7	—	—	7	—	—	—	—	—	—	—	—	—	—
<b>Non-GAAP other income</b>	<b>(90)</b>	<b>(96)</b>	<b>(127)</b>	<b>(97)</b>	<b>(410)</b>	<b>(133)</b>	<b>(102)</b>	<b>(92)</b>	<b>(121)</b>	<b>(448)</b>	<b>(104)</b>	<b>(69)</b>	<b>(98)</b>	<b>(87)</b>	<b>(358)</b>
Pension Income (\$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Cost of sales/SG&A expense	22	23	23	23	91	23	22	22	21	88	19	18	18	18	73
Other (income)/expense	(95)	(99)	(103)	407	110	(97)	(96)	(87)	(786)	(1,066)	(67)	(60)	(60)	1,367	1,180
<b>Net periodic pension income</b>	<b>(73)</b>	<b>(76)</b>	<b>(80)</b>	<b>430</b>	<b>201</b>	<b>(74)</b>	<b>(74)</b>	<b>(65)</b>	<b>(765)</b>	<b>(978)</b>	<b>(48)</b>	<b>(42)</b>	<b>(42)</b>	<b>1,385</b>	<b>1,253</b>
Less: Pension & OPEB actuarial & settlement losses	(2)	—	—	(517)	(519)	—	—	(7)	691	684	—	(1)	—	(1,430)	(1,431)
<b>Non-GAAP pension income</b>	<b>(75)</b>	<b>(76)</b>	<b>(80)</b>	<b>(87)</b>	<b>(318)</b>	<b>(74)</b>	<b>(74)</b>	<b>(72)</b>	<b>(74)</b>	<b>(294)</b>	<b>(48)</b>	<b>(43)</b>	<b>(42)</b>	<b>(45)</b>	<b>(178)</b>

# Reconciliation – Adjusted EBIT Margin ex. Pension Income

(in \$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Revenue	4,502	4,554	4,288	4,385	17,729	4,141	4,027	4,089	4,008	16,265	3,707	3,566	3,566	3,591	14,430
Adjusted EBIT <sup>(1)</sup>	190	283	300	329	1,102	332	346	355	342	1,375	259	269	309	320	1,157
Less: Non-GAAP pension income	(75)	(76)	(80)	(87)	(318)	(74)	(74)	(72)	(74)	(294)	(48)	(43)	(42)	(45)	(178)
<b>Adjusted EBIT ex. pension income</b>	<b>115</b>	<b>207</b>	<b>220</b>	<b>242</b>	<b>784</b>	<b>258</b>	<b>272</b>	<b>283</b>	<b>268</b>	<b>1,081</b>	<b>211</b>	<b>226</b>	<b>267</b>	<b>275</b>	<b>979</b>
Adjusted EBIT margin <sup>(1)</sup>	4.2%	6.2%	7.0%	7.5%	6.2%	8.0%	8.6%	8.7%	8.5%	8.5%	7.0%	7.5%	8.7%	8.9%	8.0%
<b>Adjusted EBIT margin ex. pension income</b>	<b>2.6%</b>	<b>4.5%</b>	<b>5.1%</b>	<b>5.5%</b>	<b>4.4%</b>	<b>6.2%</b>	<b>6.8%</b>	<b>6.9%</b>	<b>6.7%</b>	<b>6.6%</b>	<b>5.7%</b>	<b>6.3%</b>	<b>7.5%</b>	<b>7.7%</b>	<b>6.8%</b>

<sup>(1)</sup> Defined at end of presentation

# DXC Historical Balance Sheet

Assets (in \$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Cash and cash equivalents	5,509	3,079	3,919	2,968	2,968	2,460	2,699	2,919	2,672	2,672	2,209	2,260	2,091	1,858	1,858
Receivables, net	4,271	4,194	4,130	4,156	4,156	4,081	3,821	3,670	3,854	3,854	3,693	3,467	3,454	3,441	3,441
Prepaid expenses	667	604	586	567	567	659	534	600	617	617	666	662	653	565	565
Other current assets	261	335	470	357	357	341	330	314	268	268	270	289	218	255	255
Assets held for sale	—	125	—	160	160	—	—	—	35	35	10	—	577	5	5
<b>Total current assets</b>	<b>10,708</b>	<b>8,337</b>	<b>9,105</b>	<b>8,208</b>	<b>8,208</b>	<b>7,541</b>	<b>7,384</b>	<b>7,503</b>	<b>7,446</b>	<b>7,446</b>	<b>6,848</b>	<b>6,678</b>	<b>6,993</b>	<b>6,124</b>	<b>6,124</b>
Intangible assets, net	5,540	4,146	4,019	4,043	4,043	3,888	3,691	3,575	3,378	3,378	3,117	2,884	2,741	2,569	2,569
Operating right-of-use assets, net	1,602	1,555	1,459	1,366	1,366	1,299	1,174	1,122	1,133	1,133	1,025	927	954	909	909
Goodwill	2,057	725	736	641	641	639	631	629	617	617	582	562	535	539	539
Deferred income taxes, net	285	292	315	289	289	238	255	259	221	221	210	205	219	460	460
Property and equipment, net	3,503	3,417	3,321	2,946	2,946	2,841	2,691	2,555	2,412	2,412	2,212	2,039	2,044	1,979	1,979
Other assets	4,199	4,360	4,679	4,192	4,192	4,421	4,289	4,310	4,850	4,850	4,602	4,403	4,653	3,247	3,247
Assets held for sale – non-current	—	2,838	—	353	353	—	—	—	82	82	51	39	115	18	18
<b>Total assets</b>	<b>27,894</b>	<b>25,670</b>	<b>23,634</b>	<b>22,038</b>	<b>22,038</b>	<b>20,867</b>	<b>20,115</b>	<b>19,953</b>	<b>20,139</b>	<b>20,139</b>	<b>18,647</b>	<b>17,737</b>	<b>18,254</b>	<b>15,845</b>	<b>15,845</b>

# DXC Historical Balance Sheet

Liabilities & Equity (in \$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Short term debt & current LT debt	1,682	1,622	795	1,167	1,167	817	745	706	900	900	904	834	873	500	500
Accounts payable	1,522	1,345	852	914	914	857	724	759	840	840	795	857	852	782	782
Accrued payroll and related costs	766	756	741	698	698	746	645	563	570	570	610	537	520	569	569
Current operating lease liabilities	488	461	450	418	418	413	392	386	388	388	346	318	320	317	317
Accrued expenses & other CL	2,756	3,203	3,285	3,358	3,358	3,060	3,120	3,111	2,882	2,882	2,479	2,321	1,932	1,836	1,836
Def. rev. & advance contract payments	1,030	974	1,102	1,079	1,079	1,032	933	1,001	1,053	1,053	938	867	969	1,054	1,054
Income taxes payable	81	111	1,045	398	398	481	260	202	197	197	181	131	166	120	120
Liabilities related to assets HFS	—	184	—	118	118	—	—	—	23	23	4	—	538	9	9
<b>Total current liabilities</b>	<b>8,325</b>	<b>8,656</b>	<b>8,270</b>	<b>8,150</b>	<b>8,150</b>	<b>7,406</b>	<b>6,819</b>	<b>6,728</b>	<b>6,853</b>	<b>6,853</b>	<b>6,257</b>	<b>5,865</b>	<b>6,170</b>	<b>5,187</b>	<b>5,187</b>
LT debt, net of current maturities	10,334	8,046	5,444	4,345	4,345	4,116	4,363	4,236	4,065	4,065	3,874	3,695	3,850	3,900	3,900
Non-current deferred revenue	733	697	666	622	622	598	775	882	862	862	806	789	804	788	788
Non-current operating lease liabilities	1,208	1,192	1,113	1,038	1,038	971	862	805	815	815	742	667	691	648	648
Non-current pension obligations	—	—	—	793	793	—	—	—	590	590	—	—	—	463	463
LT tax liabilities & deferred tax liabilities	1,075	917	792	854	854	771	711	779	994	994	919	819	784	587	587
Other LT liabilities	1,277	1,325	1,354	908	908	1,619	1,502	1,436	546	546	1,000	966	992	449	449
LT liabilities related to assets HFS	—	86	—	20	20	—	—	—	39	39	—	—	11	3	3
<b>Total liabilities</b>	<b>22,952</b>	<b>20,919</b>	<b>17,639</b>	<b>16,730</b>	<b>16,730</b>	<b>15,481</b>	<b>15,032</b>	<b>14,866</b>	<b>14,764</b>	<b>14,764</b>	<b>13,598</b>	<b>12,801</b>	<b>13,302</b>	<b>12,025</b>	<b>12,025</b>
<b>Total equity</b>	<b>4,942</b>	<b>4,751</b>	<b>5,995</b>	<b>5,308</b>	<b>5,308</b>	<b>5,386</b>	<b>5,083</b>	<b>5,087</b>	<b>5,375</b>	<b>5,375</b>	<b>5,049</b>	<b>4,936</b>	<b>4,952</b>	<b>3,820</b>	<b>3,820</b>
<b>Total liabilities and equity</b>	<b>27,894</b>	<b>25,670</b>	<b>23,634</b>	<b>22,038</b>	<b>22,038</b>	<b>20,867</b>	<b>20,115</b>	<b>19,953</b>	<b>20,139</b>	<b>20,139</b>	<b>18,647</b>	<b>17,737</b>	<b>18,254</b>	<b>15,845</b>	<b>15,845</b>

# Net Debt and Leverage Ratios

(in \$M, except ratios)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Short term debt & current LT debt	1,682	1,622	795	1,167	1,167	817	745	706	900	900	904	834	873	500	500
LT debt, net of current maturities	10,334	8,046	5,444	4,345	4,345	4,116	4,363	4,236	4,065	4,065	3,874	3,695	3,850	3,900	3,900
<b>Total debt</b>	<b>12,016</b>	<b>9,668</b>	<b>6,239</b>	<b>5,512</b>	<b>5,512</b>	<b>4,933</b>	<b>5,108</b>	<b>4,942</b>	<b>4,965</b>	<b>4,965</b>	<b>4,778</b>	<b>4,529</b>	<b>4,723</b>	<b>4,400</b>	<b>4,400</b>
Less: Cash and cash equivalents	(5,509)	(3,079)	(3,919)	(2,968)	(2,968)	(2,460)	(2,699)	(2,919)	(2,672)	(2,672)	(2,209)	(2,260)	(2,091)	(1,858)	(1,858)
<b>Net debt</b>	<b>6,507</b>	<b>6,589</b>	<b>2,320</b>	<b>2,544</b>	<b>2,544</b>	<b>2,473</b>	<b>2,409</b>	<b>2,023</b>	<b>2,293</b>	<b>2,293</b>	<b>2,569</b>	<b>2,269</b>	<b>2,632</b>	<b>2,542</b>	<b>2,542</b>
<b>Net interest expense <sup>(1)</sup></b>	<b>240</b>	<b>274</b>	<b>268</b>	<b>263</b>	<b>263</b>	<b>222</b>	<b>196</b>	<b>165</b>	<b>139</b>	<b>139</b>	<b>114</b>	<b>85</b>	<b>77</b>	<b>65</b>	<b>65</b>
Adjusted EBITDA <sup>(1) (2)</sup>	2,970	2,781	2,581	2,542	2,542	2,653	2,681	2,693	2,658	2,658	2,557	2,421	2,332	2,274	2,274
Adjusted EBIT <sup>(1) (2)</sup>	1,599	1,353	1,125	1,102	1,102	1,244	1,307	1,362	1,375	1,375	1,302	1,225	1,179	1,157	1,157
Free cash flow <sup>(1) (2)</sup>	1,684	572	(149)	(652)	(652)	(850)	(749)	207	743	743	1,035	254	561	737	737
<b>Gross debt / Adjusted EBITDA <sup>(1)</sup></b>	<b>4.05x</b>	<b>3.48x</b>	<b>2.42x</b>	<b>2.17x</b>	<b>2.17x</b>	<b>1.86x</b>	<b>1.91x</b>	<b>1.84x</b>	<b>1.87x</b>	<b>1.87x</b>	<b>1.87x</b>	<b>1.87x</b>	<b>2.03x</b>	<b>1.93x</b>	<b>1.93x</b>
<b>Net debt / Adjusted EBITDA <sup>(1)</sup></b>	<b>2.19x</b>	<b>2.37x</b>	<b>0.90x</b>	<b>1.00x</b>	<b>1.00x</b>	<b>0.93x</b>	<b>0.90x</b>	<b>0.75x</b>	<b>0.86x</b>	<b>0.86x</b>	<b>1.00x</b>	<b>0.94x</b>	<b>1.13x</b>	<b>1.12x</b>	<b>1.12x</b>
<b>Net debt / Free cash flow <sup>(1)</sup></b>	<b>3.86x</b>	<b>11.52x</b>	<b>(15.57x)</b>	<b>(3.90x)</b>	<b>(3.90x)</b>	<b>(2.91x)</b>	<b>(3.22x)</b>	<b>9.77x</b>	<b>3.09x</b>	<b>3.09x</b>	<b>2.48x</b>	<b>8.93x</b>	<b>4.69x</b>	<b>3.45x</b>	<b>3.45x</b>
<b>Adjusted EBIT / Net interest expense <sup>(1)</sup></b>	<b>6.66x</b>	<b>4.94x</b>	<b>4.20x</b>	<b>4.19x</b>	<b>4.19x</b>	<b>5.60x</b>	<b>6.67x</b>	<b>8.25x</b>	<b>9.89x</b>	<b>9.89x</b>	<b>11.42x</b>	<b>14.41x</b>	<b>15.31x</b>	<b>17.80x</b>	<b>17.80x</b>
<b>Free cash flow / Net interest expense <sup>(1)</sup></b>	<b>7.02x</b>	<b>2.09x</b>	<b>(0.56x)</b>	<b>(2.48x)</b>	<b>(2.48x)</b>	<b>(3.83x)</b>	<b>(3.82x)</b>	<b>1.25x</b>	<b>5.35x</b>	<b>5.35x</b>	<b>9.08x</b>	<b>2.99x</b>	<b>7.29x</b>	<b>11.34x</b>	<b>11.34x</b>

<sup>(1)</sup> Measures expressed on a trailing 12-month basis for comparability purposes to balance sheet measures.

<sup>(2)</sup> Defined at end of presentation.

# DXC Working Capital Key Metrics

(in \$M, except days)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Billed & unbilled accounts receivable	3,428	3,363	3,203	3,222	3,222	3,205	3,053	2,905	3,065	3,065	2,852	2,724	2,689	2,635	2,635
Revenue	4,502	4,554	4,288	4,385	17,729	4,141	4,027	4,089	4,008	16,265	3,707	3,566	3,566	3,591	14,430
One day of sales	49	50	47	48	49	46	44	45	44	45	41	39	39	39	40
<b>Days sales outstanding (DSO)</b>	<b>69</b>	<b>67</b>	<b>68</b>	<b>67</b>	<b>66</b>	<b>70</b>	<b>69</b>	<b>65</b>	<b>70</b>	<b>69</b>	<b>70</b>	<b>70</b>	<b>69</b>	<b>67</b>	<b>67</b>
Total cost of sales & SG&A expense	4,168	4,102	3,850	4,032	16,152	3,638	3,458	3,519	3,476	14,091	3,279	3,099	3,114	3,129	12,621
Less: Payroll & related expense <sup>(1)</sup>	(2,027)	(1,979)	(1,862)	(1,887)	(7,755)	(1,841)	(1,747)	(1,759)	(1,761)	(7,108)	(1,747)	(1,661)	(1,641)	(1,698)	(6,747)
Less: Other employee related expense <sup>(1)</sup>	(36)	(26)	(20)	(29)	(111)	(20)	(22)	(23)	(34)	(99)	(33)	(26)	(26)	(25)	(110)
<b>Cost of sales &amp; SG&amp;A for DPO</b>	<b>2,105</b>	<b>2,097</b>	<b>1,968</b>	<b>2,116</b>	<b>8,286</b>	<b>1,777</b>	<b>1,689</b>	<b>1,737</b>	<b>1,681</b>	<b>6,884</b>	<b>1,499</b>	<b>1,412</b>	<b>1,447</b>	<b>1,406</b>	<b>5,764</b>
Accounts payable	1,522	1,345	852	914	914	857	724	759	840	840	795	857	852	782	782
One day of COS & SG&A	23	23	22	23	23	20	19	19	18	19	16	16	16	15	16
<b>Days purchases outstanding (DPO)</b>	<b>66</b>	<b>58</b>	<b>39</b>	<b>39</b>	<b>40</b>	<b>44</b>	<b>39</b>	<b>40</b>	<b>45</b>	<b>45</b>	<b>48</b>	<b>55</b>	<b>54</b>	<b>51</b>	<b>50</b>

Note: Quarterly columns may not foot precisely to the amounts reported under cash flows from operating activities in our quarterly reports on Form 10-Q and related earnings releases due to rounding; no retrospective changes were made to earlier periods.

Note: Days sales outstanding, days purchases outstanding, one day of sales calculation, and one day of COS and SG&A methodology utilizes 91-day quarters and 365-day years.

<sup>(1)</sup> Payroll and related expense plus other employee related expense are subtracted out of our cost of sales and SG&A for DPO purposes in order to reflect the company's expense amounts that flow through accounts payable.

# DXC Cash Flows from Operating Activities

Cash Flows from Operating Activities (in \$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>Net Income</b>	<b>(199)</b>	<b>(246)</b>	<b>1,103</b>	<b>(804)</b>	<b>(146)</b>	<b>282</b>	<b>(187)</b>	<b>102</b>	<b>539</b>	<b>736</b>	<b>103</b>	<b>28</b>	<b>61</b>	<b>(758)</b>	<b>(566)</b>
Depreciation & amortization	496	529	481	482	1,988	427	452	430	433	1,742	398	388	383	382	1,551
Operating right of use expense	156	151	156	153	616	130	124	117	113	484	106	108	97	93	404
Pension & other post-employment benefits	2	—	—	517	519	—	—	7	(691)	(684)	—	—	—	1,431	1,431
Share-based compensation	16	20	6	14	56	25	26	26	24	101	28	27	26	27	108
Deferred taxes	—	—	(319)	(84)	(403)	(25)	(16)	58	238	255	(38)	(65)	(67)	(439)	(609)
(Gain)/loss on dispositions	4	10	(2,037)	40	(1,983)	(414)	(1)	13	(19)	(421)	(62)	30	(11)	(217)	(260)
Provision for loss on A/R	35	10	7	1	53	(3)	1	3	4	5	2	(2)	—	(1)	(1)
Unrealized Fx (gain)/loss	(11)	(32)	(17)	24	(36)	(8)	(11)	(1)	8	(12)	46	23	11	(72)	8
Impairment losses & contract write-offs	—	42	26	207	275	—	17	4	30	51	—	21	10	16	47
Debt extinguishment costs	—	—	—	41	41	28	281	2	—	311	—	—	—	—	—
Amortization of debt issuance costs	—	—	—	3	3	—	—	—	—	—	—	—	—	4	4
Cash surrender value	—	—	—	(3)	(3)	—	—	—	(24)	(24)	—	—	—	(17)	(17)
Other non-cash charges, net	7	(12)	3	3	1	3	—	(2)	14	15	3	(5)	(1)	7	4
<b>Changes in assets and liabilities</b>															
Receivables	8	222	143	(116)	257	99	214	88	(173)	228	7	(42)	259	188	412
Prepaid expenses & other current assets	(108)	(65)	(112)	(14)	(299)	(73)	108	(50)	(33)	(48)	(76)	(74)	10	21	(119)
Accounts payable & accruals	(82)	207	(640)	(12)	(527)	(336)	(192)	(86)	(100)	(714)	(122)	(16)	(171)	(115)	(424)
Income taxes payable & tax liability	(31)	(114)	1,143	(564)	434	48	(243)	(67)	(53)	(315)	(35)	(91)	73	(108)	(161)
Operating lease liability	(156)	(151)	(156)	(153)	(616)	(130)	(124)	(117)	(113)	(484)	(106)	(108)	(97)	(93)	(404)
Advance contract payment & def. revenue	(23)	(91)	34	14	(66)	(80)	106	176	68	270	(80)	(8)	42	57	11
Other operating activities, net	5	(8)	(8)	(29)	(40)	(2)	8	(7)	6	5	(11)	(2)	—	9	(4)
<b>Cash flows from operating activities</b>	<b>119</b>	<b>472</b>	<b>(187)</b>	<b>(280)</b>	<b>124</b>	<b>(29)</b>	<b>563</b>	<b>696</b>	<b>271</b>	<b>1,501</b>	<b>163</b>	<b>212</b>	<b>625</b>	<b>415</b>	<b>1,415</b>

Note: Changes in assets and liabilities are aggregated and presented in our interim unaudited condensed consolidated statements of cash flows as three line items: “Decrease (increase) in assets,” “Decrease in operating lease liability,” and “Decrease in other liabilities.” The above table disaggregates the three line items on a basis consistent with the presentation in our annual audited financial statements for discussion and analysis purposes only.

Note: Quarterly columns may not foot precisely to the amounts reported under cash flows from operating activities in our quarterly reports on Form 10-Q and related earnings releases due to rounding; no retrospective changes were made to earlier periods.

# DXC Key Cash Flow Drivers

(in \$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>Payments on finance leases &amp; borrowings for asset financing</b>	(245)	(242)	(207)	(236)	(930)	(494)	(177)	(184)	(135)	(990)	(159)	(115)	(125)	(112)	(511)
<b>Less: Originations</b>															
Capital expenditures through financing lease obligations	88	117	72	71	348	71	43	66	53	233	26	18	29	29	102
Investing assets acquired under long-term financing	2	8	16	9	35	35	9	—	—	44	2	4	—	19	25
Operating assets acquired under long-term financing	2	41	3	—	46	111	—	—	(4)	107	34	3	37	32	106
<b>Total origination</b>	<b>92</b>	<b>166</b>	<b>91</b>	<b>80</b>	<b>429</b>	<b>217</b>	<b>52</b>	<b>66</b>	<b>49</b>	<b>384</b>	<b>62</b>	<b>25</b>	<b>66</b>	<b>80</b>	<b>233</b>
<b>Capital lease &amp; asset financing debt accumulation/(paydown)</b>	<b>(153)</b>	<b>(76)</b>	<b>(116)</b>	<b>(156)</b>	<b>(501)</b>	<b>(277)</b>	<b>(125)</b>	<b>(118)</b>	<b>(86)</b>	<b>(606)</b>	<b>(97)</b>	<b>(90)</b>	<b>(59)</b>	<b>(32)</b>	<b>(278)</b>
Purchases of property & equipment	(95)	(61)	(59)	(46)	(261)	(98)	(67)	(52)	(37)	(254)	(68)	(78)	(66)	(55)	(267)
Payments for transition & transformation contract costs	(82)	(54)	(53)	(72)	(261)	(55)	(52)	(45)	(57)	(209)	(57)	(57)	(52)	(57)	(223)
Software purchased & developed	(48)	(54)	(107)	(45)	(254)	(122)	(40)	(49)	(84)	(295)	(50)	(60)	(44)	(34)	(188)
<b>Total capital expenditures</b>	<b>(225)</b>	<b>(169)</b>	<b>(219)</b>	<b>(163)</b>	<b>(776)</b>	<b>(275)</b>	<b>(159)</b>	<b>(146)</b>	<b>(178)</b>	<b>(758)</b>	<b>(175)</b>	<b>(195)</b>	<b>(162)</b>	<b>(146)</b>	<b>(678)</b>
<b>Capital lease originations &amp; capex as a % of revenue</b>	<b>7.0%</b>	<b>7.4%</b>	<b>7.2%</b>	<b>5.5%</b>	<b>6.8%</b>	<b>11.9%</b>	<b>5.2%</b>	<b>5.2%</b>	<b>5.7%</b>	<b>7.0%</b>	<b>6.4%</b>	<b>6.2%</b>	<b>6.4%</b>	<b>6.3%</b>	<b>6.3%</b>
<b>Payments on operating lease liabilities</b>	<b>(156)</b>	<b>(151)</b>	<b>(156)</b>	<b>(153)</b>	<b>(616)</b>	<b>(130)</b>	<b>(124)</b>	<b>(117)</b>	<b>(113)</b>	<b>(484)</b>	<b>(106)</b>	<b>(108)</b>	<b>(97)</b>	<b>(93)</b>	<b>(404)</b>
Less: ROU assets obtained for operating leases, net	275	135	39	81	530	52	17	61	149	279	55	62	76	34	227
<b>Operating lease accumulation/(paydown)</b>	<b>119</b>	<b>(16)</b>	<b>(117)</b>	<b>(72)</b>	<b>(86)</b>	<b>(78)</b>	<b>(107)</b>	<b>(56)</b>	<b>36</b>	<b>(205)</b>	<b>(51)</b>	<b>(46)</b>	<b>(21)</b>	<b>(59)</b>	<b>(177)</b>

# DXC Cash Flow Drivers

(in \$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
Cash paid for restructuring	(61)	(99)	(149)	(133)	(442)	(115)	(86)	(78)	(75)	(354)	(48)	(63)	(43)	(52)	(206)
Cash paid for TSI <sup>(1)</sup>	(88)	(81)	(135)	(56)	(360)	(9)	(3)	(11)	(3)	(26)	(2)	(4)	(6)	(4)	(16)
<b>Total cash paid for restructuring &amp; TSI</b>	<b>(149)</b>	<b>(180)</b>	<b>(284)</b>	<b>(189)</b>	<b>(802)</b>	<b>(124)</b>	<b>(89)</b>	<b>(89)</b>	<b>(78)</b>	<b>(380)</b>	<b>(50)</b>	<b>(67)</b>	<b>(49)</b>	<b>(56)</b>	<b>(222)</b>
Interest expense	(106)	(96)	(82)	(77)	(361)	(62)	(61)	(38)	(43)	(204)	(37)	(44)	(56)	(63)	(200)
Interest income	23	25	28	22	98	20	16	15	14	65	20	28	41	46	135
<b>Net interest expense</b>	<b>(83)</b>	<b>(71)</b>	<b>(54)</b>	<b>(55)</b>	<b>(263)</b>	<b>(42)</b>	<b>(45)</b>	<b>(23)</b>	<b>(29)</b>	<b>(139)</b>	<b>(17)</b>	<b>(16)</b>	<b>(15)</b>	<b>(17)</b>	<b>(65)</b>
<b>Cash paid for taxes on income, net of refunds</b>	<b>(31)</b>	<b>(53)</b>	<b>(75)</b>	<b>(639)</b>	<b>(798)</b>	<b>(52)</b>	<b>(222)</b>	<b>(52)</b>	<b>(68)</b>	<b>(394)</b>	<b>(53)</b>	<b>(177)</b>	<b>(59)</b>	<b>(119)</b>	<b>(408)</b>

<sup>(1)</sup> Cash paid for Transaction, Separation and Integration-Related Costs is presented on a cash basis through Q4 FY21, as the company tracked the cash outflows for the purposes of reporting a Non-GAAP adjusted free cash flow metric, which was discontinued in FY21. Beginning in Q1 FY22, TSI quarterly expense is presented as equivalent to the cash paid for TSI as the differences between the two metrics are deemed immaterial.

# DXC Free Cash Flow

Free Cash Flow (in \$M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Total FY23
<b>Cash flows from operating activities</b>	<b>119</b>	<b>472</b>	<b>(187)</b>	<b>(280)</b>	<b>124</b>	<b>(29)</b>	<b>563</b>	<b>696</b>	<b>271</b>	<b>1,501</b>	<b>163</b>	<b>212</b>	<b>625</b>	<b>415</b>	<b>1,415</b>
<b>Less capex</b>															
Purchase of property & equipment	(95)	(61)	(59)	(46)	(261)	(98)	(67)	(52)	(37)	(254)	(68)	(78)	(66)	(55)	(267)
Payments for transition & transformation contract costs	(82)	(54)	(53)	(72)	(261)	(55)	(52)	(45)	(57)	(209)	(57)	(57)	(52)	(57)	(223)
Software purchased & developed	(48)	(54)	(107)	(45)	(254)	(122)	(40)	(49)	(84)	(295)	(50)	(60)	(44)	(34)	(188)
<b>Total capex</b>	<b>(225)</b>	<b>(169)</b>	<b>(219)</b>	<b>(163)</b>	<b>(776)</b>	<b>(275)</b>	<b>(159)</b>	<b>(146)</b>	<b>(178)</b>	<b>(758)</b>	<b>(175)</b>	<b>(195)</b>	<b>(162)</b>	<b>(146)</b>	<b>(678)</b>
<b>Free Cash Flow</b>	<b>(106)</b>	<b>303</b>	<b>(406)</b>	<b>(443)</b>	<b>(652)</b>	<b>(304)</b>	<b>404</b>	<b>550</b>	<b>93</b>	<b>743</b>	<b>(12)</b>	<b>17</b>	<b>463</b>	<b>269</b>	<b>737</b>
<b>Additional cash information</b>															
Payments on finance leases & borrowings for asset financing	(245)	(242)	(207)	(236)	(930)	(494)	(177)	(184)	(135)	(990)	(159)	(115)	(125)	(112)	(511)
Cash paid for restructuring expense	(61)	(99)	(149)	(133)	(442)	(115)	(86)	(78)	(75)	(354)	(48)	(63)	(43)	(52)	(206)
Cash paid for interest expense	(103)	(65)	(94)	(72)	(334)	(65)	(90)	(22)	(50)	(227)	(22)	(52)	(41)	(73)	(188)
Cash paid for taxes on income, net of refunds	(31)	(53)	(75)	(639)	(798)	(52)	(222)	(52)	(68)	(394)	(53)	(177)	(59)	(119)	(408)
Business dispositions	—	—	4,942	5	4,947	513	—	6	14	533	(36)	87	1	(199)	(147)
Proceeds from sale of assets	6	2	19	137	164	67	20	8	5	100	14	95	56	6	171

# Q4 FY23 Non-GAAP Reconciliation: Organic Revenue – Offerings

(in \$M)	Analytics & Engineering	Applications	Insurance Software & Business Process Services (BPS)	Security	Cloud Infrastructure & IT Outsourcing	Modern Workplace	Acquisitions & Divestitures	Total
Revenue	558	786	390	113	1,270	457	17	\$ 3,591
Prior-year revenue	529	827	385	120	1,479	507	161	4,008
YoY change \$	\$ 29	\$ (41)	\$ 5	\$ (7)	\$ (209)	\$ (50)	\$ (144)	\$ (417)
<b>YoY change %</b>								
Revenue	5.5%	(5.0%)	1.3%	(5.8%)	(14.1%)	(9.9%)	-	(10.4%)
Foreign currency	3.0%	4.5%	4.6%	5.4%	3.6%	4.6%	-	3.9%
Acquisitions & divestitures	-	-	-	-	-	-	-	3.6%
<b>Organic revenue growth/(decline) %</b>	<b>8.5%</b>	<b>(0.5%)</b>	<b>5.9%</b>	<b>(0.4%)</b>	<b>(10.5%)</b>	<b>(5.3%)</b>	-	<b>(2.9%)</b>

# Currency Impact

Quarterly averages (US\$ per currency)	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	YoY Change	Spot 5/8/23	Q1 FY24E	Q2 FY24E	Q3 FY24E	Q4 FY24E	FY24E
Euro	1.07	1.01	1.02	1.07	(4%)	1.10	3%	9%	8%	3%	6%
Pound sterling	1.26	1.18	1.17	1.22	(9%)	1.26	0%	7%	8%	4%	4%
Australian dollar	0.72	0.68	0.66	0.68	(6%)	0.68	(5%)	(1%)	3%	(1%)	(1%)
<b>Currency impact on revenue</b>	<b>(5.8%)</b>	<b>(7.4%)</b>	<b>(6.6%)</b>	<b>(3.9%)</b>							
Revenue impact @ 5/8/23 spot							0.0%	3.3%	3.7%	1.3%	2.0%
<i>Prior view @ 1/19/23 spot</i>					<i>(3.1%)</i>						

# Non-GAAP and Other Definitions

**Segment profit:** Segment revenue less costs of services, segment selling, general and administrative, depreciation and amortization, and other income, excluding the movement in foreign currency exchange rates on our foreign currency denominated assets and liabilities and the related economic hedges, restructuring costs, transaction, separation and integration-related costs, amortization of acquired intangible assets, pension and OPEB actuarial and settlement losses and gain on disposition of businesses

**Segment profit margin:** Segment profit as a percentage of segment revenue

**Earnings before interest and taxes (EBIT):** Net income (loss) less income from discontinued operations, net of taxes, interest expense, interest income, and income tax expense (benefit)

**Earnings before interest, taxes, depreciation and amortization (EBITDA):** Net income (loss) less income from discontinued operations, net of taxes, interest expense, interest income, income tax expense (benefit), depreciation, and amortization

**EBIT margin:** EBIT as a percentage of revenue

**Adjusted EBIT:** EBIT excluding restructuring costs, merger related indemnification expense, debt extinguishment costs, transaction, separation and integration-related costs, amortization expense related to acquired intangible assets, pension and OPEB actuarial and settlement losses, gain on disposition of businesses, and impairments

**Adjusted EBIT margin:** Adjusted EBIT as a percentage of revenue

**Adjusted EBITDA:** EBITDA excluding restructuring costs, merger related indemnification expense, debt extinguishment costs, transaction, separation and integration-related costs, pension and OPEB actuarial and settlement losses, gain on disposition of businesses, and impairments

**Adjusted EBITDA margin:** Adjusted EBITDA as a percentage of revenue

**Free cash flow:** Cash flows from operating activities excluding capital expenditures for property and equipment, transition and transformation contract costs, and software purchased and developed

**Capital expenditure:** Equal to the sum of purchases of property, equipment, and software, and payments on transition and transformation costs, less proceeds from sales of assets

**Organic revenue:** Excludes the impacts of acquisitions and divestitures from financial results on a constant currency basis

**Organic revenue growth:** Calculated by dividing the current period change in organic revenues by GAAP revenues reported in the prior comparable period

**Non-GAAP gross profit:** Revenue less Non-GAAP cost of sales

# Non-GAAP Adjustments

## Our Non-GAAP adjustments include:

- **Restructuring costs:** Includes costs, net of reversals, related to workforce and real estate optimization and other similar charges.
- **Transaction, separation and integration-related (“TSI”) costs:** Includes costs related to integration, planning, financing and advisory fees and other similar charges associated with mergers, acquisitions, strategic investments, joint ventures, and dispositions and other similar transactions.
- **Amortization of acquired intangible assets:** Includes amortization of intangible assets acquired through business combinations.
- **Pension and OPEB actuarial and settlement gains and losses:** Pension and OPEB actuarial mark to market adjustments and settlement gains and losses.
- **Merger related indemnification:** Represents the company’s current estimate of potential liability to HPE for a tax related indemnification; on the Forsyth v. HP Inc. and HPE litigation; and indemnification on the company’s final liability to HPE on the Oracle v. HPE litigation; both these obligations are pursuant to HPES merger. See *Note 21 – Commitments and contingencies* within our Annual Report on Form 10-K for FY23 for further details.
- **SEC matter:** Represents the company’s current estimate of potential liability related to a previously disclosed investigation into its historical determination and disclosure of certain “transaction, separation, and integration-related costs” as part of the company’s Non-GAAP adjustments.
- **Gains and losses on dispositions:** Gains and losses related to dispositions of businesses, strategic assets and interests in less than wholly owned entities.
- **Arbitration loss:** Reflects losses arising from arbitration decisions in the third and fourth quarters of fiscal 2023.
- **Impairment losses:** Impairment losses on assets classified as long-term on the balance sheet.
- **Debt extinguishment costs:** Costs associated with early retirement, redemption, repayment or repurchase of debt and debt-like items including any breakage, make-whole premium, prepayment penalty or similar costs as well as solicitation and other legal and advisory expenses.
- **Tax adjustments:** Reflects discrete tax adjustments to impair or recognize certain deferred tax assets and adjustments for changes in tax legislation. Income tax expense/(benefit) of merger and divestitures is separately computed based on the underlying transaction. Income tax expense of all other (non-discrete) Non-GAAP adjustments is computed by applying the jurisdictional tax rate to the pre-tax adjustments on a jurisdictional basis.

**DXC**

**TECHNOLOGY**