Baird Global Consumer, Technology, & Services Conference

John Sweeney
VP of Investor Relations
June 2022

DELIVERING EXCELLENCE FOR OUR CUSTOMERS AND COLLEAGUES

© 2021 DXC Technology Company. All rights reserved.

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 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, free cash flow, Non-GAAP cost of services, Non-GAAP SG&A expense, Non-GAAP depreciation and amortization, and Non-GAAP other income.

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 provides 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.

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 from “organic basis” financial results, 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” 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.

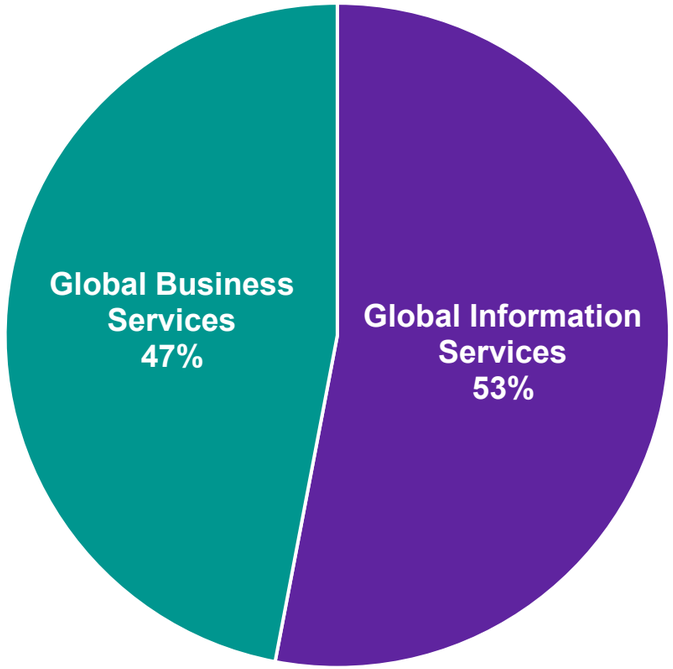
DXC does not provide a reconciliation of Non-GAAP financial measures that it discusses as part of its guidance because certain significant information required for such reconciliation is not available without unreasonable efforts or at all, including, most notably, the impact of significant non-recurring 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 in this 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. 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. These statements represent current expectations and beliefs, and no assurance can be given that the results described in such statements will be achieved. 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. Furthermore, many of these risks and uncertainties are currently amplified by and may continue to be amplified by or may, in the future, be amplified by, the ongoing coronavirus disease 2019 (“COVID-19”) pandemic and the impact of varying private and governmental responses that affect our customers, employees, vendors and the economies and communities where they operate. Important factors that could cause actual results to differ materially from those described in forward-looking statements include, but are not limited to: the uncertainty of the magnitude, duration, geographic reach of the COVID-19 crisis, its impact on the global economy and the impact of current and potential travel restrictions, stay-at-home orders, vaccine mandates and economic restrictions implemented to address the crisis; 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 up the Enterprise Technology Stack; our inability to compete in certain markets and expand our capacity in certain offshore locations and risks associated with such offshore locations such as Russia’s recent invasion of Ukraine and our exit from the Russian market; failure to maintain our credit rating and ability to manage working capital, refinance and raise additional capital for future needs; 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 natural disasters; our inability to retain and hire key personnel and maintain relationships with key partners; the risks associated with prolonged periods of inflation; the risks associated with our international operations, such as risks related to currency exchange rates and Brexit; our inability to comply with governmental regulations or the adoption of new laws or regulations, including social and environmental responsibility regulations, policies and provisions; 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 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; 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 laws and any adverse impact on our effective tax rate; risks following the merger of Computer Sciences Corporation and Enterprise Services business of Hewlett Packard Enterprise Company's businesses, including anticipated tax treatment, unforeseen liabilities and future capital expenditures; and risks following the spin-off of our former U.S. Public Sector business and its related mergers with Vencore Holding Corp. and KeyPoint Government Solutions in June 2018 to form Perspecta Inc., which was acquired by Peraton in May 2021. For a written description of these factors, see the section titled “Risk Factors” in DXC’s Annual Report on Form 10-K for the fiscal year ended March 31, 2022, and any updating information in 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. 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 presentation or to reflect the occurrence of unanticipated events except as required by law.

DXC Overview



$16.3B
FY22 revenue

#207
Fortune 500

60+
years of innovation delivering mission-critical systems for customers

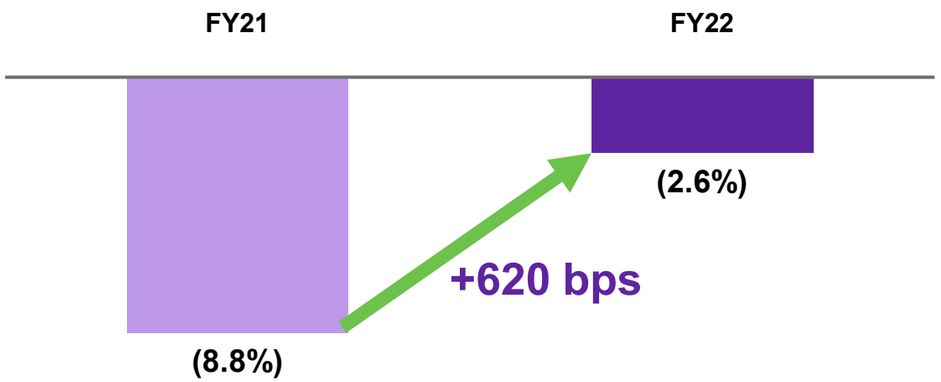
240+
customers in the Fortune 500

130,000+
employees worldwide

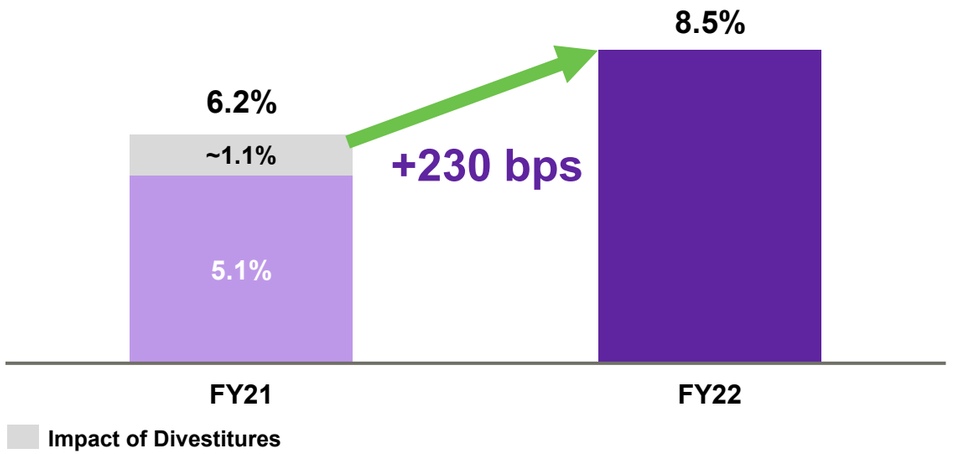
70+
countries

FY22 Performance on Our Transformation Journey

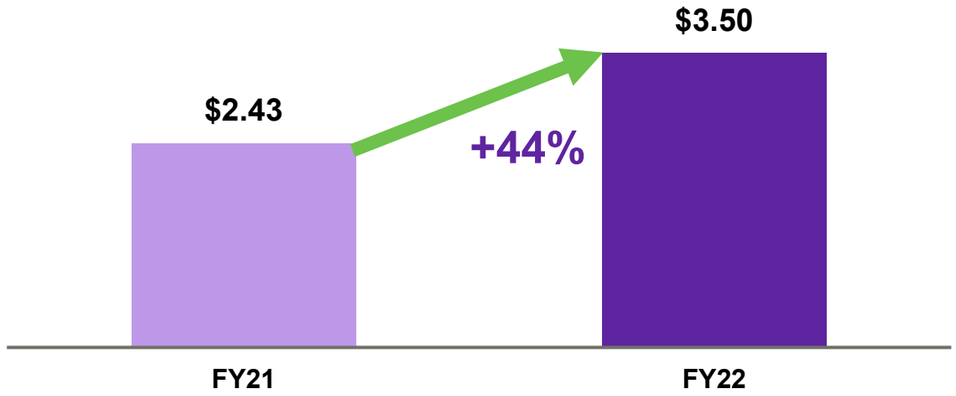
Organic Revenue Growth Trends (YoY)



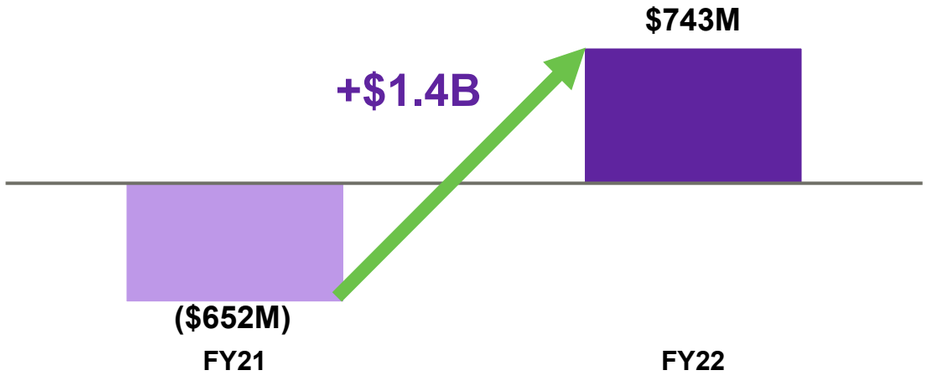
Adjusted EBIT Margin



Non-GAAP Diluted EPS



Free Cash Flow

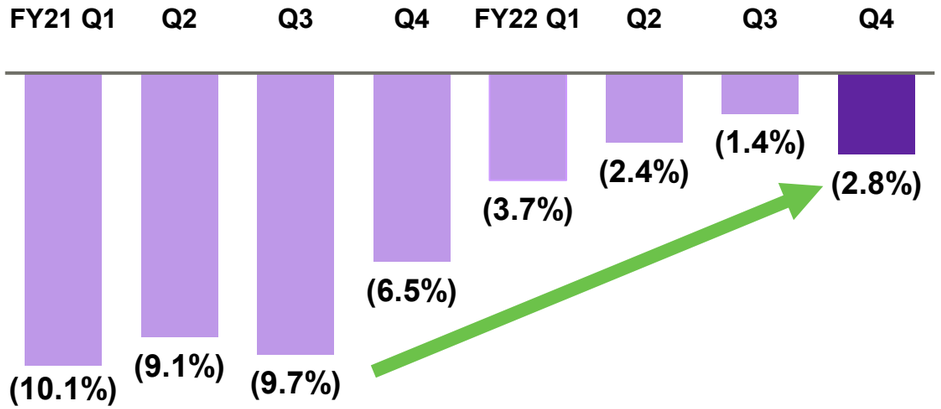


Transformation Journey Creating Value

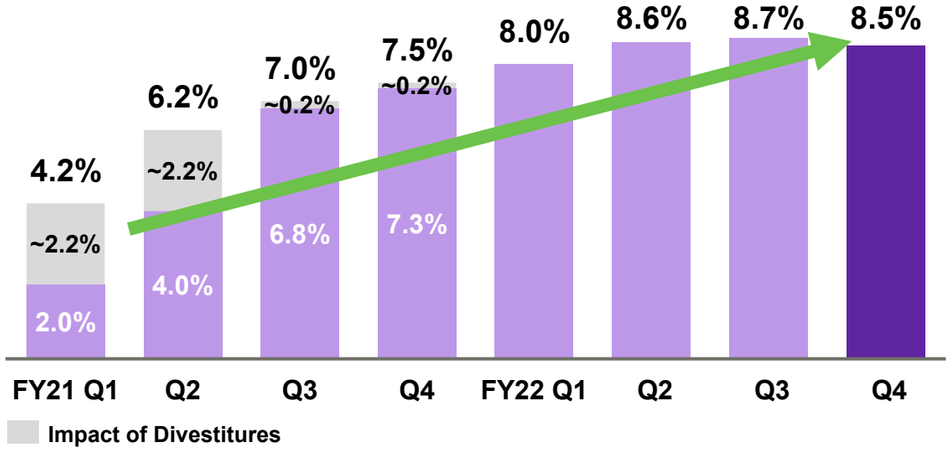
	1 Inspire and Take Care of Our Colleagues	2 Focus on Customers	3 Optimize Costs	4 Seize the Market	5 Build Financial Foundation
Goals	**Increase Employee Engagement**	**Improve Year-over-Year Organic Revenue Growth**	**Expand Adjusted EBIT Margin**	**Improve Book-to-Bill**	**Solidify Fundamentals and Stabilize Operations**
Proof Points	• Cared for colleagues during the COVID-19 crisis • Protected colleagues impacted by Russia and Ukraine conflict	• Increased NPS to 31 (industry best practice range is 20 – 30)	• Executed cost reduction plan • Portfolio shaping – divesting non-core assets	• Achieved trailing 12-month book-to-bill of 1.11x	• Exceeded initial FCF goal of $500M • Refinanced our debt with lower interest cost • Remediated material weakness

Transformation Journey Remains on Track

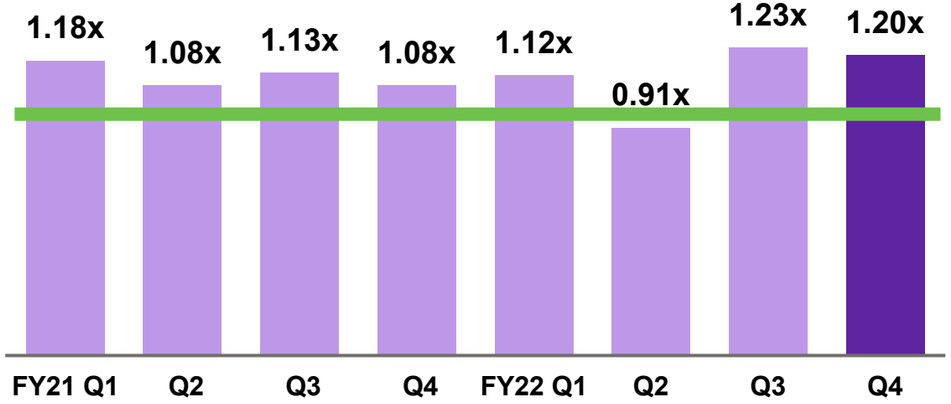
Organic Revenue Growth Trends (YoY)



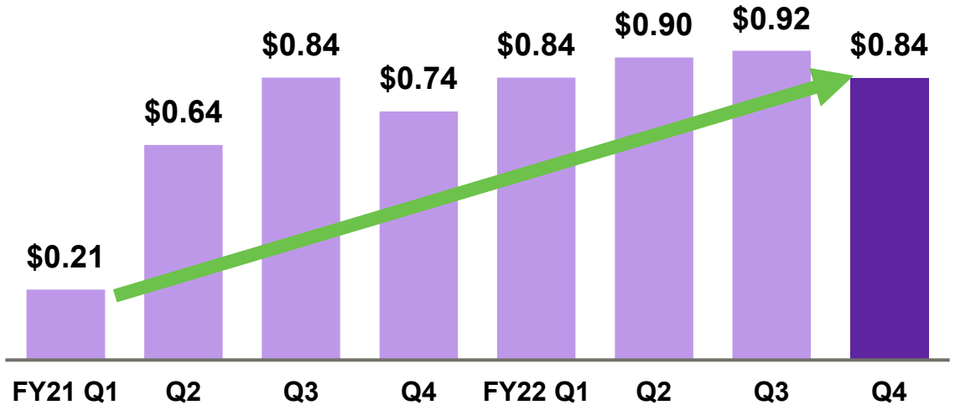
Adjusted EBIT Margin



Book-to-Bill

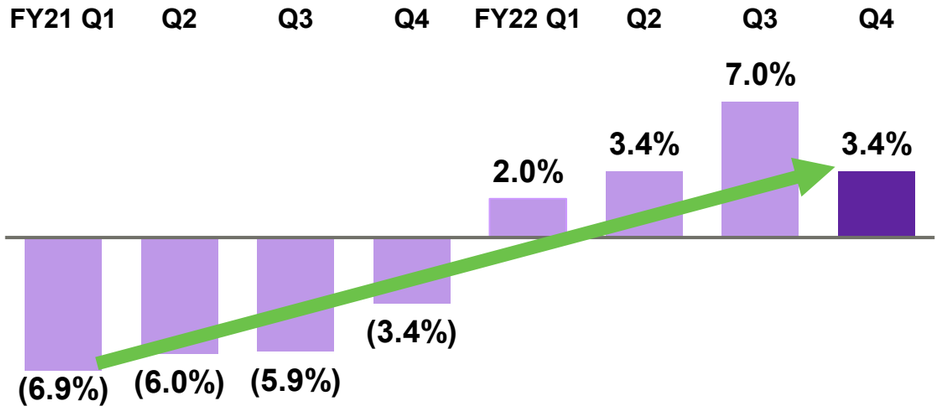


Non-GAAP Diluted EPS

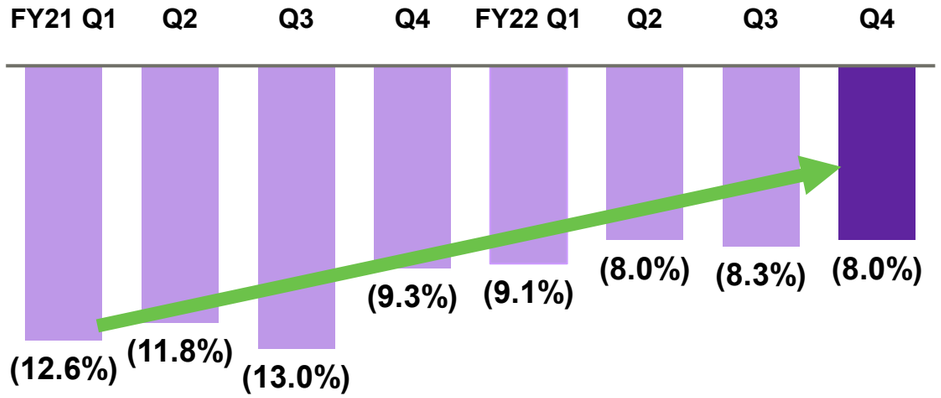


GBS/GIS Results

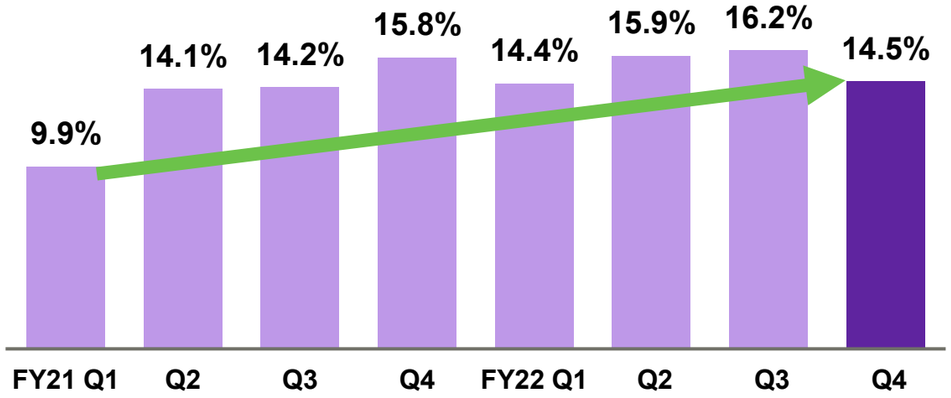
GBS Organic Revenue Growth (YoY)



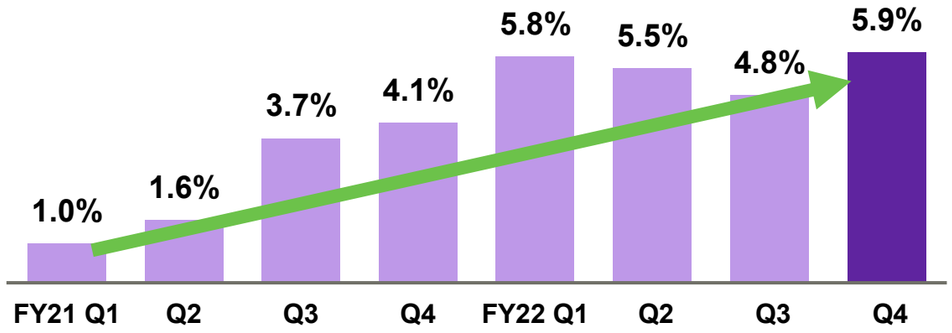
GIS Organic Revenue Growth (YoY)



GBS Segment Profit Margin



GIS Segment Profit Margin



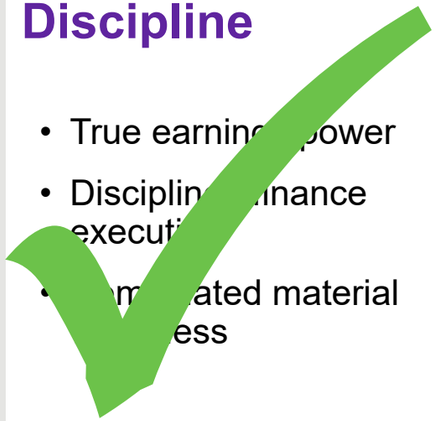
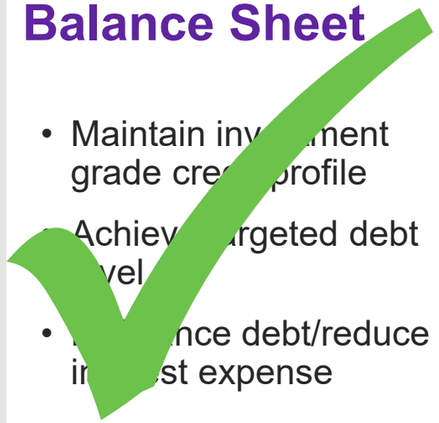
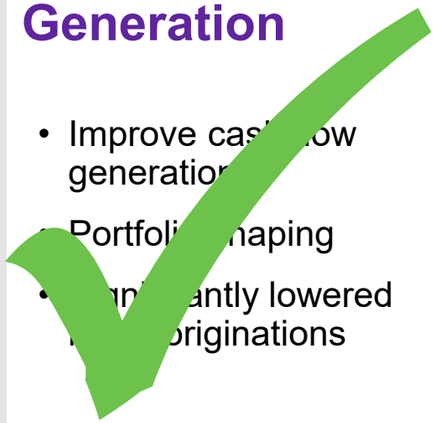
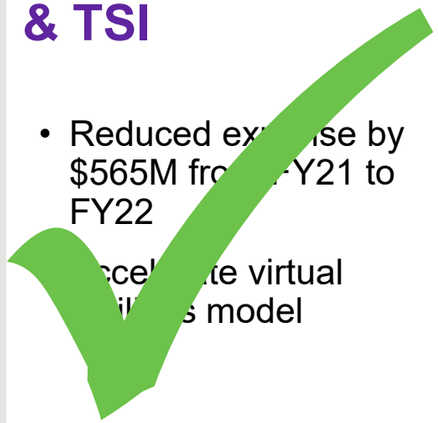
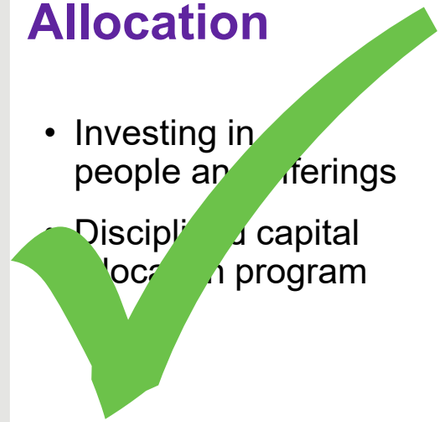
Driving GIS Forward

Disciplined Account Management	Focus on service revenue/not on resale	Price increases	Deal structure/not leveraging the balance sheet	Commercial oversight	**Quality Revenues**
Cost Optimization	Optimize real estate	Data centers	Restructuring and TSI reduction	Contractor and labor efficiency	**Margin Expansion**

Moving to a High-Quality GIS business

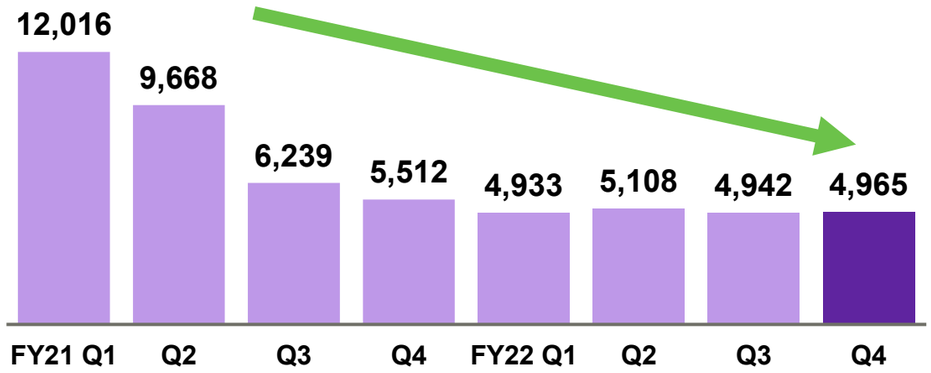
Financial Foundation in a Better Place

1	2	3	4	5
Financial Discipline	**Strengthen Balance Sheet**	**Cash Generation**	**Restructuring & TSI**	**Capital Allocation**
• True earning power • Disciplin finance execut • m ated material ess	• Maintain inv ment grade cre profile • Achiev rgeted debt vel • nce debt/reduce i st expense	• Improve cas ow generatio • Portfoli haping • ntly lowered originations	• Reduced ex se by $565M fr Y21 to FY22 cel te virtual il s model	• Investing in people an ferings • Disciplin capital loca n program

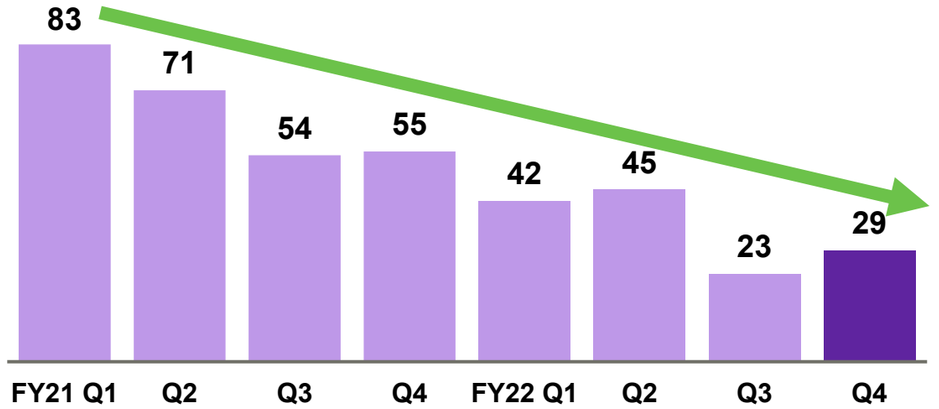






Evidence We Are Building Our Financial Foundation

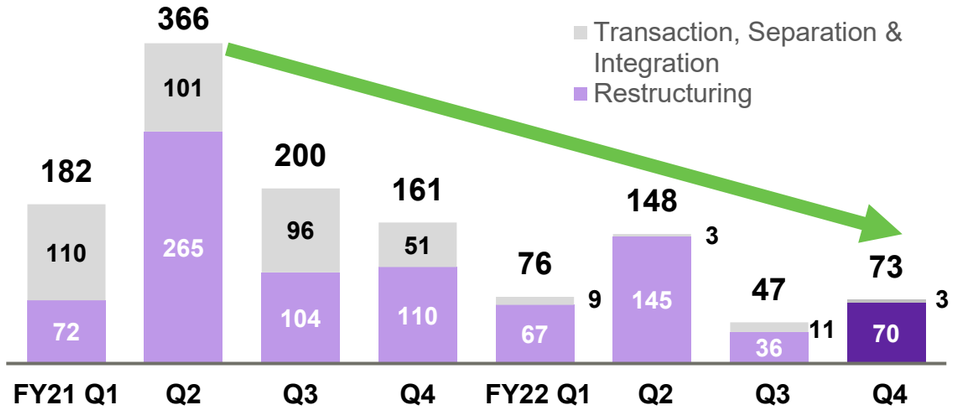
Total Debt ($M)



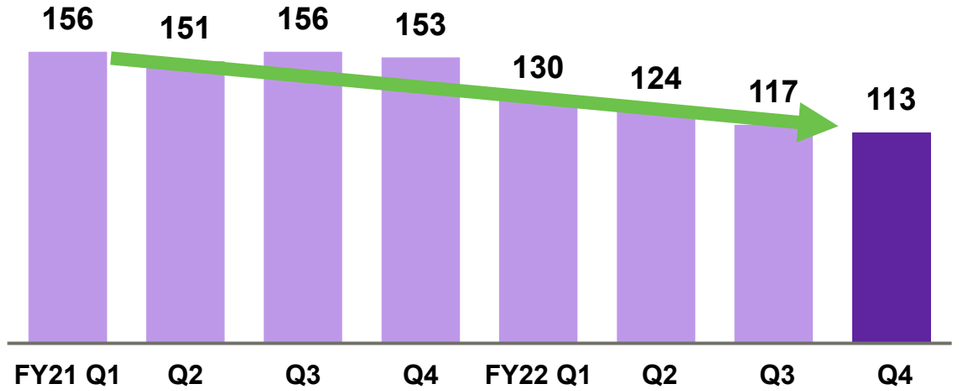
Net Interest Expense ($M)



Restructuring/Transaction, Separation & Integration ($M)

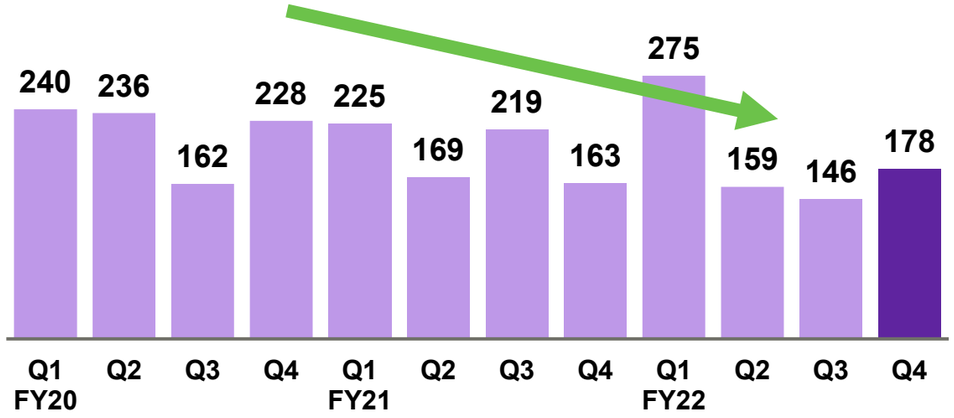


Cash Payments for Operating Leases ($M)

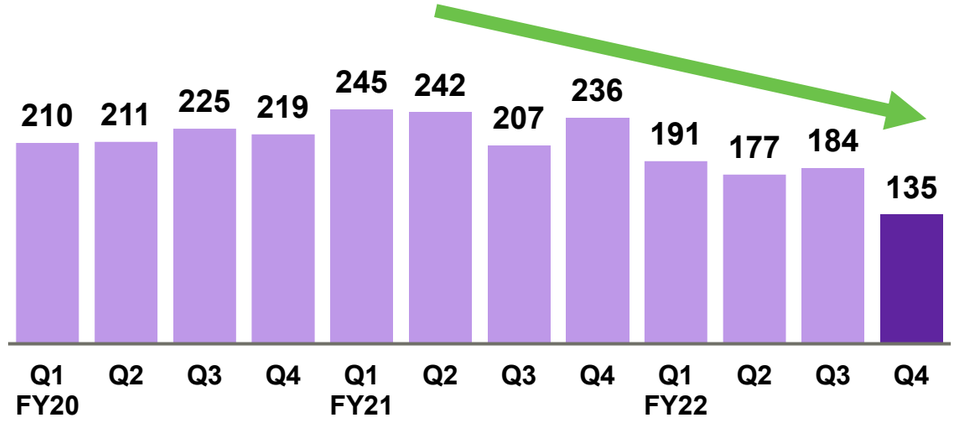


Evidence We Are Building Our Financial Foundation

Capital Expenditures ($M)

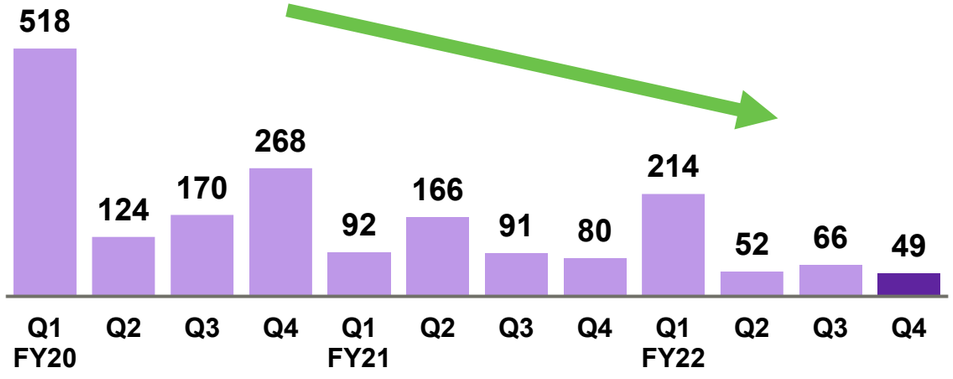


Finance Lease & Asset Financing Payments ($M)

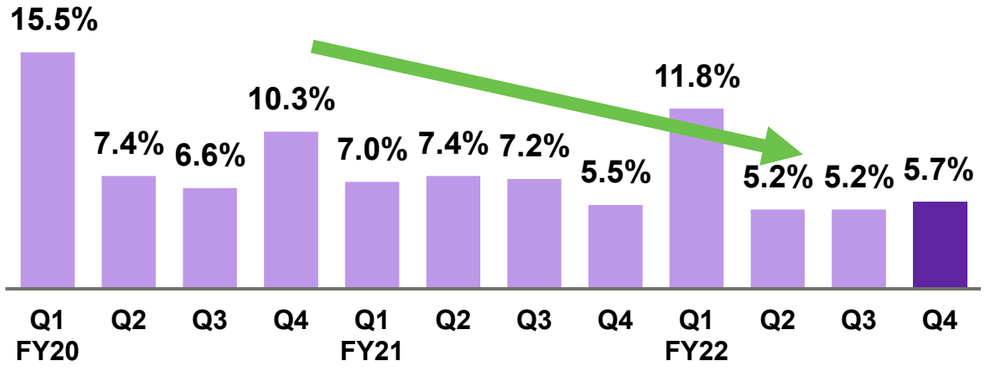


Q1 FY22 excludes $303M of non-scheduled accelerated paydown

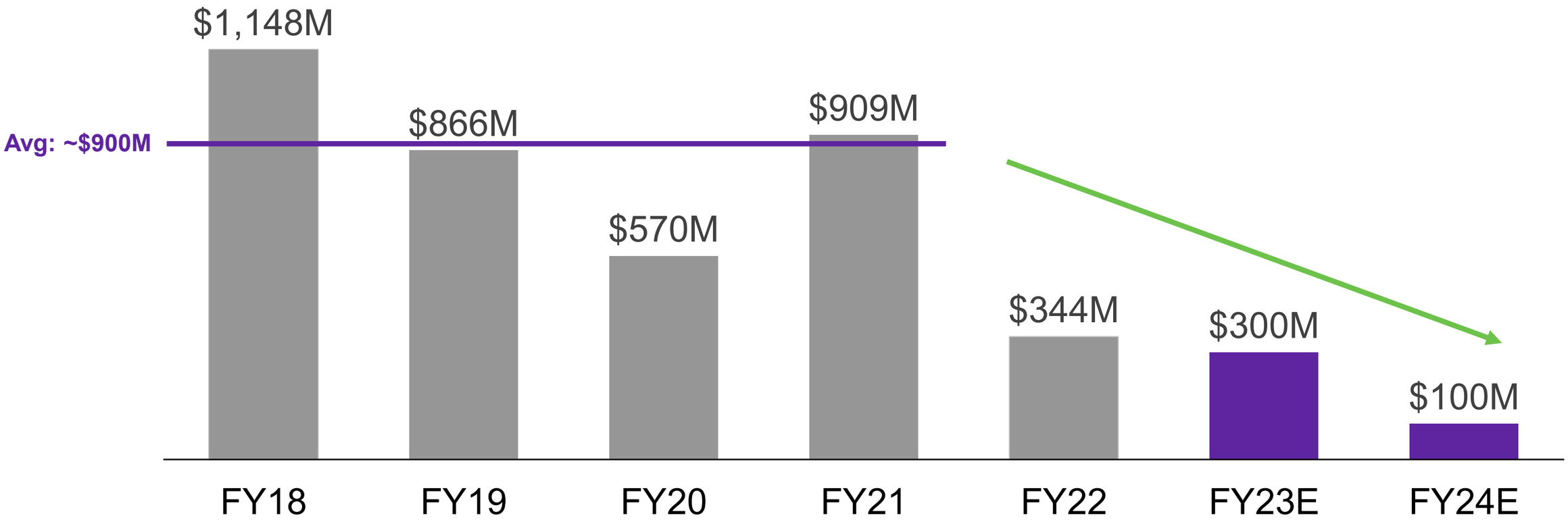
Finance Lease & Asset Financing Originations ($M)



Capital Expenditures & Finance Lease Originations as a % of Revenue

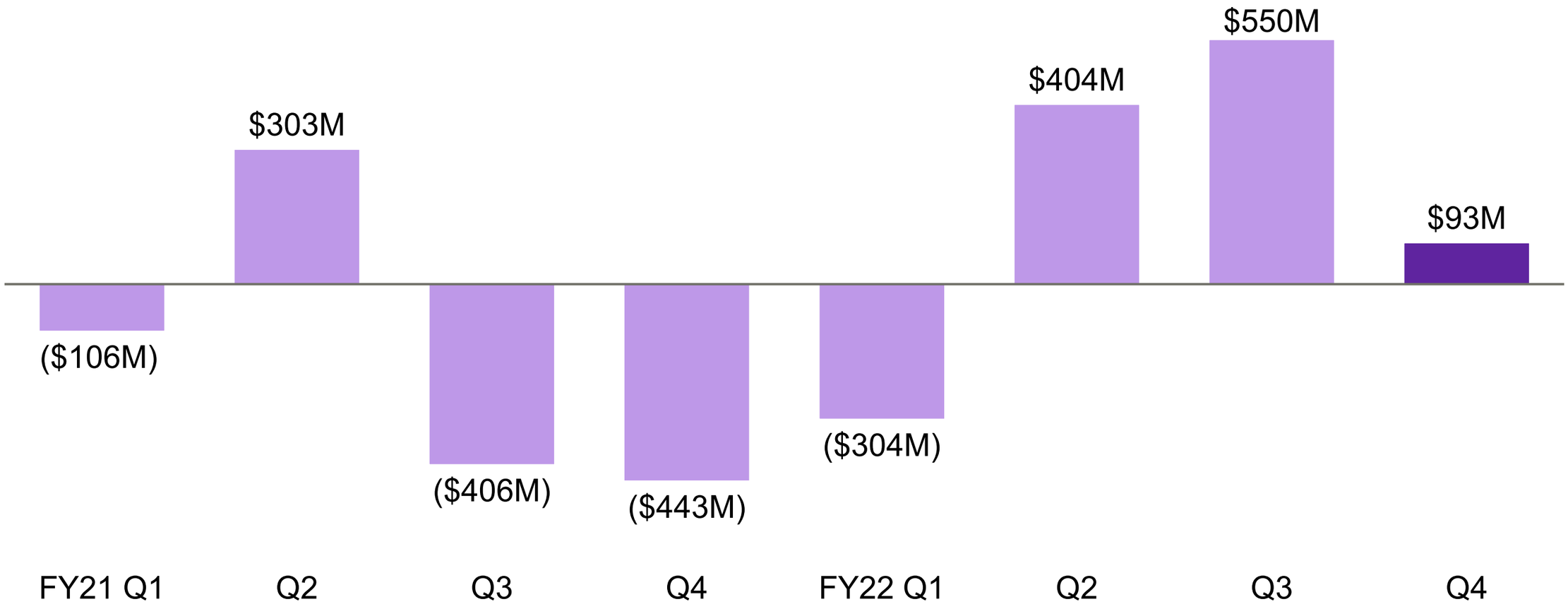


Restructuring and TSI

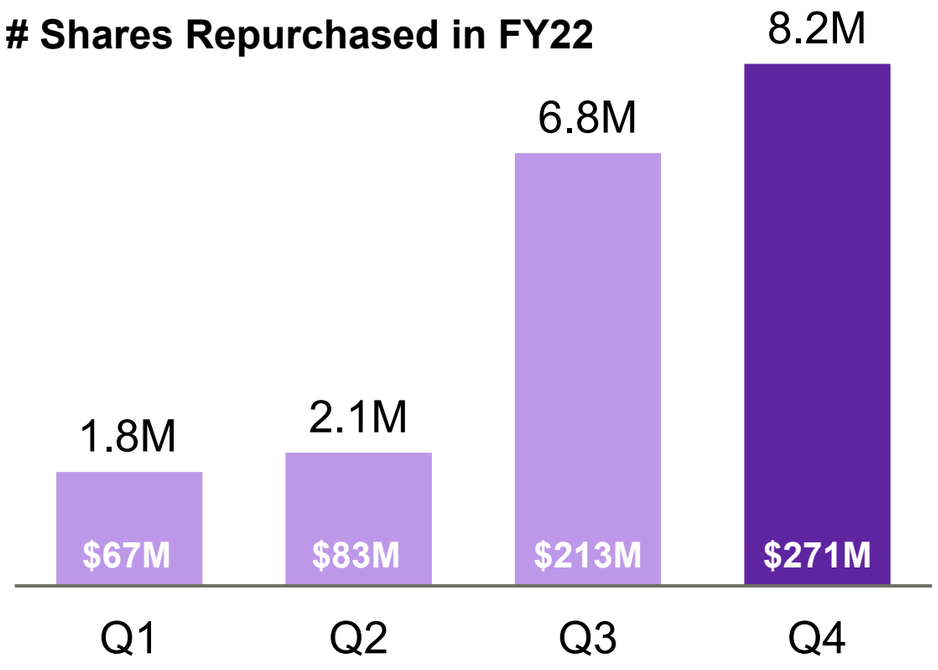


Restructuring and TSI Expense Down From Average Annual Run Rate of ~$900M

Trended Free Cash Flow



Executing Our Disciplined Capital Allocation Plan



Capital Deployment Highlights

- $634M of capital returned to shareholders through buybacks in FY22
- 18.8M shares repurchased or over 7% of shares o/s in FY22
- $1B self-funded repurchase program announced Q3 FY22
  - $770M remaining over the next three quarters
  - Expect to have completed repurchase of $500M of the $1B by end of June
- Targeting $5.0B debt and $2.5B required cash levels
  - Required cash of $1.8B after sale of German Financial Services Business
- $500M portfolio shaping initiatives on track to close by Q3 FY23
  - Portfolio shaping will emphasize quality of revenue and cash generation
- Next phase of portfolio shaping will reduce the focus on IT services, and transition DXC to a higher revenue growth and EBIT margin profile

Governance Checklist

Remediated the Legacy Material Weakness

Executed 11-point plan to address deficiencies and enhanced our control environment ☑

Incentive Metrics Revised Based on Shareholder Feedback

Moving long-term incentive targets to free cash flow and relative total shareholder return ☑

Moving short-term incentive targets to organic growth and adjusted EBIT margin ☑

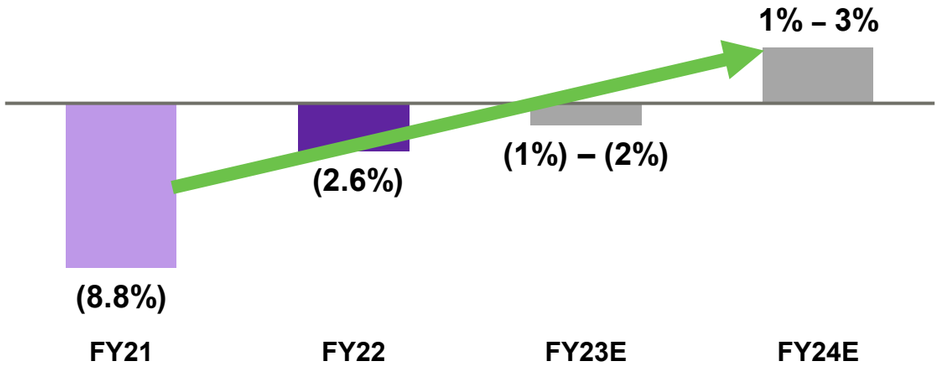
DXC Will Affirm Its Commitment to Governance in the Upcoming Proxy

Improve pay practices, including addressing one-time or special grants, vesting, and lump sum cash payments for voluntary exits ☑

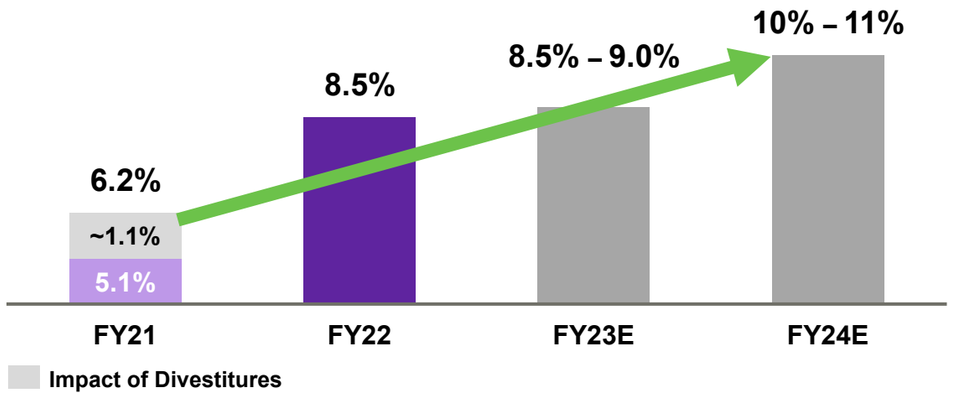
Improve disclosure associated with compensation decisions and provide incentive performance targets ☑

FY23: Setting DXC Up for Success in FY24

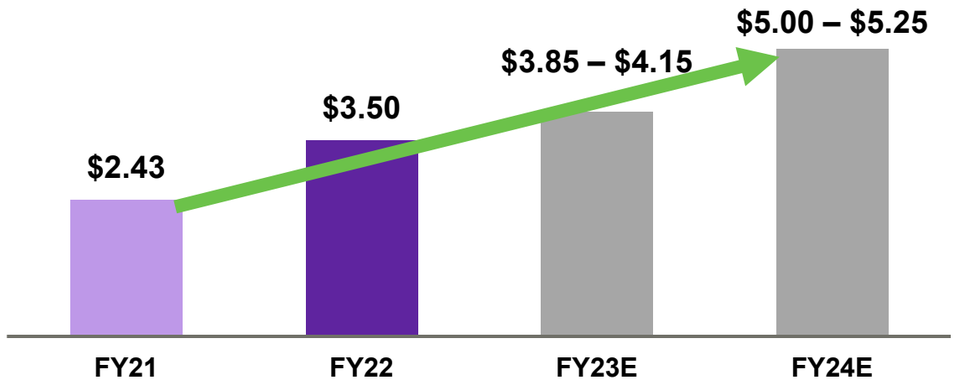
Organic Revenue Growth Trends (YoY)



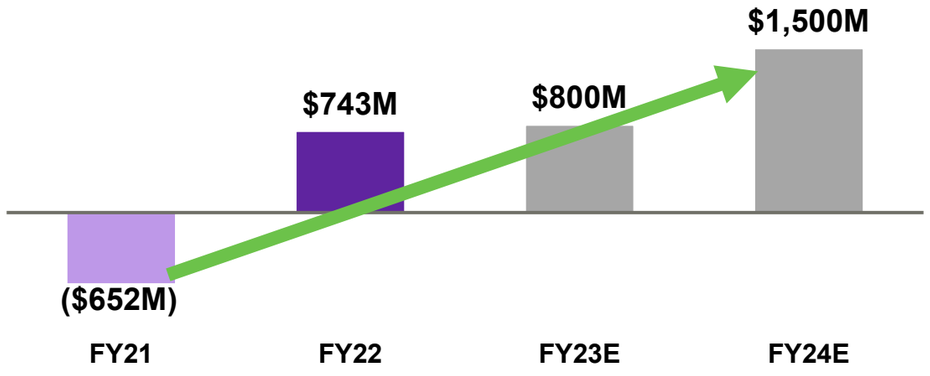
Adjusted EBIT Margin



Non-GAAP Diluted EPS



Free Cash Flow



1 DXC Is in a Better Place

Significant improvement in organic revenue growth, adjusted EBIT and free cash flow

2 Russia's Invasion of Ukraine

Despite the tragedy, our people have done a great job caring for our colleagues and delivering for our customers – do not anticipate a significant financial impact

3 Our Leaders Have Clarity

On the actions needed to continue GBS growth and drive GIS performance

4 Expect our Momentum to Continue

Strong progress on our Transformation Journey sets us up well to deliver longer term

Supplemental Information



FY23 – GBS Actions

GBS	FY22 Revenue
Analytics & Engineering	~2.1B
Applications & Cloud	~4.0B
Insurance Software & BPS	~1.5B

- Have clarity on actions needed to be executed for GBS and GIS
- GBS has grown consistently for four quarters and is composed of digital offerings that are high value for our customers and DXC
- Engineering is differentiated and helps drive revenue growth for our customers
- GBS revenue growth expected to continue in FY23
- 47% of our total revenue: $7.6B

FY23 – GIS Actions

GIS	FY22 Revenue
Security	~0.5B
Cloud Infrastructure & ITO	~5.9B
Modern Workplace	~2.2B

- GIS top priority: improve the financial performance
- Modern Workplace: FY22 improvements drive organic revenue growth and expected to turn positive by end of FY23
- Cloud Infrastructure/ITO focus on:
  - Fixing poor performing contracts
  - Reducing contractor and reducing real estate cost
  - Optimizing the assets of our data centers
- Portfolio shaping to run a company that is higher value to our customers and DXC

GBS/GIS Offerings

		Q4 FY22			
		Revenue ($M)	YoY Organic Growth	Book-to-Bill	TTM Book-to-Bill
GBS	Analytics and Engineering	554	19.7%	1.44x	1.30x
	Applications	1,224	(0.6%)	1.47x	1.26x
	Business Process Services (BPS)	112	(12.8%)	1.42x	0.93x
	Mergers, Acquisitions, and Divestitures	*2*			
	GBS Total	**1,892**	**3.4%**	**1.46x**	**1.24x**
GIS	Cloud and Security	488	(6.9%)	1.04x	0.97x
	IT Outsourcing	1,115	(2.1%)	0.96x	0.96x
	Modern Workplace	513	(19.6%)	0.88x	1.12x
	GIS Total	**2,116**	**(8.0%)**	**0.96x**	**1.01x**
	DXC TOTAL	**4,008**	**(2.8%)**	**1.20x**	**1.11x**

Organic Revenue Growth

GBS (in $M)	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	Total FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	Total FY22
GBS revenue	**2,174**	**2,242**	**1,921**	**1,999**	**8,336**	**1,887**	**1,873**	**1,946**	**1,892**	**7,598**
YoY GBS revenue growth	0.7%	(1.9%)	(18.6%)	(13.4%)	(8.5%)	(13.2%)	(16.5%)	1.3%	(5.4%)	(8.9%)
Foreign currency	1.8%	(1.5%)	(2.2%)	(4.2%)	(1.6%)	(4.7%)	(0.9%)	1.3%	3.2%	(0.4%)
Acquisitions and divestitures	(9.4%)	(2.6%)	14.9%	14.2%	4.5%	19.9%	20.8%	4.4%	5.6%	13.2%
YoY GBS organic revenue growth	**(6.9%)**	**(6.0%)**	**(5.9%)**	**(3.4%)**	**(5.6%)**	**2.0%**	**3.4%**	**7.0%**	**3.4%**	**3.9%**
GBS bookings ($B)	3.5	2.4	2.7	2.4	11.0	2.4	1.7	2.5	2.8	9.4
GBS book-to-bill	1.62x	1.09x	1.35x	1.20x	1.32x	1.29x	0.92x	1.28x	1.46x	1.24x
GIS (in $M)	**Q1 FY21**	**Q2 FY21**	**Q3 FY21**	**Q4 FY21**	**Total FY21**	**Q1 FY22**	**Q2 FY22**	**Q3 FY22**	**Q4 FY22**	**Total FY22**
GIS revenue	**2,328**	**2,312**	**2,367**	**2,386**	**9,393**	**2,254**	**2,154**	**2,143**	**2,116**	**8,667**
YoY GIS revenue growth	(14.8%)	(9.9%)	(11.1%)	(4.8%)	(10.3%)	(3.2%)	(6.8%)	(9.5%)	(11.3%)	(7.7%)
Foreign currency	2.4%	(1.7%)	(2.4%)	(5.0%)	(1.6%)	(6.6%)	(1.9%)	0.9%	2.9%	(1.2%)
Acquisitions and divestitures	(0.2%)	(0.2%)	0.5%	0.5%	0.1%	0.7%	0.7%	0.3%	0.4%	0.5%
YoY GIS organic revenue growth	**(12.6%)**	**(11.8%)**	**(13.0%)**	**(9.3%)**	**(11.8%)**	**(9.1%)**	**(8.0%)**	**(8.3%)**	**(8.0%)**	**(8.4%)**
GIS bookings ($B)	1.8	2.5	2.2	2.3	8.8	2.2	2.0	2.5	2.0	8.7
GIS book-to-bill	0.77x	1.07x	0.95x	0.98x	0.94x	0.97x	0.91x	1.18x	0.96x	1.01x
Total (in $M)	**Q1 FY21**	**Q2 FY21**	**Q3 FY21**	**Q4 FY21**	**Total FY21**	**Q1 FY22**	**Q2 FY22**	**Q3 FY22**	**Q4 FY22**	**Total FY22**
GAAP revenue	**4,502**	**4,554**	**4,288**	**4,385**	**17,729**	**4,141**	**4,027**	**4,089**	**4,008**	**16,265**
Total revenue growth	(7.9%)	(6.1%)	(14.6%)	(8.9%)	(9.4%)	(8.0%)	(11.6%)	(4.6%)	(8.6%)	(8.3%)
Foreign currency	2.1%	(1.6%)	(2.3%)	(4.6%)	(1.6%)	(5.7%)	(1.4%)	1.0%	3.0%	(0.8%)
Acquisitions and divestitures	(4.3%)	(1.4%)	7.2%	7.0%	2.2%	10.0%	10.6%	2.2%	2.8%	6.5%
YoY organic revenue growth	**(10.1%)**	**(9.1%)**	**(9.7%)**	**(6.5%)**	**(8.8%)**	**(3.7%)**	**(2.4%)**	**(1.4%)**	**(2.8%)**	**(2.6%)**
Bookings ($B)	5.3	4.9	4.9	4.7	19.8	4.6	3.7	5.0	4.8	18.1
Book-to-bill	1.18x	1.08x	1.13x	1.08x	1.12x	1.12x	0.91x	1.23x	1.20x	1.11x
ASC 606 backlog ($B)	22.9	23.1	23.7	22.9	22.9	23.6	22.2	21.8	21.6	21.6

Reconciliation of Segment Profit to Pretax Income

GBS (in $M)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Segment revenue	2,159	2,285	2,359	2,308	9,111	2,174	2,242	1,921	1,999	8,336	1,887	1,873	1,946	1,892	7,598
Segment profit	**366**	**359**	**353**	**223**	**1,301**	**215**	**317**	**273**	**315**	**1,120**	**272**	**298**	**315**	**275**	**1,160**
GBS profit %	*17.0%*	*15.7%*	*15.0%*	*9.7%*	*14.3%*	*9.9%*	*14.1%*	*14.2%*	*15.8%*	*13.4%*	*14.4%*	*15.9%*	*16.2%*	*14.5%*	*15.3%*

GIS (in $M)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Segment revenue	2,731	2,566	2,662	2,507	10,466	2,328	2,312	2,367	2,386	9,393	2,254	2,154	2,143	2,116	8,667
Segment profit	**340**	**243**	**232**	**192**	**1,007**	**23**	**36**	**88**	**98**	**245**	**131**	**118**	**102**	**124**	**475**
GIS profit %	*12.4%*	*9.5%*	*8.7%*	*7.7%*	*9.6%*	*1.0%*	*1.6%*	*3.7%*	*4.1%*	*2.6%*	*5.8%*	*5.5%*	*4.8%*	*5.9%*	*5.5%*

Total (in $M)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Total revenue for reportable segments	4,890	4,851	5,021	4,815	19,577	4,502	4,554	4,288	4,385	17,729	4,141	4,027	4,089	4,008	16,265
Total profit for reportable segments	**706**	**602**	**585**	**415**	**2,308**	**238**	**353**	**361**	**413**	**1,365**	**403**	**416**	**417**	**399**	**1,635**
Total segment profit margin	*14.4%*	*12.4%*	*11.7%*	*8.6%*	*11.8%*	*5.3%*	*7.8%*	*8.4%*	*9.4%*	*7.7%*	*9.7%*	*10.3%*	*10.2%*	*10.0%*	*10.1%*
All other	(54)	(73)	(57)	(63)	(247)	(48)	(70)	(61)	(84)	(263)	(71)	(70)	(62)	(57)	(260)
Restructuring costs	(142)	(32)	(74)	(4)	(252)	(72)	(265)	(104)	(110)	(551)	(67)	(145)	(36)	(70)	(318)
TSI	(105)	(53)	(68)	(92)	(318)	(110)	(101)	(96)	(51)	(358)	(9)	(3)	(11)	(3)	(26)
Amortization of intangible assets	(138)	(151)	(146)	(148)	(583)	(148)	(152)	(114)	(116)	(530)	(109)	(110)	(106)	(109)	(434)
Gains and losses on dispositions	-	-	-	-	-	-	-	2,046	(42)	2,004	347	-	(4)	(2)	341
Pension, actuarial & settlement losses	-	-	-	244	244	(2)	-	-	(517)	(519)	-	-	(7)	691	684
Impairment losses	-	(2,887)	(53)	(3,854)	(6,794)	-	-	-	(190)	(190)	-	(10)	-	(21)	(31)
Gain on arbitration award	-	632	-	-	632	-	-	-	-	-	-	-	-	-	-
Debt extinguishment costs	-	-	-	-	-	-	-	-	(41)	(41)	(28)	(281)	(2)	-	(311)
EBIT [1]	**267**	**(1,962)**	**187**	**(3,502)**	**(5,010)**	**(142)**	**(235)**	**2,032**	**(738)**	**917**	**466**	**(203)**	**189**	**828**	**1,280**
Net interest	(61)	(37)	(60)	(60)	(218)	(83)	(71)	(54)	(55)	(263)	(42)	(45)	(23)	(29)	(139)
Income before taxes	**206**	**(1,999)**	**127**	**(3,562)**	**(5,228)**	**(225)**	**(306)**	**1,978**	**(793)**	**654**	**424**	**(248)**	**166**	**799**	**1,141**

[1] Defined at end of presentation

Adjusted EBIT and Adjusted EBITDA Reconciliation

EBIT to Adjusted EBIT (in $M)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Net income (loss)	168	(2,115)	90	(3,501)	(5,358)	(199)	(246)	1,103	(804)	(146)	282	(187)	102	539	736
Income tax expense (benefit)	38	116	37	(61)	130	(26)	(60)	875	11	800	142	(61)	64	260	405
Interest income	(30)	(67)	(33)	(35)	(165)	(23)	(25)	(28)	(22)	(98)	(20)	(16)	(15)	(14)	(65)
Interest expense	91	104	93	95	383	106	96	82	77	361	62	61	38	43	204
EBIT [1]	**267**	**(1,962)**	**187**	**(3,502)**	**(5,010)**	**(142)**	**(235)**	**2,032**	**(738)**	**917**	**466**	**(203)**	**189**	**828**	**1,280**
Restructuring costs	142	32	74	4	252	72	265	104	110	551	67	145	36	70	318
Transaction, separation & integration-related costs	105	53	68	92	318	110	101	96	51	358	9	3	11	3	26
Amortization of acquired intangible assets	138	151	146	148	583	148	152	114	116	530	109	110	106	109	434
Impairment losses	-	2,887	53	3,854	6,794	-	-	-	190	190	-	10	-	21	31
Gain on arbitration award	-	(632)	-	-	(632)	-	-	-	-	-	-	-	-	-	-
Gains and losses on disposition of businesses	-	-	-	-	-	-	-	(2,046)	42	(2,004)	(347)	-	4	2	(341)
Pension & OPEB actuarial & settlement losses	-	-	-	(244)	(244)	2	-	-	517	519	-	-	7	(691)	(684)
Debt extinguishment costs	-	-	-	-	-	-	-	-	41	41	28	281	2	-	311
Adjusted EBIT [1]	**652**	**529**	**528**	**352**	**2,061**	**190**	**283**	**300**	**329**	**1,102**	**332**	**346**	**355**	**342**	**1,375**
Depreciation and amortization	470	467	479	526	1,942	492	525	475	478	1,970	422	448	424	423	1,717
Less: Amortization of acquired intangible assets	(138)	(151)	(146)	(148)	(583)	(148)	(152)	(114)	(116)	(530)	(109)	(110)	(106)	(109)	(434)
Adjusted EBITDA [1]	**984**	**845**	**861**	**730**	**3,420**	**534**	**656**	**661**	**691**	**2,542**	**645**	**684**	**673**	**656**	**2,658**
EBIT margin [1]	**5.5%**	**(40.4%)**	**3.7%**	**(72.7%)**	**(25.6%)**	**(3.2%)**	**(5.2%)**	**47.4%**	**(16.8%)**	**5.2%**	**11.3%**	**(5.0%)**	**4.6%**	**20.7%**	**7.9%**
Adjusted EBIT margin [1]	**13.3%**	**10.9%**	**10.5%**	**7.3%**	**10.5%**	**4.2%**	**6.2%**	**7.0%**	**7.5%**	**6.2%**	**8.0%**	**8.6%**	**8.7%**	**8.5%**	**8.5%**

[1] Defined at end of presentation

Non-GAAP Reconciliation – Income Statement Measures

COS, SG&A, D&A (in $M)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Cost of services	**3,622**	**3,679**	**3,827**	**3,773**	**14,901**	**3,629**	**3,563**	**3,333**	**3,561**	**14,086**	**3,255**	**3,088**	**3,179**	**3,161**	**12,683**
Less: Impairment losses	-	-	-	-	-	-	-	-	(190)	(190)	-	-	-	-	-
Less: TSI	-	-	-	-	-	-	-	-	(2)	(2)	-	-	-	-	-
Non-GAAP COS	**3,622**	**3,679**	**3,827**	**3,773**	**14,901**	**3,629**	**3,563**	**3,333**	**3,369**	**13,894**	**3,255**	**3,088**	**3,179**	**3,161**	**12,683**
As a % of revenue	*74.1%*	*75.8%*	*76.2%*	*78.4%*	*76.1%*	*80.6%*	*78.2%*	*77.7%*	*76.8%*	*78.4%*	*78.6%*	*76.7%*	*77.7%*	*78.9%*	*78.0%*
SG&A expense	**507**	**489**	**518**	**536**	**2,050**	**539**	**539**	**517**	**471**	**2,066**	**383**	**370**	**340**	**315**	**1,408**
Less: Impairment losses	-	-	-	-	-	-	-	-	-	-	-	(10)	-	-	(10)
Less: TSI	(105)	(53)	(68)	(92)	(318)	(110)	(108)	(96)	(49)	(363)	(9)	(3)	(11)	(3)	(26)
Non-GAAP SG&A expense	**402**	**436**	**450**	**444**	**1,732**	**429**	**431**	**421**	**422**	**1,703**	**374**	**357**	**329**	**312**	**1,372**
As a % of revenue	*8.2%*	*9.0%*	*9.0%*	*9.2%*	*8.8%*	*9.5%*	*9.5%*	*9.8%*	*9.6%*	*9.6%*	*9.0%*	*8.9%*	*8.0%*	*7.8%*	*8.4%*
Depreciation	167	169	136	171	643	178	200	185	192	754	158	165	156	146	625
Amortization	303	298	343	355	1,299	314	325	290	287	1,216	264	283	268	277	1,092
Total depreciation & amortization	**470**	**467**	**479**	**526**	**1,942**	**492**	**525**	**475**	**478**	**1,970**	**422**	**448**	**424**	**423**	**1,717**
Less: Amortization of acquired intangible assets	(138)	(151)	(146)	(148)	(583)	(148)	(152)	(114)	(116)	(530)	(109)	(110)	(106)	(109)	(434)
Non-GAAP depreciation & amortization	**332**	**316**	**333**	**378**	**1,359**	**344**	**373**	**361**	**362**	**1,440**	**313**	**338**	**318**	**314**	**1,283**
Other income, net	**(118)**	**(109)**	**(117)**	**(376)**	**(720)**	**(88)**	**(103)**	**(127)**	**420**	**102**	**(103)**	**(102)**	**(85)**	**(791)**	**(1,081)**
Less: Gains and losses on disposition of businesses	-	-	-	-	-	-	-	-	-	-	(30)	-	(4)	-	(34)
Less: Impairment losses	-	-	-	-	-	-	-	-	-	-	-	-	-	(21)	(21)
Less: TSI	-	-	-	-	-	-	7	-	-	7	-	-	-	-	-
Less: Pension & OPEB actuarial & settlement losses	-	-	-	244	244	(2)	-	-	(517)	(519)	-	-	(7)	691	684
Non-GAAP other income	**(118)**	**(109)**	**(117)**	**(132)**	**(476)**	**(90)**	**(96)**	**(127)**	**(97)**	**(410)**	**(133)**	**(102)**	**(96)**	**(121)**	**(452)**

Non-GAAP Reconciliation – Income Statement Measures

EBIT to EPS (in $M, except EPS)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Adjusted EBIT [1]	652	529	528	352	2,061	190	283	300	329	1,102	332	346	355	342	1,375
Interest expense	91	104	93	95	383	106	96	82	77	361	62	61	38	43	204
Interest income	(30)	(67)	(33)	(35)	(165)	(23)	(25)	(28)	(22)	(98)	(20)	(16)	(15)	(14)	(65)
Net interest	61	37	60	60	218	83	71	54	55	263	42	45	23	29	139
Non-GAAP income before income taxes	591	492	468	292	1,843	107	212	246	274	839	290	301	332	313	1,236
Income tax expense	38	116	37	(61)	130	(26)	(60)	875	11	800	142	(61)	64	260	405
As % of income before income taxes	*18.4%*	*-5.8%*	*29.1%*	*1.7%*	*-2.5%*	*11.6%*	*19.6%*	*44.2%*	*-1.4%*	*122.3%*	*33.5%*	*24.6%*	*38.6%*	*32.5%*	*35.5%*
Tax impact of restructuring	28	4	10	2	44	12	52	11	17	92	10	34	4	17	65
Tax impact of TSI	22	5	16	20	63	28	26	16	17	87	4	1	1	1	7
Tax impact of amortization	31	34	34	34	133	34	35	26	26	121	24	26	13	27	90
Tax impact of gain on dispositions	-	-	-	-	-	-	-	(903)	(17)	(920)	(91)	-	-	(13)	(104)
Tax impact of impairment losses	-	-	53	42	95	-	-	-	49	49	-	2	-	5	7
Tax impact of other	-	(29)	(10)	(45)	(84)	-	(2)	-	(15)	(17)	(21)	66	11	(197)	(141)
Non-GAAP income tax expense	119	130	140	(8)	381	48	51	25	88	212	68	68	93	100	329
As % of Non-GAAP income before income taxes	*20.1%*	*26.4%*	*29.9%*	*-2.7%*	*20.7%*	*44.9%*	*24.1%*	*10.2%*	*32.1%*	*25.3%*	*23.4%*	*22.6%*	*28.0%*	*31.9%*	*26.6%*
Net income (loss)	**168**	**(2,115)**	**90**	**(3,501)**	**(5,358)**	**(199)**	**(246)**	**1,103**	**(804)**	**(146)**	**282**	**(187)**	**102**	**539**	**736**
Less: Net income attributed to NCI	5	4	8	(6)	11	6	(2)	5	(6)	3	4	1	4	9	18
Net income (loss) attributable to DXC	**163**	**(2,119)**	**82**	**(3,495)**	**(5,369)**	**(205)**	**(244)**	**1,098**	**(798)**	**(149)**	**278**	**(188)**	**98**	**530**	**718**
GAAP EPS (basic)	**$ 0.61**	**$ (8.19)**	**$ 0.32**	**$ (13.79)**	**$ (20.76)**	**$ (0.81)**	**$ (0.96)**	**$ 4.32**	**$ (3.14)**	**$ (0.59)**	**$ 1.09**	**$ (0.74)**	**$ 0.39**	**$ 2.18**	**$ 2.87**
GAAP EPS (diluted)	**$ 0.61**	**$ (8.19)**	**$ 0.32**	**$ (13.79)**	**$ (20.76)**	**$ (0.81)**	**$ (0.96)**	**$ 4.29**	**$ (3.14)**	**$ (0.59)**	**$ 1.07**	**$ (0.74)**	**$ 0.38**	**$ 2.14**	**$ 2.81**
Shares outstanding (basic)	267.0	258.7	255.1	253.5	258.6	253.6	254.1	254.3	254.5	254.1	254.7	252.4	250.3	242.7	250.0
Shares outstanding (diluted)	269.0	258.7	256.1	253.5	258.6	254.4	254.1	255.8	258.4	256.9	260.3	252.4	254.8	247.7	255.2

[1] Defined at end of presentation

Non-GAAP Reconciliation – EPS

Non-GAAP EPS (in $M, except EPS)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Net income (loss) attributable to DXC	**163**	**(2,119)**	**82**	**(3,495)**	**(5,369)**	**(205)**	**(244)**	**1,098**	**(798)**	**(149)**	**278**	**(188)**	**98**	**530**	**718**
Restructuring costs	114	28	64	2	208	60	213	93	93	459	57	111	32	53	253
TSI	83	48	52	72	255	82	75	80	34	271	5	2	10	2	19
Amortization of acquired intangible assets	107	117	112	114	450	114	117	88	90	409	85	84	93	82	344
Impairment losses	-	2,887	-	3,812	6,699	-	-	-	141	141	-	8	-	16	24
Gains and losses on disposition of businesses	-	-	-	-	-	-	-	(1,143)	59	(1,084)	(256)	-	4	15	(237)
Gain on arbitration award	-	(632)	-	-	(632)	-	-	-	-	-	-	-	-	-	-
Debt extinguishment costs	-	-	-	-	-	-	-	-	31	31	21	215	2	-	238
Pension & OPEB actuarial & settlement gains and losses	-	-	-	(193)	(193)	2	-	-	402	404	-	-	6	(514)	(508)
Tax adjustment	-	29	10	(6)	33	-	2	-	140	142	28	-	(10)	25	43
Non-GAAP net income attributable to DXC	**467**	**358**	**320**	**306**	**1,451**	**53**	**163**	**216**	**192**	**624**	**218**	**232**	**235**	**209**	**894**
Non-GAAP EPS (basic)	**$ 1.75**	**$ 1.38**	**$ 1.25**	**$ 1.21**	**$ 5.61**	**$ 0.21**	**$ 0.64**	**$ 0.85**	**$ 0.75**	**$ 2.46**	**$ 0.86**	**$ 0.92**	**$ 0.94**	**$ 0.86**	**$ 3.58**
Non-GAAP EPS (diluted) [1]	**$ 1.74**	**$ 1.38**	**$ 1.25**	**$ 1.20**	**$ 5.58**	**$ 0.21**	**$ 0.64**	**$ 0.84**	**$ 0.74**	**$ 2.43**	**$ 0.84**	**$ 0.90**	**$ 0.92**	**$ 0.84**	**$ 3.50**
Shares outstanding (basic)	267.0	258.7	255.1	253.5	258.6	253.6	254.1	254.3	254.5	254.1	254.7	252.4	250.3	242.7	250.0
Shares outstanding (diluted)	269.0	260.0	256.1	254.1	259.8	254.4	255.2	255.8	258.4	256.9	260.3	257.2	254.8	247.7	255.2

[1] 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 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
GAAP EPS (diluted)	**$ 0.61**	**$ (8.19)**	**$ 0.32**	**$ (13.79)**	**$ (20.76)**	**$ (0.81)**	**$ (0.96)**	**$ 4.29**	**$ (3.14)**	**$ (0.59)**	**$ 1.07**	**$ (0.74)**	**$ 0.38**	**$ 2.14**	**$ 2.81**
Restructuring costs	0.42	0.11	0.25	0.01	0.80	0.24	0.83	0.36	0.36	1.79	0.22	0.43	0.13	0.21	0.99
TSI	0.31	0.18	0.20	0.28	0.98	0.32	0.29	0.31	0.13	1.06	0.02	0.01	0.04	0.01	0.07
Amortization of acquired intangible assets	0.40	0.45	0.44	0.45	1.73	0.45	0.46	0.34	0.35	1.59	0.33	0.33	0.36	0.33	1.35
Impairment losses	-	11.10	-	15.00	25.78	-	-	-	0.55	0.55	-	0.03	-	0.06	0.09
Gains and losses on disposition of businesses	-	-	-	-	-	-	-	(4.47)	0.23	(4.22)	(0.98)	-	0.02	0.06	(0.93)
Gain on arbitration award	-	(2.43)	-	-	(2.43)	-	-	-	-	-	-	-	-	-	-
Debt extinguishment costs	-	-	-	-	-	-	-	-	0.12	0.12	0.08	0.84	0.01	-	0.93
Pension & OPEB actuarial & settlement gains and losses	-	-	-	(0.76)	(0.74)	0.01	-	-	1.56	1.57	-	-	0.02	(2.08)	(1.99)
Tax adjustment	-	0.11	0.04	(0.02)	0.13	-	0.01	-	0.54	0.55	0.11	-	(0.04)	0.10	0.17
Non-GAAP EPS (diluted) [1]	**$ 1.74**	**$ 1.38**	**$ 1.25**	**$ 1.20**	**$ 5.58**	**$ 0.21**	**$ 0.64**	**$ 0.84**	**$ 0.74**	**$ 2.43**	**$ 0.84**	**$ 0.90**	**$ 0.92**	**$ 0.84**	**$ 3.50**
Shares outstanding (diluted)	269.0	260.0	256.1	254.1	259.8	254.4	255.2	255.8	258.4	256.9	260.3	257.2	254.8	247.7	255.2

[1] EPS and per-share values of certain items may not sum to Non-GAAP diluted EPS due to rounding

DXC Historical Balance Sheet

Assets (in $M)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Cash and cash equivalents	1,868	2,880	2,560	3,679	3,679	5,509	3,079	3,919	2,968	2,968	2,460	2,699	2,919	2,672	2,672
Receivables, net	5,234	4,611	4,619	4,392	4,392	4,271	4,194	4,130	4,156	4,156	4,081	3,821	3,664	3,854	3,854
Prepaid expenses	728	671	660	646	646	667	604	586	567	567	659	534	600	617	617
Other current assets	360	328	344	270	270	261	335	470	357	357	341	330	314	268	268
Assets held for sale	-	-	-	-	-	-	125	-	160	160	-	-	-	35	35
Total current assets	**8,190**	**8,490**	**8,183**	**8,987**	**8,987**	**10,708**	**8,337**	**9,105**	**8,208**	**8,208**	**7,541**	**7,384**	**7,497**	**7,446**	**7,446**
Intangible assets, net	6,468	6,293	6,140	5,731	5,731	5,540	4,146	4,019	4,043	4,043	3,888	3,691	3,575	3,378	3,378
Operating right-of-use assets, net	1,591	1,482	1,484	1,428	1,428	1,602	1,555	1,459	1,366	1,366	1,299	1,174	1,104	1,133	1,133
Goodwill	8,806	5,784	6,003	2,017	2,017	2,057	725	736	641	641	639	631	629	617	617
Deferred income taxes, net	356	330	372	265	265	285	292	315	289	289	238	255	260	221	221
Property and equipment, net	3,628	3,555	3,631	3,547	3,547	3,503	3,417	3,321	2,946	2,946	2,841	2,691	2,555	2,412	2,412
Other assets	3,538	3,582	3,786	4,031	4,031	4,199	4,360	4,679	4,192	4,192	4,421	4,289	4,310	4,850	4,850
Assets held for sale – non-current	-	-	-	-	-	-	2,838	-	353	353	-	-	-	82	82
Total assets	**32,577**	**29,516**	**29,599**	**26,006**	**26,006**	**27,894**	**25,670**	**23,634**	**22,038**	**22,038**	**20,867**	**20,115**	**19,930**	**20,139**	**20,139**

DXC Historical Balance Sheet

Liabilities & Equity (in $M)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Short term debt & current LT debt	1,511	1,471	1,581	1,276	1,276	1,682	1,622	795	1,167	1,167	817	745	706	900	900
Accounts payable	1,517	1,603	1,576	1,598	1,598	1,522	1,345	852	914	914	857	724	759	840	840
Accrued payroll and related costs	746	684	678	630	630	766	756	741	698	698	746	645	563	570	570
Current operating lease liabilities	586	489	498	482	482	488	461	450	418	418	413	392	386	388	388
Accrued expenses & other CL	3,183	2,943	3,139	2,801	2,801	2,756	3,203	3,285	3,358	3,358	3,060	3,120	3,112	2,882	2,882
Def. rev. & advance contract payments	1,609	1,571	1,069	1,021	1,021	1,030	974	1,102	1,079	1,079	1,032	933	1,001	1,053	1,053
Income taxes payable	186	213	243	87	87	81	111	1,045	398	398	481	260	187	197	197
Liabilities related to assets HFS	-	-	-	-	-	-	184	-	118	118	-	-	-	23	23
Total current liabilities	**9,338**	**8,974**	**8,784**	**7,895**	**7,895**	**8,325**	**8,656**	**8,270**	**8,150**	**8,150**	**7,406**	**6,819**	**6,714**	**6,853**	**6,853**
LT debt, net of current maturities	7,893	7,698	7,315	8,672	8,672	10,334	8,046	5,444	4,345	4,345	4,116	4,363	4,236	4,065	4,065
Non-current deferred revenue	309	234	747	735	735	733	697	666	622	622	598	775	882	862	862
Non-current operating lease liabilities	1,129	1,139	1,097	1,063	1,063	1,208	1,192	1,113	1,038	1,038	971	862	787	815	815
Non-current pension obligations	-	-	-	761	-	-	-	-	793	793	-	-	-	590	590
LT tax liabilities & deferred tax liabilities	1,281	1,269	1,189	1,157	1,157	1,075	917	792	854	854	771	711	789	994	994
Other LT liabilities	1,410	1,332	1,366	594	594	1,277	1,325	1,354	908	908	1,619	1,502	1,435	546	546
LT liabilities related to assets HFS	-	-	-	-	-	-	86	-	20	20	-	-	-	39	39
Total liabilities	**21,360**	**20,646**	**20,498**	**20,877**	**20,877**	**22,952**	**20,919**	**17,639**	**16,730**	**16,730**	**15,481**	**15,032**	**14,843**	**14,764**	**14,764**
Total equity	**11,217**	**8,870**	**9,101**	**5,129**	**5,129**	**4,942**	**4,751**	**5,995**	**5,308**	**5,308**	**5,386**	**5,083**	**5,087**	**5,375**	**5,375**
Total liabilities and equity	**32,577**	**29,516**	**29,599**	**26,006**	**26,006**	**27,894**	**25,670**	**23,634**	**22,038**	**22,038**	**20,867**	**20,115**	**19,930**	**20,139**	**20,139**

DXC Working Capital Key Metrics

(in $M, except days)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Billed & unbilled accounts receivable	3,883	3,859	3,696	3,513	3,513	3,428	3,363	3,203	3,222	3,222	3,205	3,053	2,905	3,065	3,065
Revenue	4,890	4,851	5,021	4,815	19,577	4,502	4,554	4,288	4,385	17,729	4,141	4,027	4,089	4,008	16,265
One day of sales	54	53	55	53	54	49	50	47	48	49	46	44	45	44	45
Days sales outstanding (DSO)	**72**	**72**	**67**	**66**	**65**	**69**	**67**	**68**	**67**	**66**	**70**	**69**	**65**	**70**	**69**
Total cost of sales & SG&A expense	4,129	4,168	4,345	4,309	16,951	4,168	4,102	3,850	4,032	16,152	3,638	3,458	3,519	3,476	14,091
Less: Payroll & related expense [1]	(1,977)	(1,958)	(1,967)	(2,010)	(7,912)	(2,027)	(1,979)	(1,862)	(1,887)	(7,755)	(1,841)	(1,747)	(1,759)	(1,761)	(7,108)
Less: Other employee related expense [1]	(32)	(47)	(34)	(32)	(145)	(36)	(26)	(20)	(29)	(111)	(20)	(22)	(23)	(34)	(99)
Cost of sales & SG&A for DPO	**2,120**	**2,163**	**2,344**	**2,267**	**8,894**	**2,105**	**2,097**	**1,968**	**2,116**	**8,286**	**1,777**	**1,689**	**1,737**	**1,681**	**6,884**
Accounts payable	1,517	1,603	1,576	1,598	1,598	1,522	1,345	852	914	914	857	724	759	840	840
One day of COS & SG&A	23	24	26	25	24	23	23	22	23	23	20	19	19	18	19
Days purchases outstanding (DPO)	**65**	**67**	**61**	**64**	**66**	**66**	**58**	**39**	**39**	**40**	**44**	**39**	**40**	**45**	**45**

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.
[1] 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 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Net income	**168**	**(2,115)**	**90**	**(3,501)**	**(5,358)**	**(199)**	**(246)**	**1,103**	**(804)**	**(146)**	**282**	**(187)**	**102**	**539**	**736**
Depreciation & amortization	474	472	483	531	1,960	496	529	481	482	1,988	427	452	430	433	1,742
Goodwill impairment losses	-	2,887	53	3,854	6,794	-	-	-	-	-	-	-	-	-	-
Operating right of use expense	176	164	166	192	698	156	151	156	153	616	130	124	117	113	484
Pension & other post-employment benefits	-	-	-	(244)	(244)	2	-	-	517	519	-	-	7	(691)	(684)
Share-based compensation	18	30	9	11	68	16	20	6	14	56	25	26	26	24	101
Deferred taxes	-	-	-	(56)	(56)	-	-	(319)	(84)	(403)	(25)	(16)	58	238	255
(Gain)/loss on dispositions	(8)	4	10	(5)	1	4	10	(2,037)	40	(1,983)	(414)	(1)	13	(19)	(421)
Provision for loss on A/R	-	-	-	3	3	35	10	7	1	53	(3)	1	3	4	5
Unrealized Fx. (gain)/loss	(14)	(36)	64	10	24	(11)	(32)	(17)	24	(36)	(8)	(11)	(1)	8	(12)
Impairment losses & contract write-offs	-	-	-	30	30	-	42	26	207	275	-	17	4	30	51
Debt extinguishment costs	-	-	-	-	-	-	-	-	41	41	28	281	2	-	311
Amortization of debt issuance costs	-	-	-	(4)	(4)	-	-	-	3	3	-	-	-	-	-
Cash surrender value	-	-	-	(12)	(12)	-	-	-	(3)	(3)	-	-	-	(24)	(24)
Other non-cash charges, net	(5)	7	5	(7)	-	7	(12)	3	3	1	3	-	(2)	14	15
Changes in assets and liabilities															
Receivables	(172)	491	10	(60)	269	8	222	143	(116)	257	99	214	88	(173)	228
Prepaid expenses & other current assets	(163)	11	(36)	(41)	(229)	(108)	(65)	(112)	(14)	(299)	(73)	108	(50)	(33)	(48)
Accounts payable & accruals	(234)	(55)	(124)	(152)	(565)	(82)	207	(640)	(12)	(527)	(336)	(192)	(86)	(100)	(714)
Income taxes payable & tax liability	(62)	(19)	(22)	(94)	(197)	(31)	(114)	1,143	(564)	434	48	(243)	(67)	(53)	(315)
Operating lease liability	(174)	(166)	(166)	(192)	(698)	(156)	(151)	(156)	(153)	(616)	(130)	(124)	(117)	(113)	(484)
Advance contract payment & def. revenue	(59)	(68)	(46)	27	(146)	(23)	(91)	34	14	(66)	(80)	106	176	68	270
Other operating activities, net	(11)	44	(19)	(2)	12	5	(8)	(8)	(29)	(40)	(2)	8	(7)	6	5
Cash flows from operating activities	**(66)**	**1,651**	**477**	**288**	**2,350**	**119**	**472**	**(187)**	**(280)**	**124**	**(29)**	**563**	**696**	**271**	**1,501**

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 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Payments on finance leases & borrowings for asset financing	**(210)**	**(211)**	**(225)**	**(219)**	**(865)**	**(245)**	**(242)**	**(207)**	**(236)**	**(930)**	**(494)**	**(177)**	**(184)**	**(135)**	**(990)**
Less: Originations															
Capital expenditures through finance lease obligations	253	127	127	98	605	88	117	72	71	348	71	43	66	53	233
Assets acquired under long-term financing	235	13	34	94	376	2	8	16	9	35	35	9	-	-	44
Prepaid assets acquired under long-term financing	30	(16)	9	76	99	2	41	3	-	46	111	-	-	(4)	107
Total origination	**518**	**124**	**170**	**268**	**1,080**	**92**	**166**	**91**	**80**	**429**	**217**	**52**	**66**	**49**	**384**
Capital lease & asset financing debt accumulation/(paydown)	**308**	**(87)**	**(55)**	**49**	**215**	**(153)**	**(76)**	**(116)**	**(156)**	**(501)**	**(277)**	**(125)**	**(118)**	**(86)**	**(606)**
Purchases of property & equipment	(105)	(87)	(48)	(110)	(350)	(95)	(61)	(59)	(46)	(261)	(98)	(67)	(52)	(37)	(254)
Payments for transition & transformation contract cost	(72)	(86)	(62)	(61)	(281)	(82)	(54)	(53)	(72)	(261)	(55)	(52)	(45)	(57)	(209)
Software purchased & developed	(63)	(63)	(52)	(57)	(235)	(48)	(54)	(107)	(45)	(254)	(122)	(40)	(49)	(84)	(295)
Total capital expenditures	**(240)**	**(236)**	**(162)**	**(228)**	**(866)**	**(225)**	**(169)**	**(219)**	**(163)**	**(776)**	**(275)**	**(159)**	**(146)**	**(178)**	**(758)**
Capital lease originations & capex as a % of revenue	**15.5%**	**7.4%**	**6.6%**	**10.3%**	**9.9%**	**7.0%**	**7.4%**	**7.2%**	**5.5%**	**6.8%**	**11.9%**	**5.2%**	**5.2%**	**5.7%**	**7.0%**
Payments on operating lease liabilities	**(174)**	**(166)**	**(166)**	**(192)**	**(698)**	**(156)**	**(151)**	**(156)**	**(153)**	**(616)**	**(130)**	**(124)**	**(117)**	**(113)**	**(484)**
Less: ROU assets obtained for operating leases, net	65	164	172	97	498	275	135	39	81	530	52	17	61	149	279
Operating lease accumulation/(paydown)	**(109)**	**(2)**	**6**	**(95)**	**(200)**	**119**	**(21)**	**(117)**	**(72)**	**(86)**	**(78)**	**(107)**	**(56)**	**36**	**(205)**

DXC Key Cash Flow Drivers

(in $M)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Cash paid for restructuring	(92)	(105)	(76)	(61)	(334)	(61)	(99)	(149)	(133)	(442)	(115)	(86)	(78)	(75)	(354)
Cash paid for TSI [1]	(94)	(41)	(68)	(54)	(257)	(88)	(81)	(135)	(56)	(360)	(9)	(3)	(11)	(3)	(26)
Total cash paid for restructuring & TSI	**(186)**	**(146)**	**(144)**	**(115)**	**(591)**	**(149)**	**(180)**	**(284)**	**(189)**	**(802)**	**(124)**	**(89)**	**(89)**	**(78)**	**(380)**
Interest expense	(91)	(104)	(93)	(95)	(383)	(106)	(96)	(82)	(77)	(361)	(62)	(61)	(38)	(43)	(204)
Interest income	30	67	33	35	165	23	25	28	22	98	20	16	15	14	65
Net interest expense	**(61)**	**(37)**	**(60)**	**(60)**	**(218)**	**(83)**	**(71)**	**(54)**	**(55)**	**(263)**	**(42)**	**(45)**	**(23)**	**(29)**	**(139)**
Cash paid for taxes on income, net of refunds	**(43)**	**(87)**	**(72)**	**(45)**	**(247)**	**(31)**	**(53)**	**(75)**	**(639)**	**(798)**	**(52)**	**(222)**	**(52)**	**(68)**	**(394)**

[1] 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 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22	Q2 FY22	Q3 FY22	Q4 FY22	FY22
Cash flows from operating activities	**(66)**	**1,651**	**477**	**288**	**2,350**	**119**	**472**	**(187)**	**(280)**	**124**	**(29)**	**563**	**696**	**271**	**1,501**
Less capex															
Purchase of property & equipment	(105)	(87)	(48)	(110)	(350)	(95)	(61)	(59)	(46)	(261)	(98)	(67)	(52)	(37)	(254)
Payments for transition & transformation contract costs	(72)	(86)	(62)	(61)	(281)	(82)	(54)	(53)	(72)	(261)	(55)	(52)	(45)	(57)	(209)
Software purchased & developed	(63)	(63)	(52)	(57)	(235)	(48)	(54)	(107)	(45)	(254)	(122)	(40)	(49)	(84)	(295)
Total capex	**(240)**	**(236)**	**(162)**	**(228)**	**(866)**	**(225)**	**(169)**	**(219)**	**(163)**	**(776)**	**(275)**	**(159)**	**(146)**	**(178)**	**(758)**
FCF	**(306)**	**1,415**	**315**	**60**	**1,484**	**(106)**	**303**	**(406)**	**(443)**	**(652)**	**(304)**	**404**	**550**	**93**	**743**
Additional cash information															
Payments on finance leases & borrowings for asset financing	(210)	(211)	(225)	(219)	(865)	(245)	(242)	(207)	(236)	(930)	(494)	(177)	(184)	(135)	(990)
Cash paid for restructuring expense	(92)	(105)	(76)	(61)	(334)	(61)	(99)	(149)	(133)	(442)	(115)	(86)	(78)	(75)	(354)
Cash paid for interest expense	(91)	(87)	(99)	(94)	(371)	(103)	(65)	(94)	(72)	(334)	(65)	(90)	(22)	(50)	(227)
Cash paid for taxes on income, net of refunds	(43)	(87)	(72)	(45)	(247)	(31)	(53)	(75)	(639)	(798)	(52)	(222)	(52)	(68)	(394)

Q4 FY22 Non-GAAP Reconciliation: Organic Revenue – Enterprise Technology Stack

(in $M)	Analytics and Engineering	Applications	Business Process Services (BPS)	Cloud and Security	IT Outsourcing	Modern Workplace	Acquisitions and Divestitures	Total
Revenue	$ 554	$ 1,224	$ 112	$ 488	$ 1,115	$ 513	$ 2	**$ 4,008**
Prior year revenue	477	1,274	133	546	1,171	660	125	**4,385**
YoY change $	**$ 77**	**$ (51)**	**$ (21)**	**$ (58)**	**$ (56)**	**$ (146)**	**$ (123)**	**$ (377)**
YoY change %								
Revenue	16.1%	(4.0%)	(15.6%)	(10.5%)	(4.8%)	(22.2%)	-	**(8.6%)**
Foreign currency	3.6%	3.4%	2.8%	3.6%	2.7%	2.6%	-	**3.0%**
Acquisitions and divestitures	-	-	-	-	-	-	-	**2.8%**
Organic revenue growth/(decline) %	**19.7%**	**(0.6%)**	**(12.8%)**	**(6.9%)**	**(2.1%)**	**(19.6%)**	**-**	**(2.8%)**

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, transaction, separation and integration-related costs, amortization expense related to acquired intangible assets, pension and OPEB actuarial and settlement losses and gain on disposition of businesses, and impairments

Adjusted EBIT margin: Adjusted EBIT as a percentage of revenue

Adjusted EBITDA: EBITDA excluding amortization of intangible assets

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 capital leases, 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 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.
- **Gains and losses on dispositions:** Gains and losses related to dispositions of businesses, strategic assets and interests in less than wholly owned entities.
- **Pension and OPEB actuarial and settlement gains and losses:** Pension and OPEB actuarial mark to market adjustments and settlement gains and losses.
- **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.
- **Impairment losses:** Impairment losses on assets classified as long-term on the balance sheet.
- **Tax adjustments:** Reflects discrete tax adjustments to impair or recognize certain deferred tax assets and adjustments for changes in tax legislation. Income tax expense 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.



© 2021 DXC Technology Company. All rights reserved.