

Investor Day 2017



Additional Information and Where to Find It

In connection with the proposed transaction, Everett SpinCo, Inc., a wholly-owned subsidiary of Hewlett Packard Enterprise Company (“HPE”) created for the transaction (“Spinco”) filed with the SEC a registration statement on Form S-4 and a registration statement on Form 10 containing a prospectus-information statement and CSC filed with the SEC a proxy statement on Schedule 14A. INVESTORS AND SECURITY HOLDERS ARE ADVISED TO READ THE REGISTRATION STATEMENTS, PROSPECTUS-INFORMATION STATEMENT AND PROXY STATEMENT BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT THE PARTIES AND THE PROPOSED TRANSACTION AND TO READ OTHER DOCUMENTS FILED BY CSC, HPE, AND SPINCO (INCLUDING AMENDMENTS TO EXISTING FILINGS) AS AND WHEN THOSE DOCUMENTS ARE FILED BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PARTIES AND THE PROPOSED TRANSACTION.

Investors and security holders may obtain a free copy of these and other documents filed with the SEC by CSC, HPE and Spinco at the SEC’s web site at <http://www.sec.gov>. Free copies of these documents as well as other documents that will be filed in the future (including amendments to the documents) and each of the companies’ other filings with the SEC, may also be obtained from CSC’s web site at www.csc.com.

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

All statements in this presentation that do not directly and exclusively relate to historical facts constitute “forward-looking statements.” Many factors could cause actual results to differ materially from such forward-looking statements with respect to the transaction referred to above including risks relating to the completion of the transaction on anticipated timing, anticipated tax treatment, unforeseen liabilities, future capital expenditures, inability to achieve expected synergies, loss of revenues, delay or business disruption caused by difficulties in integrating the businesses of CSC and Spinco as well as the matters described in the “Risk Factors” section of Spinco’s Form S-4 and Form 10, CSC’s proxy statement on Schedule 14A and any updating information in subsequent SEC filings. CSC, Spinco and HPE disclaim any intention or obligation to update these forward-looking statements whether as a result of subsequent event or otherwise, except as required by law.

Non-GAAP financial measures

This presentation includes certain non-GAAP financial measures, such as earnings before interest and taxes (EBIT), non-GAAP EPS and free cash flow. These non-GAAP financial measures are not meant to be considered in isolation or as a substitute for results prepared in accordance with accounting principles generally accepted in the United States or on a pro forma basis. Our respective management teams believe these non-GAAP financial measures provide useful supplemental information to investors regarding our projected results of operations and cash flows as they provide another measure of our projected profitability and cash flows and are considered important measures by financial analysts covering us and our peers.

Agenda

Topic	Presenter
Welcome & DXC Strategic Overview	Mike Lawrie
PwC - Global Digital IQ Survey	Chris Curran (PwC)
DXC Offerings & Sales	Mike Nefkens
DXC Delivery	Steve Hilton
DXC Financial Overview	Paul Saleh
Q&A	

DXC Strategic Overview

Mike Lawrie

Chairman

President and Chief Executive Officer

Key messages

CSC and HPE-ES have both undergone **successful transformational journeys**

The IT services industry is undergoing a **technology paradigm shift** that has **strategic implications for service providers**

DXC Technology will be the world's leading independent, end-to-end IT services company

Our vision is to **produce greater value for clients, partners and shareholders**, along with **compelling career opportunities for our people** by **leading our clients through accelerating change**

Our strategic priorities:

1. **Lead clients on their technology-driven business transformations** with world-class Digital offerings developed **jointly with our partners**, leveraging our industry IP and domain expertise
2. **Invest in and grow our next-gen talent**, including people, skills, and new talent sourcing models
3. **Drive the levers of value creation:** stable revenue growth, sustainable margin expansion, strong free cash flow, and disciplined capital allocation

CSC has proven ability to successfully navigate restructuring & transformations



Streamlined offerings

Rationalized **2,000+** custom offerings to **140** standard offers across **14** offering families

Invested **\$500M+** in **Digital** development in FY15 & FY16



Fostered strong partnerships

Billions worth of R&D leveraged from partners



Rebalanced assets

Acquisitions



Divestitures

paxus CSRA Credit Services ATG

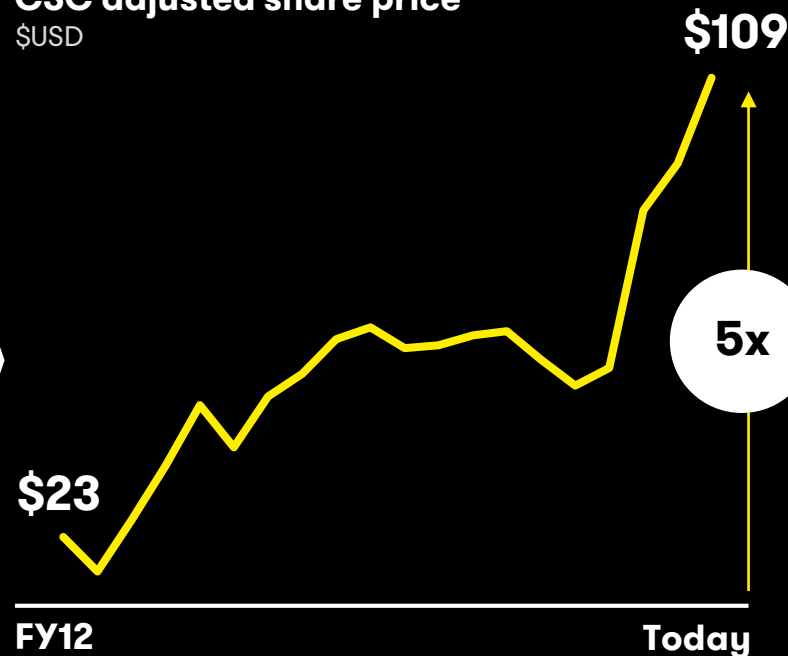


Strengthened leadership

Assembled **world-class** corporate leadership team

Enhanced operating model with **clear roles & accountability**

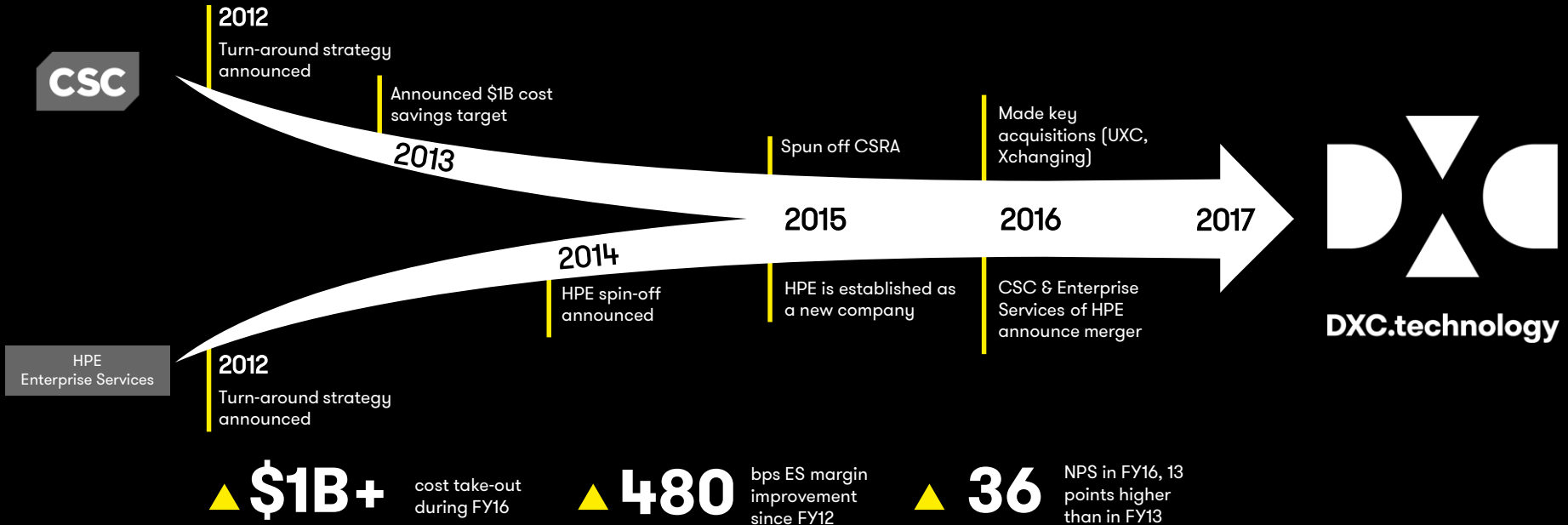
CSC adjusted share price \$USD























As of 3.28.2017; Adjusted share price includes CSC stock price, CSRA stock price, and special dividends at CSRA split

CSC and HPE-ES have both been on broad-based transformation journeys

▲ **\$2B+** total cost take-out ▲ **850** bps margin improvement since FY12 ▲ **24** NPS in FY16, 20 points higher than in FY13



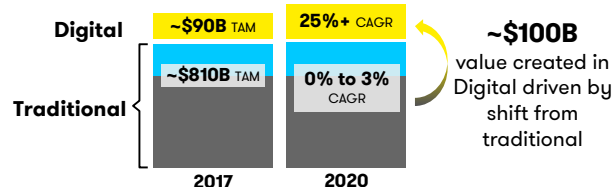
IT services industry undergoing technology paradigm shift with strategic implications for service providers

	 Cycle I Mainframe	 Cycle II IT Stack Disaggregation	 Cycle III Outsourcing & Globalization	 Cycle IV Digital Disruption
	Pre 90s	90s – 2000s	Mid 90s – ongoing	Emerging/ongoing
Value Created	IT enablement Productivity Business capability	Proliferation of tech solutions Innovation at each layer Bespoke solutions	Low cost “Your mess for less” Efficiency Better control	Outside-in innovation Digital platforms At-scale digitization of workflows
What Is Needed to Succeed	<ul style="list-style-type: none"> Capital Scale 	<ul style="list-style-type: none"> Skilled developers Innovation 	<ul style="list-style-type: none"> Capital Labor arbitrage Standardization Contracts expertise 	<ul style="list-style-type: none"> Access to technology Access to partnerships Customer intimacy & agility Scale Skills Cost efficiency
Key Players	  	   	   	    
Addressable Market	<\$100B	<\$300B	\$650B+	\$900B+
Business Issues	<ul style="list-style-type: none"> Capital intensive Monolithic Unresponsive 	<ul style="list-style-type: none"> Complex IT environments High cost Skills gap 	<ul style="list-style-type: none"> Extreme cost focus Inflexible contracts Lack of innovation 	<ul style="list-style-type: none"> Widening skills gap Business model disruption Transformation pressure Increased cyber threat

Significant value opportunity in Digital cycle – requires 4 success factors

Unprecedented value opportunity

Massive value shift to Digital



Significant opportunity in Digital

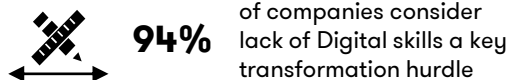
	Cloud	Analytics	Mobile	Social
TAM	\$28B	\$26B	\$4B	\$33B
5-yr. CAGR	30%	23%	25%	23%

Digital transformation pervades all industries

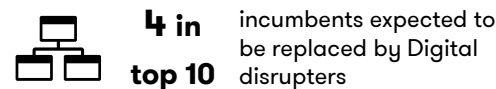
	Healthcare	Insurance	Banking
Incumbents forced to adapt	GE Healthcare	Allstate	Bank of America
Digital disrupters	Epic Cerner athenahealth	State Farm esurance	Capital One PayPal

Digital shift poses significant challenges

Widening skills gap



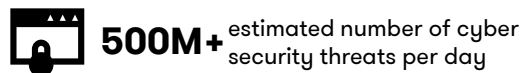
Business model disruption



Transformation pressures



Increased cyber threat



What is needed to succeed



Scale & skills



Agility & cost efficiency



Customer intimacy

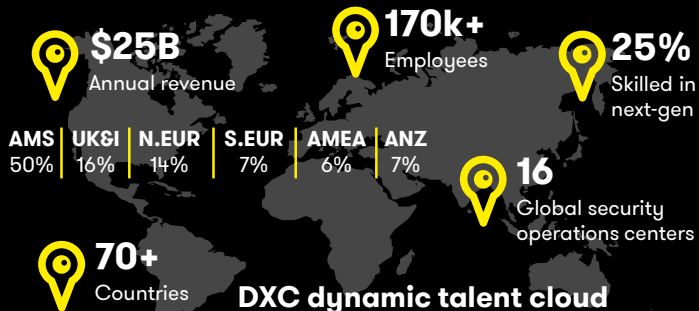


Technology-driven innovation

DXC created to lead the Digital disruption cycle



Scale & skills



Agility & cost efficiency

Integrated delivery model

50%+ low-cost center mix

21 in-country low-cost centers

8 global delivery centers

Operational data mining



Connect



Analyze



Optimize

50% incident volume reduction potential through ODM

Automation targets

80% priority service requests auto-resolved

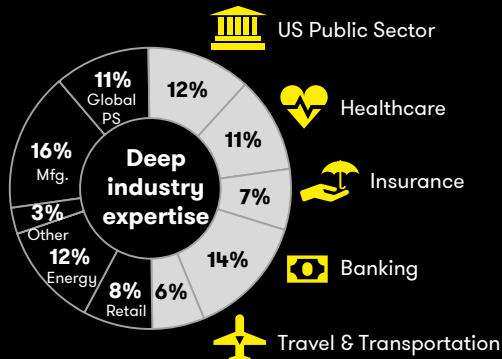
50% tickets auto-processed



DXC.technology



Customer intimacy



Excellent client coverage across the globe...

~6000 Clients
200+ F500 clients
36 NPS

... enhanced further through world-class partner network



Technology-driven innovation

\$4B

Digital revenue

11

largest offerings rated as differentiated

250+

global partners

14

strategic co-investing partners

Differentiated IP



X-gRm

Agility Platform™



fixnetix



xuber



connectiv



CelerisFinTech



360Globalnet



smartlink



LORENZO



Time Traveler™

ProductXpress

Integral™

Streamlined offerings



Our vision

Lead clients through accelerating change, helping them harness the power of technology to deliver new outcomes for their business

We will measure our success based on creating unique and differentiated value delivered to four stakeholders



Clients

Trusted transformation partner

World-class industry knowledge & Digital offerings



Partners

Unparalleled joint value creation & innovation

Most effective sales & GTM channel



Investors

Digital growth; sustainable margin expansion

Strong cash flow & disciplined capital allocation



Employees

Differentiated environment to attract, train, and retain talent

Compelling career opportunities

Our strategic priorities

1

Lead clients on their technology-driven business transformations with world-class Digital offerings developed **jointly with our partners**, leveraging our industry IP and domain expertise

2

Invest in and grow our next-gen talent, including people, skills, and new talent sourcing models

3

Drive the levers of value creation: stable revenue growth, sustainable margin expansion, strong free cash flow, and disciplined capital allocation

1. Lead clients on their technology-driven business transformations



World-class Digital offerings

Cloud		800+ managed cloud clients 1,000+ AWS professionals
Security		Global around-the-clock monitoring 4,000+ security professionals
Application services		1M+ applications support 20k+ Microsoft professionals
Workplace & mobility		8.5M+ user devices managed 5,000+ certified workplace engineers
Analytics		Dedicated DXC analytics data lab 3,500+ data scientists/analysts



Industry IP & domain expertise

 Insurance #1 core insurance solutions provider globally	 Healthcare & Life Sciences Enabling effective care delivery through BPS
 Travel & Transportation Industry-leading solutions for airlines, freight & logistics, railways	 Banking Leading provider of front-office managed solutions



Joint innovation with partners

	Significant gaps	At par	Differentiated	
Cloud brokerage			●	Microsoft Amazon
Private cloud			●	IBM ORACLE
Cloud network			●	SAP riverbed AT&T
O365/Windows 10			●	Microsoft Lenovo
Digital workplace			●	vmware DELL EMC
Mobility			●	citrix AT&T
MSS			●	Hewlett Packard Enterprise pwc
IAM			●	serviceNow tripwire
Security consulting			●	FireEye SailPoint
SAP (incl. HANA)			●	SAP pwc HCL
Big data			●	IBM DELL EMC

Generate efficiencies from transformation, with integrated delivery, automation



Productivity gains help clients invest in Digital

DXC **Thrive on change** **Clients**

Margin expansion allows DXC to invest in Digital offerings and IP

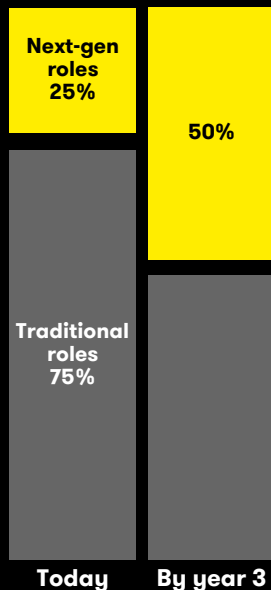


Clients become increasingly Digital and efficient

2. Invest in and grow our next-gen talent

Strategy

Target talent mix



Example Next-gen roles
 Solution architects
 Agile project managers
 DevOps engineers

Create a differentiated environment to attract, train, and retain talent



Attract new

Graduate talent
 Talent cloud
 Co-op
 Interns



Develop & retain current

Re-skill & up-skill
 DXC-University certifications
 Partner certifications



Rejuvenate

Career management
 Performance enhancement & innovation

End-to-end Digital workforce platform with **DXC dynamic talent cloud**



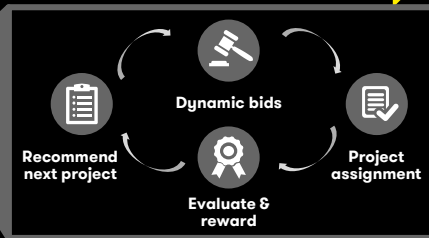
Connect talent community



Automate through algorithms



Leverage DXC dynamic talent cloud



11k+

learning assets accessed on mobile platforms

37k+

courses completed in FY16

22k+

Certification-track courses completed in FY16

1k+

employees to be engaged on innovation platform by year-end

3. Drive levers of value creation for next phase of transformation

Stable revenue growth

1% to 4%
growth by year 3

- Scale Digital offerings portfolio
- Focus on IP in key industries with high-growth
- Shift business mix towards Digital offerings
- Make strategic acquisitions to expand Digital offerings

Sustainable margin expansion

700 – 800 bps
increase in EBIT margin

- Harmonize policies and benefits
- Optimize workforce & delivery
- Leverage scale in supply-chain
- Rationalize facilities and data centers

Strong free cash flow

100% or more
of Net Income

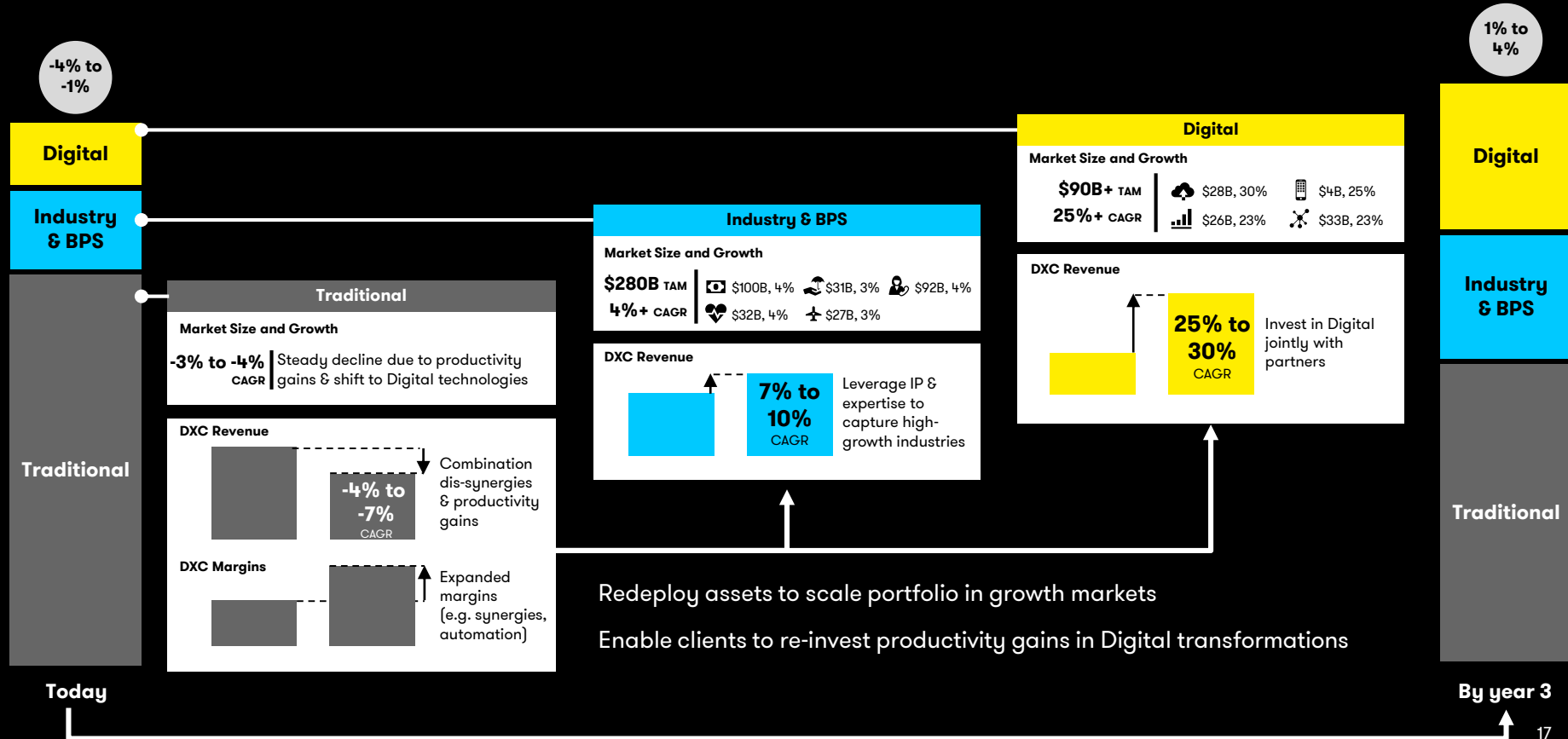
- Expand EBIT
- Shift to capital-lite model
- Drive working capital efficiency
- Optimize tax rate

Disciplined capital allocation

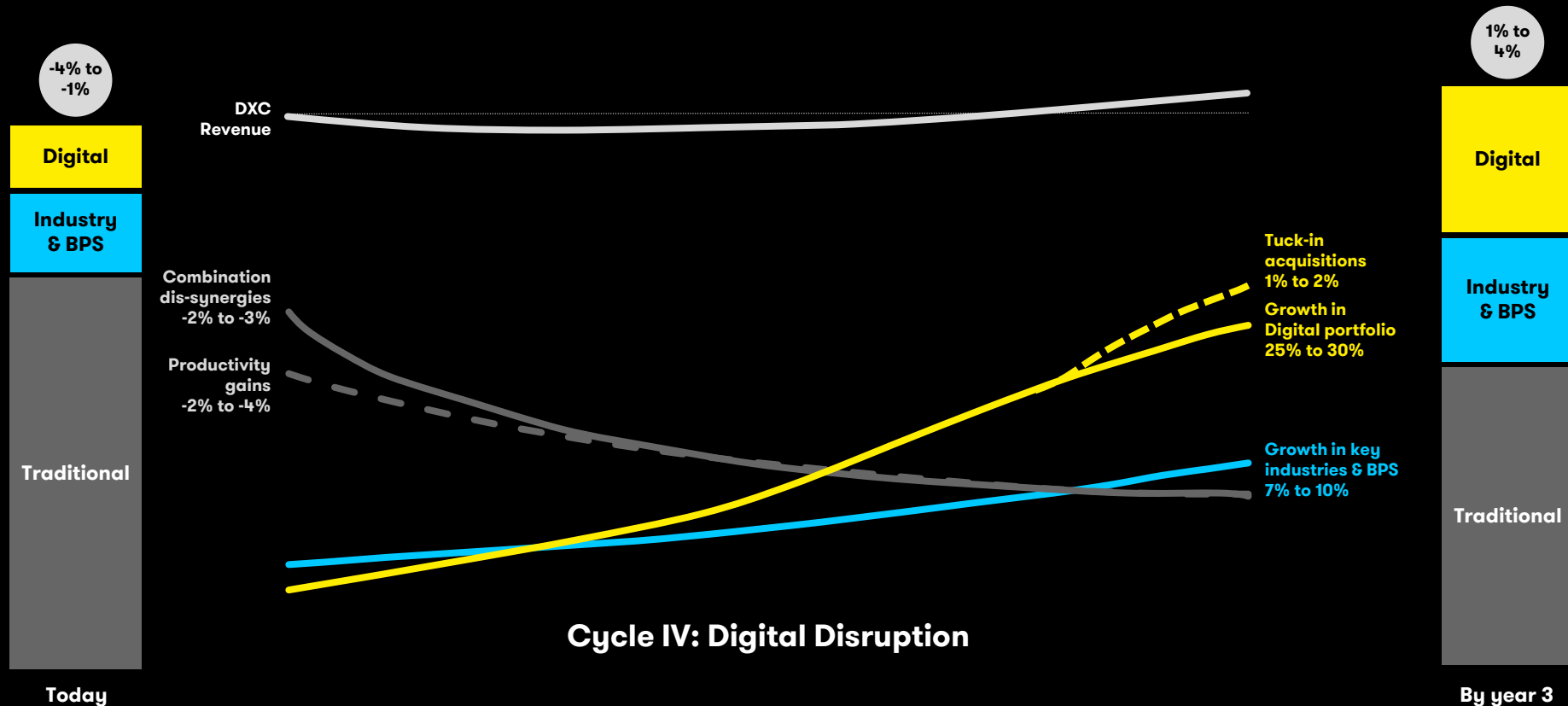
30%
capital return to shareholders

- Re-invest in business
- Make targeted acquisitions
- Maintain investment grade credit profile
- Return capital to shareholders through dividends and share repurchases

3. Stable revenue growth



3. Stable revenue growth



3. Sustainable margin expansion

Policies alignment

- Harmonize corporate policies and benefits
- Ensure consistent application of standards

Workforce optimization

- Consolidate redundant roles across all functions
- Optimize span of control and management layers
- Achieve benchmarks for support functions
- Scale leveraged support model
- Optimize delivery through integrated model
- Increase productivity through automation

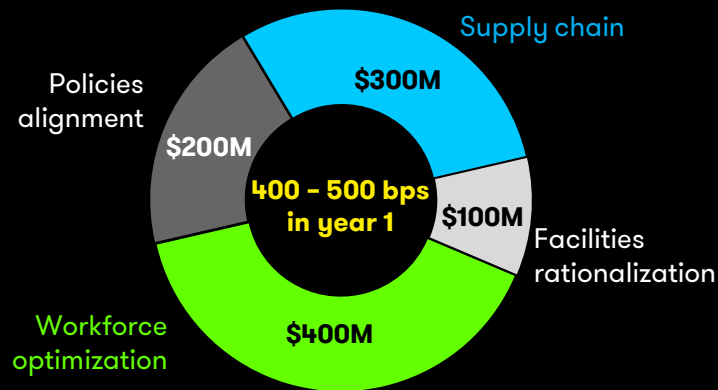
Supply chain efficiency

- Consolidate vendors and eliminate duplicative contracts
- Increase support from strategic partners
- Manage demand in a disciplined way

Facilities rationalization

- Streamline facilities and data center footprint
- Consolidate in-area sites
- Exit sub-scale facilities

EBIT Margin Expansion



\$1B

Savings
in year 1

\$1.5B

Run-rate
savings

15 to 20%

Re-investment in
business

700 - 800 bps by year 3

3. Strong free cash flow

	Actions		Targets next 3 years
EBIT	<ul style="list-style-type: none">• Shift in business mix• Cost efficiencies• Synergy realization	>	700 – 800 bps expansion
Taxes	<ul style="list-style-type: none">• Mix of global income• Transfer pricing strategies• Tax planning• Capitalize on potential tax reform	>	25 to 30%
Working Capital	<ul style="list-style-type: none">• Focus on receivable management and collections• More favorable supplier terms	>	DSO ↓ 7 to 10 days DPO ↑ 5 to 7 days
Capital Expenditures	<ul style="list-style-type: none">• Expanded use of utility model• Increased use of financial partners, including HPE FinCo• Disciplined asset management	>	5% or less of revenue

**FCF: 100%
or more of
Net Income**

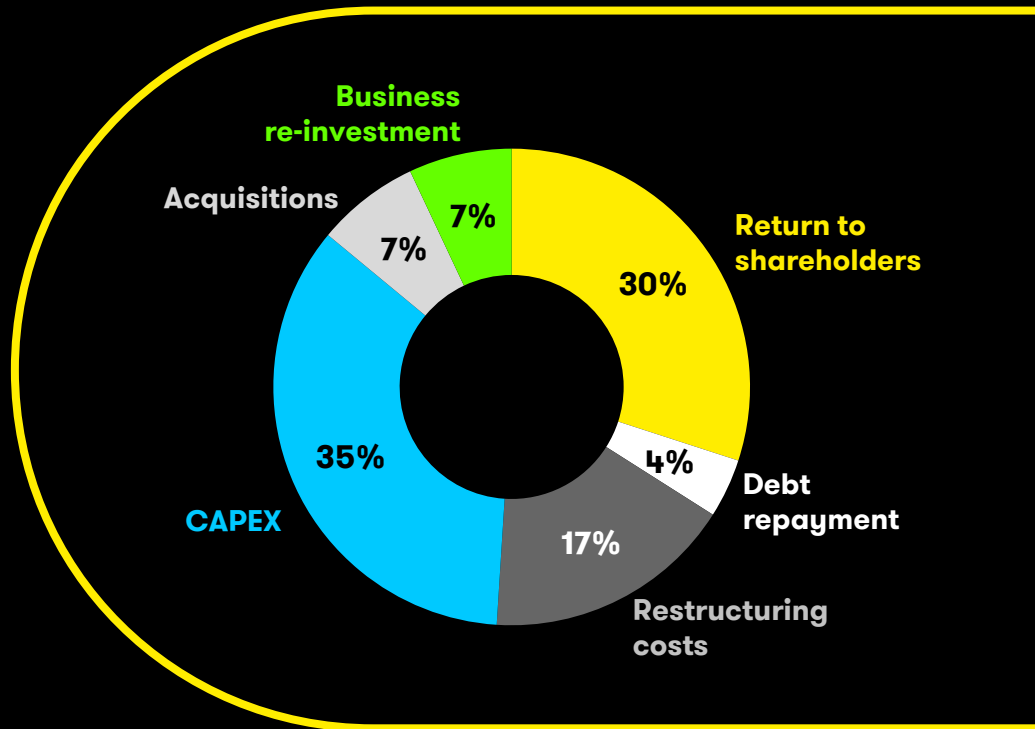
3. Disciplined capital allocation

Re-invest in business

Target **acquisitions** that expand Digital offerings

Maintain **investment grade** credit profile

Return capital to shareholders through dividends and share repurchases



Financial targets

	FY18	FY18 - FY20
Revenue	\$24.0B – \$24.5B	1% to 4% growth
EBIT margin	11% to 12%	14% to 15%
FCF as a % of Net Income	100% or more	100% or more
Non-GAAP EPS	\$6.50 - \$7.00	~20% CAGR

Successful execution of our strategy will help DXC accelerate towards the top of the IT services market



Vision



Strategy



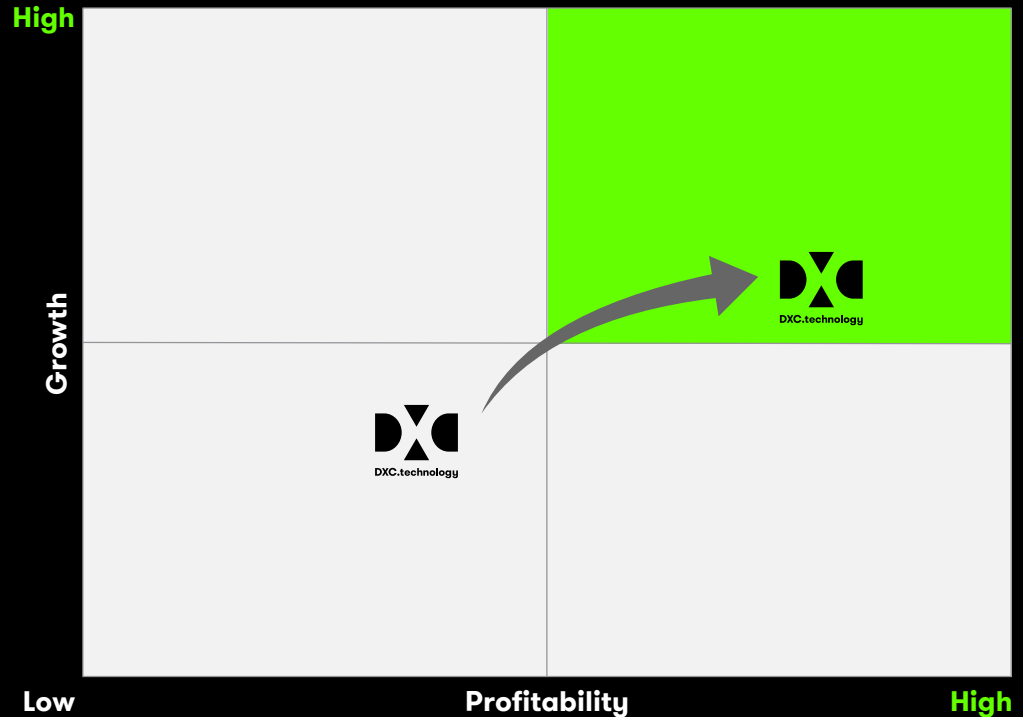
Assets



Leadership



Financial model



DXC Offerings & Sales

Mike Nefkens
EVP and GM – Regions and Industries

DXC: Trusted Digital transformation partner



DXC.technology



**Positioned to thrive on market shifts
& customer trends**



Clear customer growth model



**Unique end-to-end operating
model – outcome-driven**



Leading Digital offerings and partner network



Energized go-to-market already showing momentum

Digital disruption is the next big cycle for IT services



Paradigm shift for IT services



Outside-in innovation



Digital platforms



Digitization of
workflow at scale



Impacts all
sectors



Consulting fatigue



Beyond just IT



Product, service,
business model



Enterprise
transformation



Customer
experience



CEO top of mind



Requiring excellence on multiple dimensions



Scale & skills



Agility & cost efficiency



Customer intimacy



Technology-driven
innovation

New business requirements have emerged, creating various challenges for the CxO

Help me to:

Existing environment is overly complex

- Traditional delivery models
- Data center management
- Multiple licensing models
- Refresh cycles
- Mainframe
- Distributed systems
- Outdated applications
- Shadow IT
- Service management



Business transformation enabled by new solutions

Business Process As a Service (BPaaS)

Software As a Service (SaaS)

Platform As a Service (PaaS)

Infrastructure As a Service (IaaS)

- Focus on business outcomes
- Open Digital channels and grow revenue
- Integrate end-to-end
- Rationalize app portfolio
- Take out cost and CapEx
- Empty my Data Center
- Secure my enterprise

DXC uniquely positioned to thrive on market shifts and changing customer needs

Support traditional efficiency



Low cost



Automated



Scalable infrastructure



Stable

Lead shift to Digital



Digital for business outcomes



Services integration



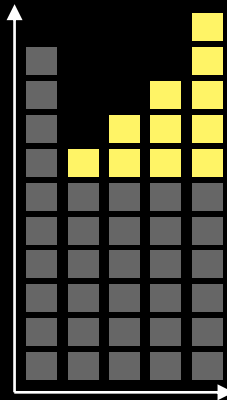
Skills access



Upsell services

Capitalize on customer growth model

Traditional → Digital



Scale across large client base

Leverage differentiated approach



Outcome-driven operating model



Digital offerings

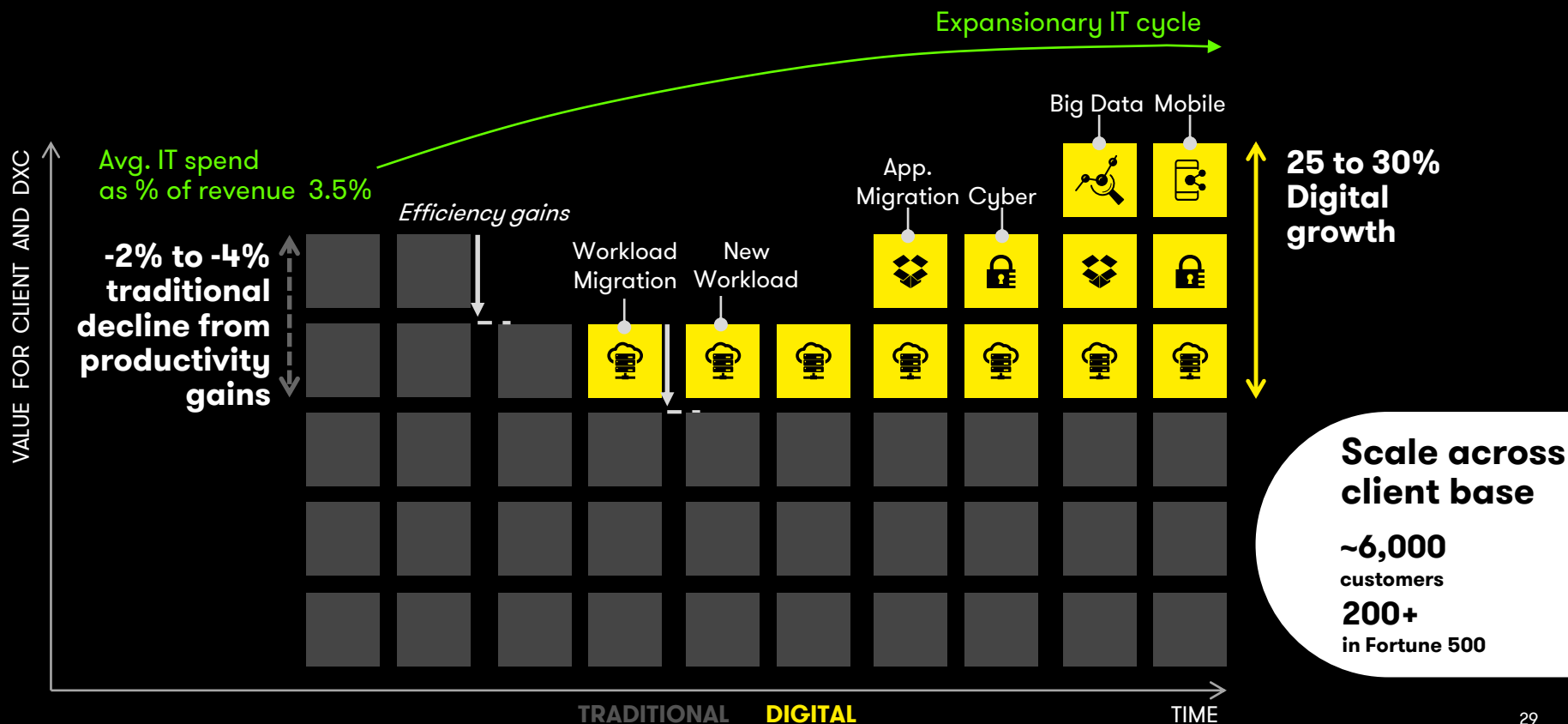


Industry-leading partner network

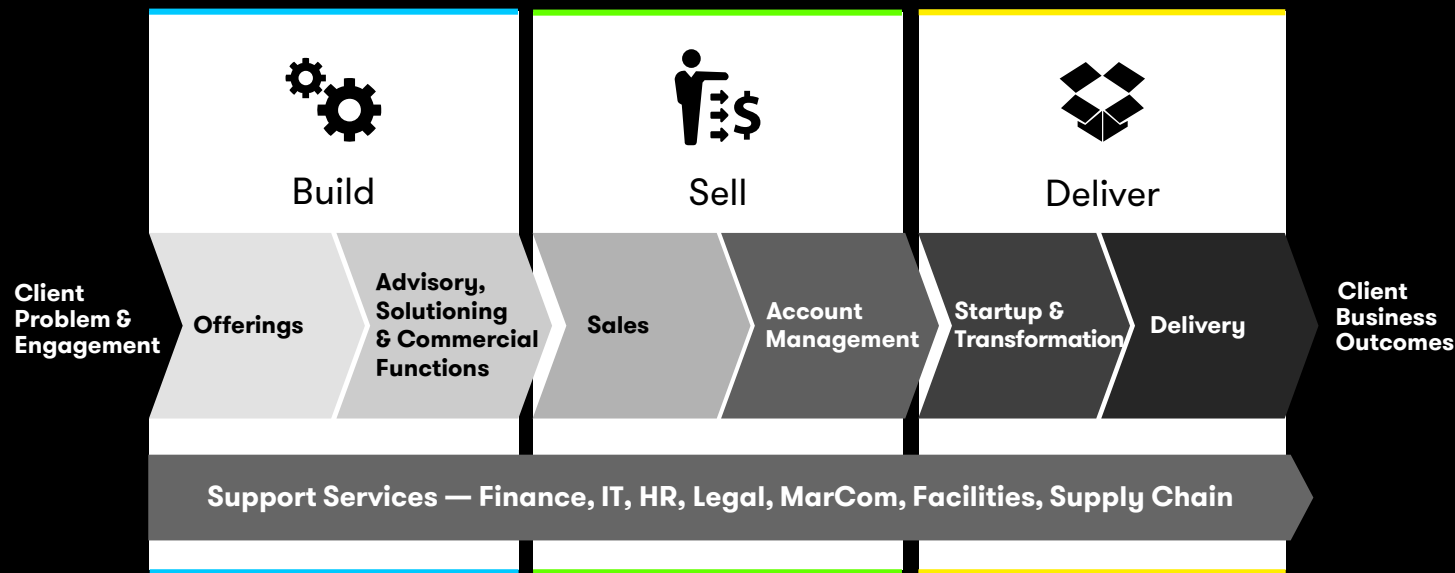


Energized sales & go-to-market

DXC model to help customers transition to Digital



Unique Build-Sell-Deliver operating model designed to deliver business outcomes at scale



Excellence for success in the Digital age

60,000 deals per year

End-to-end

No competing business units

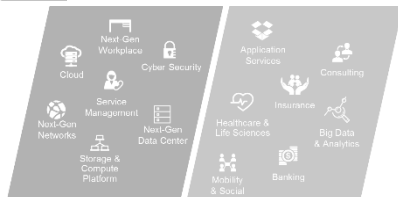
Focus on customer outcomes

Developed jointly with customers

Building streamlined offerings from the best of innovation of both companies and partners



CSC



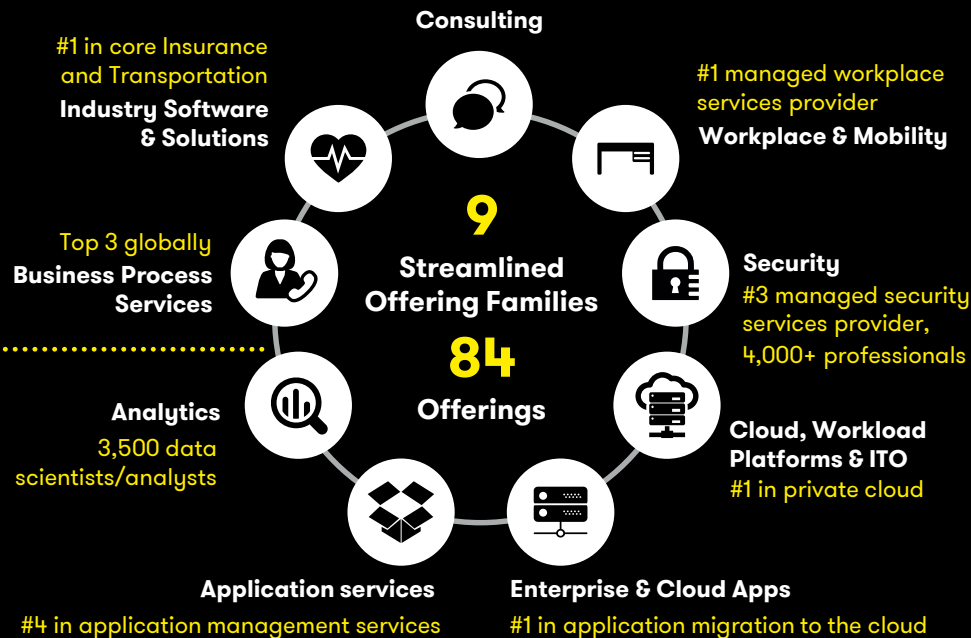
230 offerings | 14 families

HPE
Enterprise Services

Workload and Cloud Solutions	Applications Services and Program Excellence
Mobility and Workplace Solutions	Transformation
Mergers, Acquisitions & Divestitures Services	Business Process Services
Enterprise Security	Analytics and Data Management

Industry Solutions

270 offerings | 9 practices








Retain and build on the
best of innovation

Align offerings to
customer preferences

Drive clarity
among clients from day 1

Largest offerings position DXC as a differentiated leader



		FY17 TAM, \$B		Significant gaps	At par	Differentiated
	Cloud, Workload Platforms & ITO	210	Cloud brokerage			●
			Private cloud			●
			Network			●
	Workplace and Mobility	90	O365/Windows 10			●
			Digital workplace			●
			Mobility			●
	Security	30	MSS			●
			IAM			●
			Security consulting			●
	Application Services	130	SAP (incl. HANA)			●
	Analytics	75	Big data			●

**Offerings
rated as
market
differentiated**

Industry-leading partner network



Extended reach and offerings

#1 **ServiceNow** integrator globally

#2 **SAP** integrator

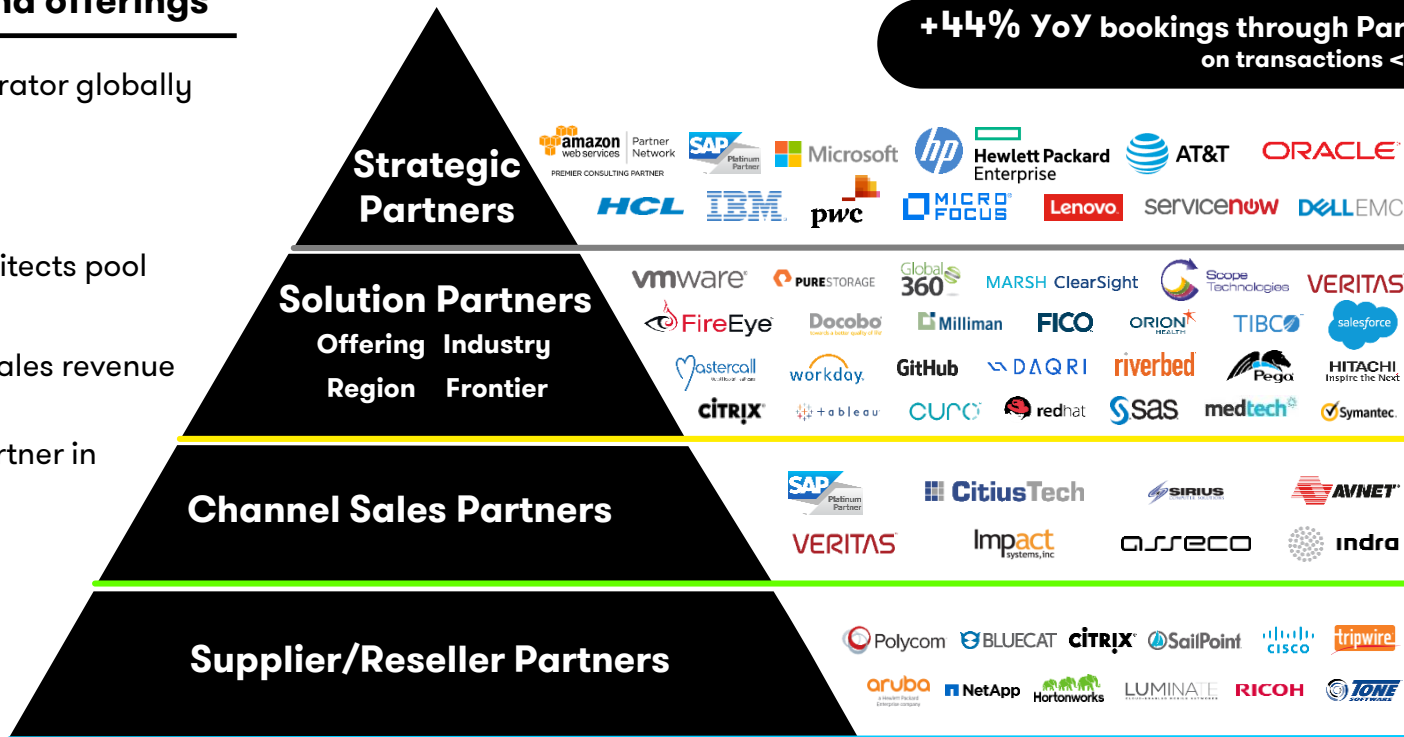
#1 **AWS** certified architects pool

#1 **HDS** integrator in sales revenue

#1 **Symantec** GSI Partner in revenue generation

#1 **RedHat** Enterprise partner

#1 **Oracle** engineered systems support capability



+44% YoY bookings through Partners on transactions <\$100M

New business activities showing momentum



New business wins



New logo wins



“ I am really impressed with the commitment and the passion that the team has for United [...] They're some of the best experts in the industry [...] This new company is going to be completely different and better than the combination of the two.

Linda Jojo, CIO United Airlines

Differentiated go-to-market performance



Selling at the scale that our customers expect

~\$25B revenue

~6,000 accounts

10 regions and industry dedicated units

6,500 front-line sellers and sales ops specialists

Global strategic deal pursuit group to ensure cohesiveness and scalability

Net Promoter Score

+13 to 20 increase over last 3-ys.

Win rate

>65%

Renewal rate

>95%

Digital growth

25 to 30%

Spartans-trained salesforce

92%

DXC: Trusted Digital transformation partner



DXC.technology



**Positioned to thrive on market shifts
& customer trends**



Clear customer growth model



**Unique end-to-end operating
model – outcome-driven**



Leading Digital offerings and partner network



Energized go-to-market already showing momentum



Trust

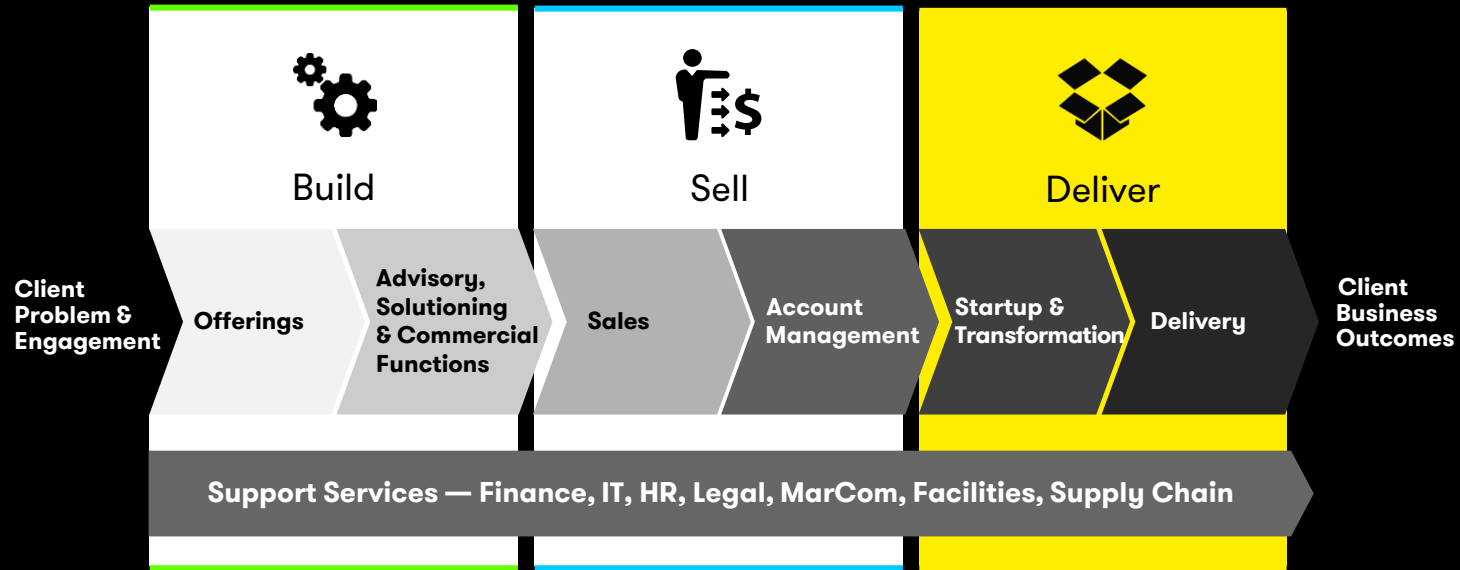
Transform

Thrive





DXC Delivery

Steve Hilton
EVP & Head of Global Delivery Organization

Deliver business outcomes at-scale



Delivery models must transform to adapt to Digital disruption

	 Cycle I Mainframe	 Cycle II IT Stack Disaggregation	 Cycle III Outsourcing & Globalization	 Cycle IV Digital Disruption
	Pre 90s	90s – 2000s	Mid 90s – ongoing	Emerging/ongoing
Value Created	IT enablement Productivity Business capability	Proliferation of tech solutions Innovation at each layer Bespoke solutions	Low cost “Your mess for less” Efficiency Better control	Outside-in innovation Digital platforms At-scale digitization of workflows
What Is Needed to Succeed	Capital Scale	Skilled developers Innovation	Capital Labor arbitrage Standardization Contracts expertise	Access to technology Access to partnerships Customer intimacy & agility Scale Skills Cost efficiency
Delivery Model	Monolithic Insourced Expert culture	Hero culture Siloed processes Standalone apps & infra	High fixed cost Fragmented Lift & shift to offshore People explosion Linear productivity	Integrated end-to-end Fail fast, scale quickly Agile and DevOps Embedded IP Exponential productivity Automation powered Efficiency driven Enabled by next-gen skills

Significant delivery capabilities

CSC

25%

Higher revenue for delivery FTE

60%

Reduction of incidents

<1%

FTEs above L4

Efficient operations

Operational data mining

Streamlined structure

Global scale

Robotics & Automation

Leveraged delivery model

HPE
Enterprise Services

90k

FTEs

15%

Transactions per month by robots

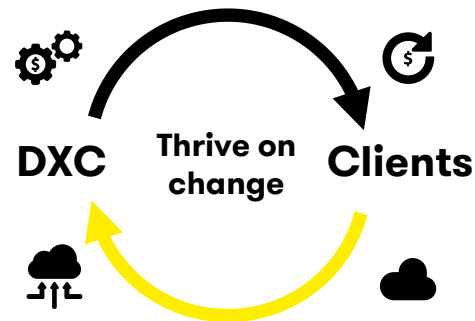
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Delivery centers

Enable client transformations

Generate efficiencies from delivery transformation

Productivity gains help clients invest in Digital



Margin expansion allows DXC to invest in Digital offerings & IP

Clients become increasingly Digital and efficient

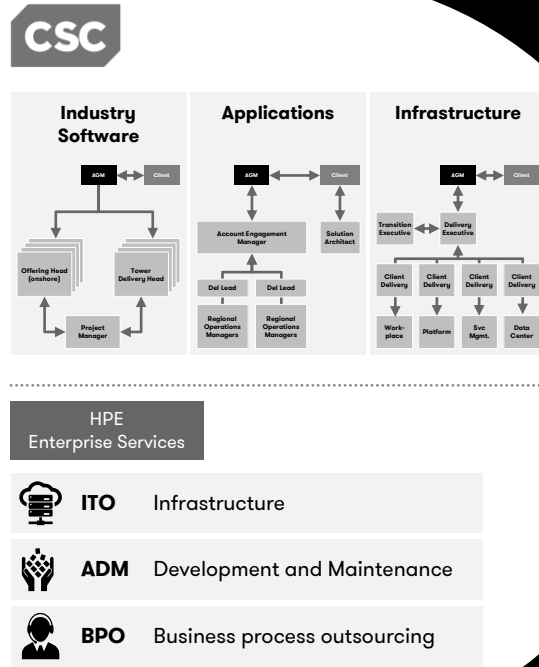
DXC delivery transformation will unlock value from 3 key areas

Target margin improvement

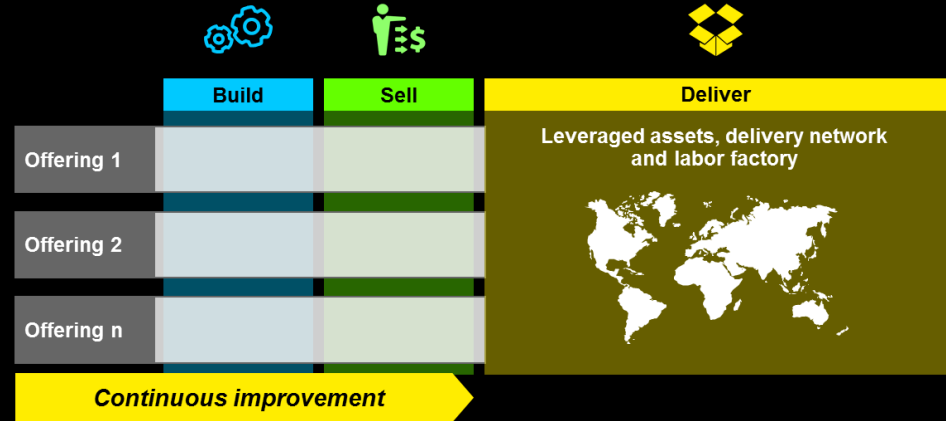
		In year 1	By year 3
Delivery optimization	<ul style="list-style-type: none">Streamlined organization structureDelivery workforce optimizationIndustrialized operations	\$275M 130 bps	\$800M 280 bps
Facilities rationalization	<ul style="list-style-type: none">Delivery center rationalizationData center consolidation	\$75M 40 bps	\$125M 40 bps
Supply chain efficiency	<ul style="list-style-type: none">Vendor consolidationContract renegotiationHW and SW standardizationDemand management	\$225M 110 bps	\$650M 220 bps
		\$575M 280 bps	\$1.6B 540 bps

Streamlined organization structure

From siloed delivery & service lines



To an offering based integrated delivery platform



Merger enables incremental value through elimination of duplicative roles

Management

60%

Consolidation across L3-L5

Account delivery

15%

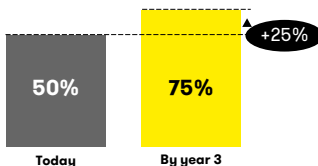
Top 200 account overlap

\$50M 20 bps In year 1 | **\$150M** 50 bps By year 3

Workforce optimization

Build in-country low cost delivery centers

Increase use of global LCC locations

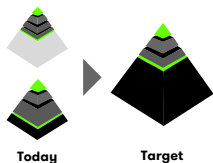


Integrated location strategy



From 17 to 8
Global delivery centers

Optimize span of control
Streamline management layers



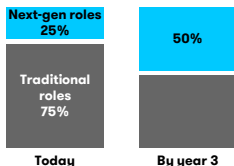
Optimized spans & layers



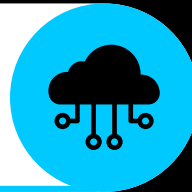
1:15 ► 1:25
Span improvement

Attract, develop, and retain next-gen talent

Build on DXC dynamic talent cloud



Re-aligned next-gen skills



>50%
Employees with next-gen skills in 3 years

\$125M 60 bps | **\$400M 150 bps**
In year 1 | By year 3

Industrialized operations

Operational Data Mining, Process standardization & digitization



Operational Data Mining

Connect operational data



Analyze data systematically to identify opportunities



Eliminate waste and reduce work

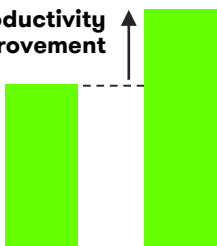
Alert Volume

40%

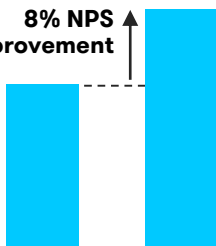
Incident Volume

50%

10% productivity improvement

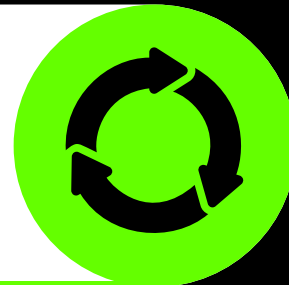


8% NPS improvement



- Leverage resources across accounts
- Expand factory model
- Segment and actively balance workloads
- Implement ongoing performance management approach

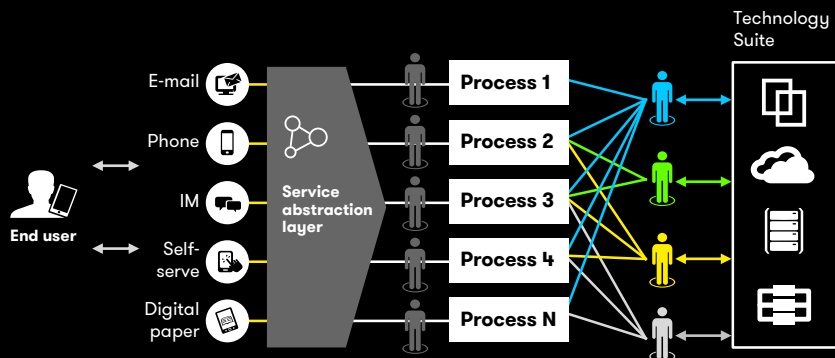
Process standardization & digitization



Industrialized operations

Automation

Highly complex and inefficient processes



High cost

Limited self-serve

Slow results

Inflexible processes

Labor intensive

Barrier to Digital

50%

Tickets per month processed or enhanced by machines

>80%

Priority service requests auto-resolved

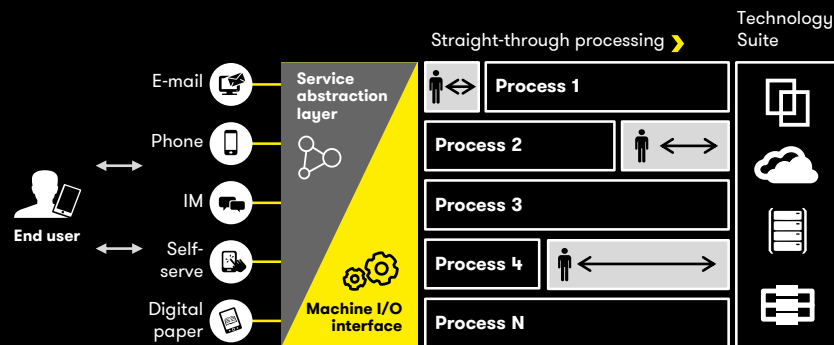
>3%

Improvement in availability SLAs

70%

Resolution time reduction via automation

► Optimized using machines and task robots



Just-in-time & labor-lite

ITOP – “Get out of the way”

DXC IP embedded into service

\$100M 50 bps | **\$250M 80 bps**
In year 1 | By year 3

Significant value opportunity from next phase of transformation



Delivery optimization

In year 1

\$275M
130 bps

By year 3

\$800M
280 bps



Facilities rationalization

\$75M
40 bps

\$125M
40 bps



Supply chain efficiency

\$225M
110 bps

\$650M
220 bps

\$575M
280 bps

\$1.6B
540 bps

Benefits

- Integrated delivery
- Single face to the customer
- Digitized workflows
- Scaled best practices across offerings
- Up-skilled labor
- Delivery excellence
- Automated operations

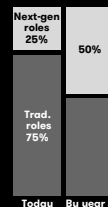
DXC Financial Overview

Paul Saleh
EVP and Chief Financial Officer

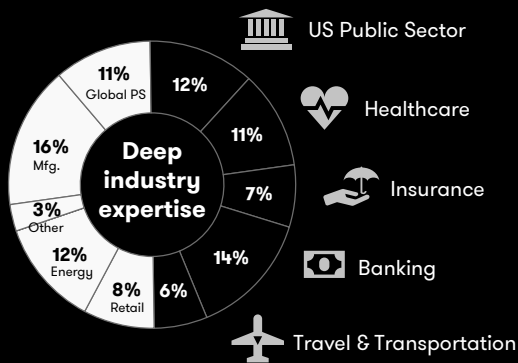
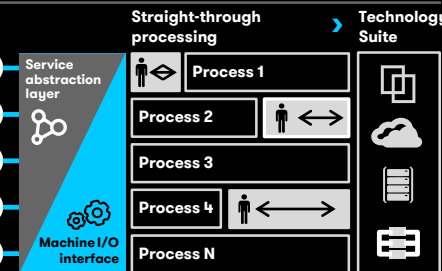
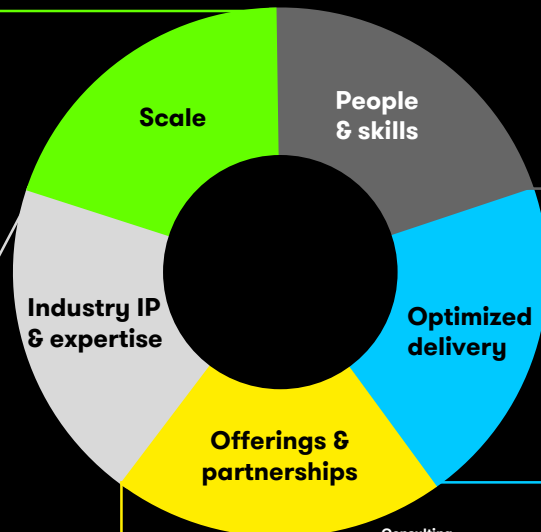
Uniquely positioned to lead clients on their Digital journeys



Target talent mix



Create a differentiated environment to attract, train, and retain talent



Drivers of value creation

1 Stable revenue growth

1% to 4%
growth by year 3

- Scale Digital offerings portfolio
- Focus on IP in key industries with high-growth
- Shift business mix towards Digital offerings
- Make strategic acquisitions to expand Digital offerings

2 Sustainable margin expansion

700 – 800 bps
increase in EBIT margin

- Harmonize policies and benefits
- Optimize workforce & delivery
- Leverage scale in supply-chain
- Rationalize facilities and data centers

3 Strong free cash flow

100% or more
of Net Income

- Expand EBIT
- Shift to capital-lite model
- Drive working capital efficiency
- Optimize tax rate

4 Disciplined capital allocation

30%
capital return to shareholders

- Re-invest in business
- Make targeted acquisitions
- Maintain investment grade credit profile
- Return capital to shareholders through dividends and share repurchases

Stable revenue growth

Traditional offerings

Market
-3 to -4%
CAGR

Productivity gains & market transition to Digital technologies

Industry solutions

Market
4%+
CAGR

\$100B 4%
\$32B 4%
\$31B 3%
\$27B 3%
\$92B 4%

Digital offerings

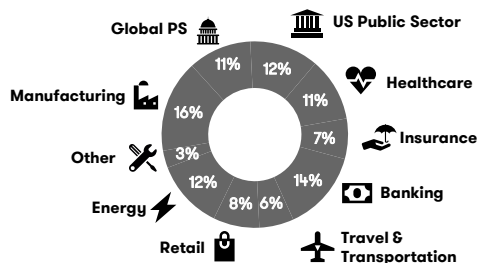
Market
25%+
CAGR

\$28B 30%
\$26B 23%
\$4B 25%
\$33B 23%

Diversified offerings portfolio



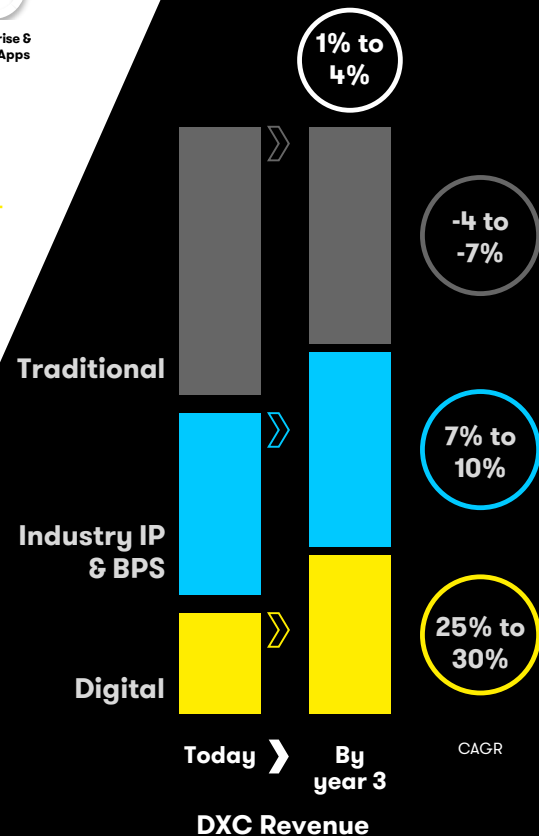
Broad industry mix



Differentiated Digital offerings

Offering family	Offering	Differentiated
Cloud	Cloud brokerage	
	Private cloud	
	Network	
Workplace and Mobility	O365/Windows 10	
	Digital Workplace	
	Mobility	
Security	MSS	
	IAM	
	Security consulting	
Application Services	SAP (incl. HANA)	
Analytics	Big data	

- 1 Stable revenue growth
- 2 Sustainable margin expansion
- 3 Strong free cash flow
- 4 Disciplined capital allocation



Sustainable margin expansion

Policies alignment

- Harmonize corporate policies and benefits
- Ensure consistent application of standards

Workforce optimization

- Consolidate redundant roles across all functions
- Optimize span of control and management layers
- Achieve benchmarks for support functions
- Scale leveraged support model
- Optimize delivery through integrated model
- Increase productivity through automation

Supply chain efficiency

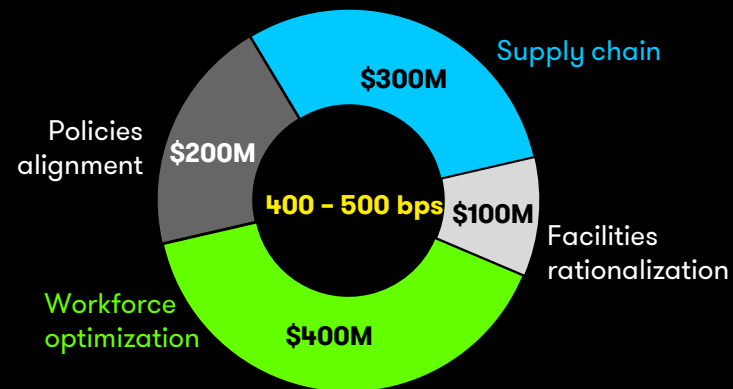
- Consolidate vendors and eliminate duplicative contracts
- Increase support from strategic partners
- Manage demand in a disciplined way

Facilities rationalization

- Streamline facilities and data center footprint
- Consolidate in-area sites
- Exit sub-scale facilities

EBIT Margin Expansion

In year 1



\$1B
Savings
In year 1

\$1.5B
Run-rate savings
at end of year 1

15 to 20%
Re-investment in
business

Sustainable margin expansion

Policies alignment

- Harmonize corporate policies and benefits
- Ensure consistent application of standards

Workforce optimization

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Supply chain efficiency

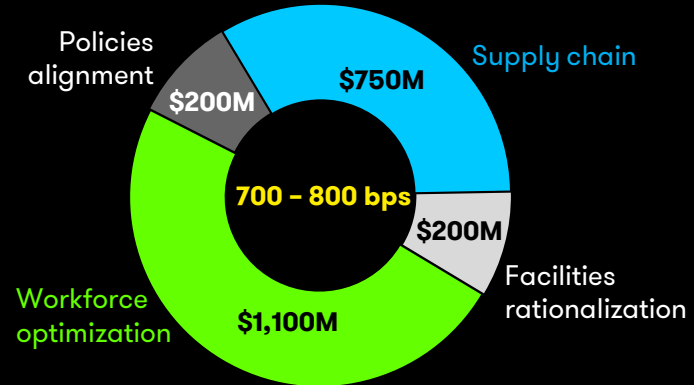
- Consolidate vendors and eliminate duplicative contracts
- Increase support from strategic partners
- Manage demand in a disciplined way

Facilities rationalization

- Streamline facilities and data center footprint
- Consolidate in-area sites
- Exit sub-scale facilities

EBIT Margin Expansion

By year 3



\$2.25B

Of cost efficiencies
by year 3

15 to 20%

Re-investment in
business

Policies alignment



Optimized travel policies



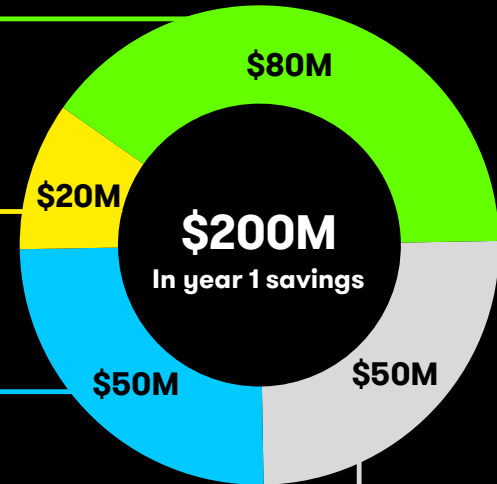
Revised device management policy



Aligned 401K and benefit plans



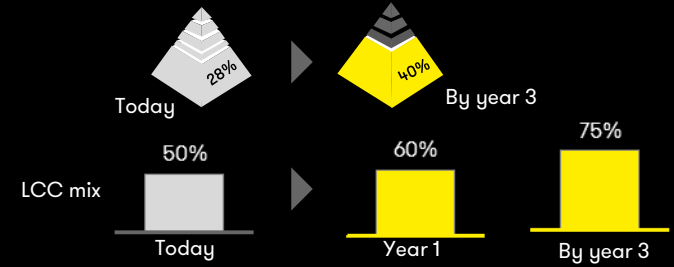
Harmonized health insurance benefits



Workforce optimization

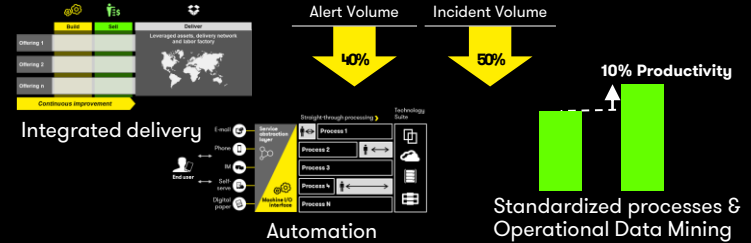
Streamlined organization

- Consolidate redundant roles across all functions
- Optimize span of control and management layers
- Improve LCC mix



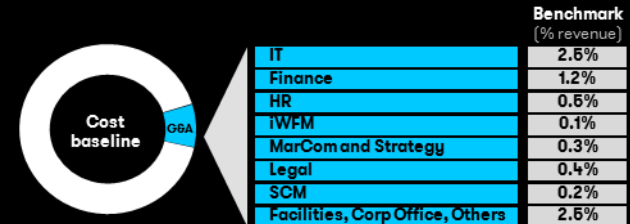
Delivery optimization

- Accelerate shift to integrated delivery model
- Improve margins from automation
- Increase productivity through standardized processes and operational data mining

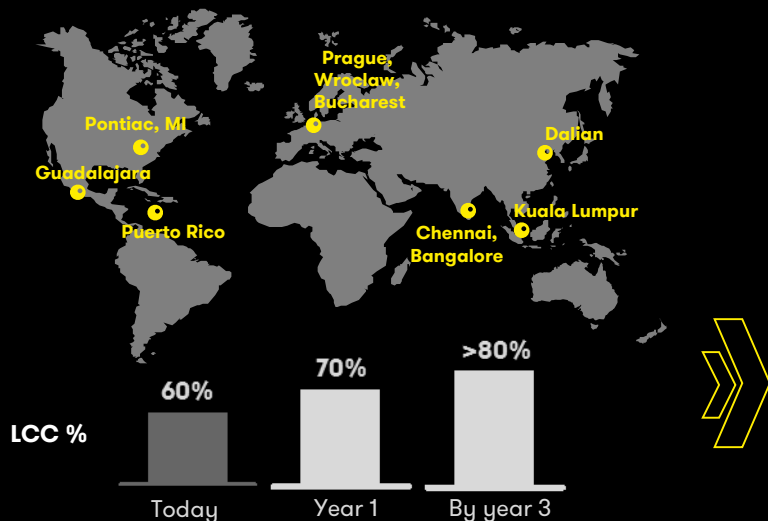


Overhead productivity

- Align costs to benchmarks
- Scale leveraged support model



Leveraged support model



- Build high impact centers in strategic locations
- Prioritize nearshore & offshore centers
- Scale low cost locations

Hire to retire	Recruiting	Payroll processing	Performance management
Order to cash	Invoicing Cash application	Billing Chargeback	Credit & Collections
Record to report	Revenue recognition	Management reporting	Close & Consolidation
Source to settle	Accounts payable Invoice Processing	Purchasing Payment processing	Reporting Employee expense processing
Other functions	Contract management	Sales support Pricing	Compliance Process improvement & training

- Benefit from end-to-end business process support model
- Drive productivity through continuous process improvements

Supply chain efficiency

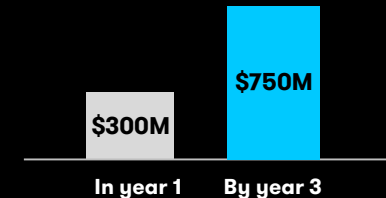
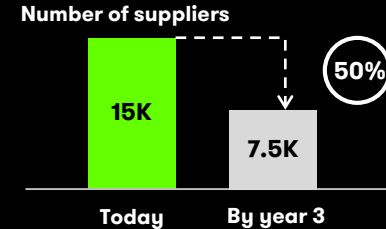
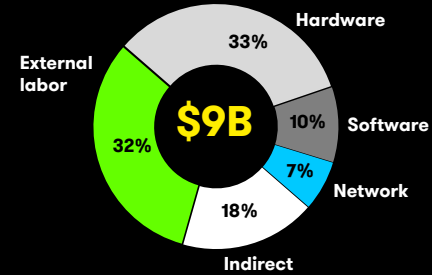
Priorities:

- Vendor consolidation
- Contracts and terms renegotiation
- Contingent labor management
- Disciplined demand management
- Greater spend analytics
- Workflow automation
- Strategic partner support
- HW & SW standardization

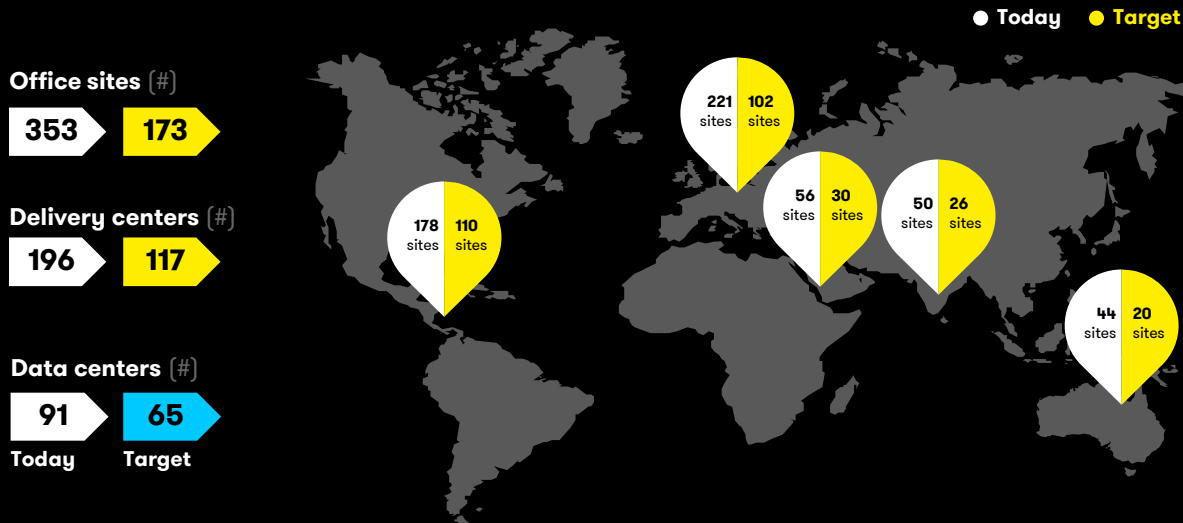
Addressable spend

Supplier consolidation

Savings



Facilities rationalization



Office sites (#)

353 173

Delivery centers (#)

196 117

Data centers (#)

91 65

Today Target

SITE DENSITY [employee / desk]

General Office

2:1

Development

1.2:1

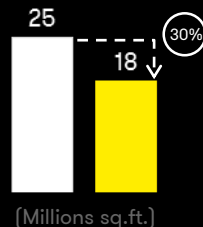
Service Delivery

1.2:1

Sales/Consulting

10:1

Occupancy footprint



Exit low utilization and sub-scale locations

Increase co-location

Align location by skill type

Optimize data center footprint

Strong free cash flow

	Actions		Targets next 3 years
EBIT	<ul style="list-style-type: none"> • Shift in business mix • Cost efficiencies • Synergy realization 	>	700 – 800 bps expansion
Taxes	<ul style="list-style-type: none"> • Mix of global income • Transfer pricing strategies • Tax planning • Capitalize on potential tax reform 	>	25 to 30%
Working Capital	<ul style="list-style-type: none"> • Focus on receivable management and collections • More favorable supplier terms 	>	DSO ↓ 7 to 10 days DPO ↑ 5 to 7 days
Capital Expenditures	<ul style="list-style-type: none"> • Expanded use of utility model • Increased use of financial partners, including HPE FinCo • Disciplined asset management 	>	5% or less of revenue

FCF: 100% or more of Net Income

Solid financial position

Ample Access to Liquidity

- Maintain cash balances of \$1.0B+
- Revolving credit facility of \$2.9B
- Capitalize on multi-currency pooling structures for greater liquidity efficiency
- Utilize A/R securitization facility to enhance liquidity
- Strong Free Cash Flow



Investment Grade Credit Profile

- Fitch: BBB+/stable
- Moody's: Baa2/stable
- S&P: BBB/negative

Leverage Ratios

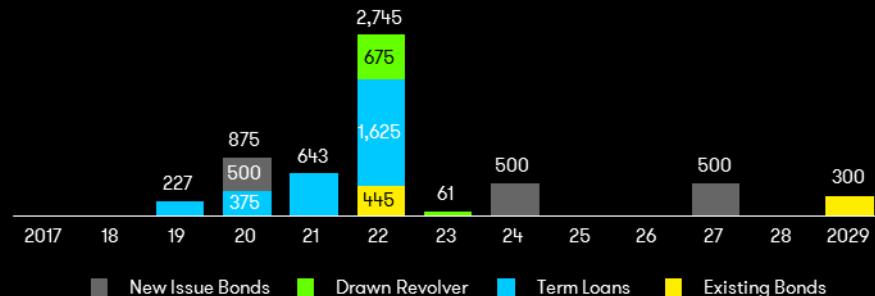
<2.0x

Total Debt/Pro
Forma EBITDA

<1.5x

Net Debt/Pro
Forma EBITDA

Pro Forma Maturity Schedule [\$M]



Optimized Maturity Schedule

- No significant maturity in next two years
- 20% of debt portfolio pre-payable at par
- Average debt cost of 3.2% per year
- Balanced fixed to floating rate exposure

Disciplined capital allocation

Re-invest in business

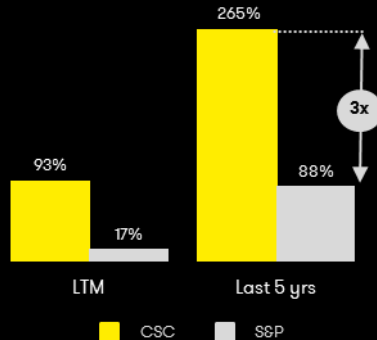
Target **acquisitions** that expand Digital offerings

Maintain **investment grade** credit profile

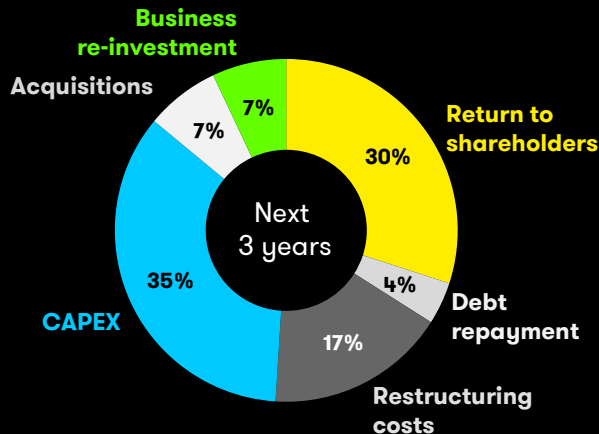
Return **capital** to shareholders through dividends and share repurchases

CSC

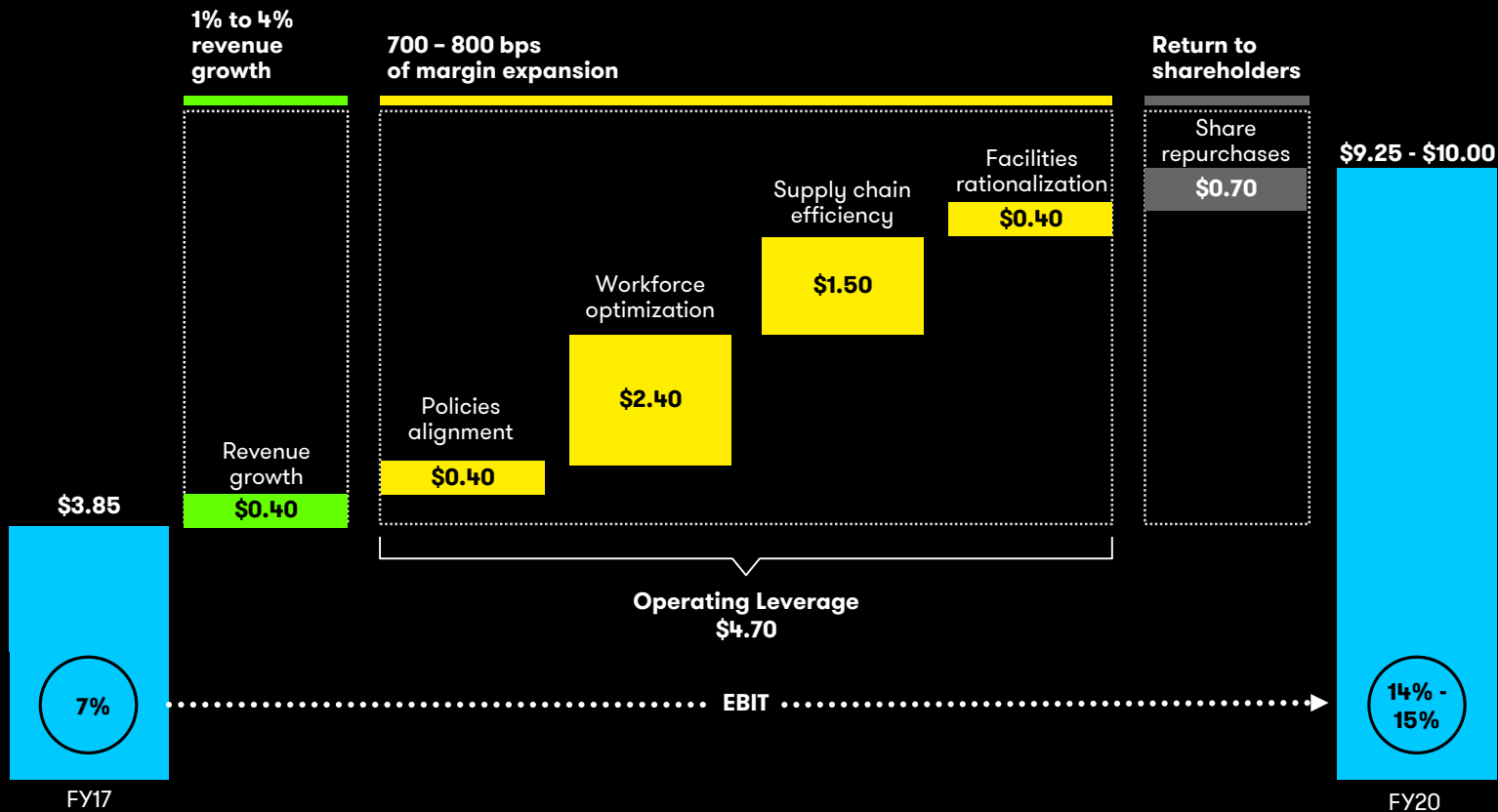
Total shareholder return [%]



DXC.technology



Non-GAAP EPS roadmap



Financial targets

	FY18	FY18 - FY20
Revenue	\$24.0B – \$24.5B	1% to 4% growth
EBIT margin	11% to 12%	14% to 15%
FCF as a % of Net Income	100% or more	100% or more
Non-GAAP EPS	\$6.50 - \$7.00	~20% CAGR

