DXC.technology

May 28, 2020

Earnings Presentation: 4th Quarter FY 2020

Non-GAAP Financial Measures

We present non-GAAP financial measures of performance which are derived from the unaudited condensed consolidated statements of operations of DXC. These non-GAAP financial measures include earnings before interest and taxes (“EBIT”), adjusted EBIT, non-GAAP income before income taxes, non-GAAP net income and non-GAAP EPS, constant currency revenues, net debt and net debt-to-total capitalization.

We present these non-GAAP financial measures to provide investors with meaningful supplemental financial information, in addition to the financial information presented on a GAAP basis. DXC management believes these non-GAAP measures allow investors to better understand the financial performance of DXC exclusive of the impacts of corporate-wide strategic decisions. DXC management believes that adjusting for these items provides investors with additional measures to evaluate the financial performance of our business operations on a comparable basis from period to period. DXC management believes the non-GAAP measures provided are also considered important measures by financial analysts covering DXC as equity research analysts continue to publish estimates and research notes based on our non-GAAP commentary, including our guidance around non-GAAP EPS.

Non-GAAP financial measures exclude certain items from GAAP results which DXC management believes are not indicative of operating performance such as the amortization of acquired intangible assets and transaction, separation, and integration-related costs. 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 specifically 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 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 contribute to revenue generation. Any future transactions may result in a change to the acquired intangible asset balances and associated amortization expense.

There are limitations to the use of the non-GAAP financial measures presented in this presentation. 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 on a “constant currency basis” (“cc”) so that certain financial results can be viewed without the impact of fluctuations in foreign currency rates, thereby providing comparisons of operating performance from period to period. Financial results on a “constant currency basis” are non-GAAP measures calculated by translating current period activity into U.S. dollars using the comparable prior period’s currency conversion rates. This approach is used for all results where the functional currency is not the U.S. dollar.

Forward-Looking Statements

All statements in this press release that do not directly and exclusively relate to historical facts constitute “forward-looking statements.” 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. 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, 2019, DXC’s Quarterly Reports on Form 10-Q for the quarters ended June 30, 2019, September 30, 2019 and December 31, 2019 and any updating information in subsequent SEC filings, including DXC’s upcoming Annual Report on Form 10-K for the fiscal year ended March 31, 2020.

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 press release or to reflect the occurrence of unanticipated events except as required by law.

Agenda for Today

1. "Big Picture" Context
2. Customer Feedback
3. Update on Our Transformation Journey
4. Fourth Quarter, Full Year FY20 Results and Liquidity
5. Closing Remarks

Context and Operational Performance

- **Solid results in the quarter**
  - Good progress with customers
  - Improving customer delivery
  - Stronger customer relationships
- **Fixed 35 of 40 Challenged accounts**
  - $2.1B in TCV over the last two quarters from these accounts
- **Increasing focus on top 200 accounts**
- **Heightened demand for reliable and secure on-prem IT infrastructure and workplace & mobility services**
- **Overwhelmingly positive feedback from customers**

THANK YOU, DXC!

Workplace and Mobility

"The DXC workplace services team that supports us has really stepped up their game. We were seeing evidence of that prior to the start of the pandemic, and certainly in the course of the pandemic."

"Thanks to a well-executed action plan and a dashboard showing devices across 119 locations, DXC was able to deliver 1,200 laptops in one week and field a 200% surge in service desk calls in one day to enable half [our] employees to work at home."

"THANK YOU DXC. We highly appreciate the contribution you made to prepare us for the corona crisis. Today more than 35,000 people are working from home, with Skype and the workplace filesharing platforms stable. Before the crisis our peak day was 4,000 remote workers."

"The COVID-19 pandemic left many [of our] employees with no other option than to work in their homes. DXC and the manufacturer's IT team deployed all the tools needed for remote work. Some people are collaborating with each other even more than before."

"[We have] been working diligently with your team to enable associates to work from home… domestically and in India… We could not have done this without you. Specifically [DXC] anticipated a lockdown in India and proactively distributed laptops to their offshore [associates]... 92% had connectivity on day one and 97% by day two… relied on their own internal teams to troubleshoot any technical questions… enabled continued offshore support with no impacts to [our] business due to their quick actions. [DXC] has been critical in helping meet the needs of our customers."

On-Prem IT Infrastructure and Cloud

"First and foremost, thanks for your note… DXC and [our company] have a deep partnership. It's great to know that DXC is doing so well amidst the ongoing crisis… our business volumes are impacted in line with broader impact on specific segments (like Hospitality, airline, etc.). We are working with your teams to maintain usual levels of service. As you rightly mentioned, dependency on IT ESTATE is like never before and we want to ensure 100% availability and reliability."

"Keeping our systems stable and reliable during this crisis is the #1 thing we can be doing to help our already challenged operation. Our account team has been great."

"Thanks for your email and appreciate the transparency of your strategy… wanted to call out the local team here in Australia. Their response to COVID for my business was excellent and our technology has not missed a beat."

"DXC has been a critical partner in supporting all of our operations across infrastructure, applications and cybersecurity. Mission-critical systems, including ERP apps, are running in the cloud and operate flawlessly around the clock, every day of the year."

"The focus of [our] DXC partnership in recent years has been to enable future cloud workflows and take better advantage of flexible digital resources [including] virtual desktop infrastructure. While the COVID-19 circumstances were not the inspiration… because of the work DXC did [we were] much more ready to pivot into remote workflows and use of HP Remote Graphics."

Enabling Innovation and Execution

"Anticipating a surge in service desk calls from employees now working from home, DXC delivered a chatbot in 30 hours. The bot reduced call volume by 12% on the first day…thrilled with DXC's proactiveness, out-of-the-box thinking, speed and collaboration."

"Your team and my team are working very well together. Solutions have been developed to support [our] activities during COVID-19. I am very happy in the skills of your people. There is a great partnership with DXC team. The solutions that have been developed and that are being developed together with the DXC team are changing the perception of IT by LOBs. 'COVID emergency' solutions is modifying the customer journey, making it easier and more agile to carry out activities. Thanks to your people, [our] infrastructure is working well and [our] employees and suppliers are working from home smoothly."

"Thanks for writing in this challenging situation… DXC has been our strong & strategic partner for the last many years, supporting our world-wide operations & growth. I would like to thank you and [the] team in India for working proactively in this exceptional situation impacting almost every single individual & corporation. Must say, I am very pleased to see your style of leading from the front and be assured, we are together in this journey. Stay safe."

"[Our Account Executive] at DXC and the team are doing a fantastic job of keeping the show on the road during these unprecedented times."

Building a Strong Foundation for Growth

- **Take care of customers**
- **Take care of people who do the detailed work for customers**
- **Revenue run-off not caused by cloud trends, but due to**
  - Sub-optimal delivery
  - Weakening customer relationships
- **Taking corrective actions to stem future revenue run-off**

Focusing on Our People

- Health and safety of our people is a top priority
- Hiring talented people on accounts and in delivery
- Rewarding people closest to customers
- COVID-19 command center

Transformation Journey

Focus on Customers

Optimize Costs

Seize the Market Opportunity

Transformation Journey – Optimize Costs

Optimize Costs

- **Simplify management layers**
- **Right-size cost structure to revenue**
- **Expect to eliminate ~$700 million of costs on an annualized basis**
  - $550 million in FY21
  - ~4,500 people or ~3.5% of our workforce to be impacted
- **Continue to hire and exit people at all levels as needed**

Transformation Journey – Seize the Market Opportunity

Seize the Market Opportunity

- **What DXC does is incredibly relevant**
- **Renewed demand for on-prem infrastructure technology**
- **IT estate assessment with Virtual Clarity validates strategy**
  - Worked with 95 of our key accounts to assess evolution to cloud
  - Technical feasibility, risk, business case, and ability to execute
  - Only ~5% of on-prem estate likely to move to cloud over the next two years
  - Customers targeting to modernize 60% of their on-prem IT estate; rest being intact
- **Significant cross-sell opportunities**

Reconciliation of Non-GAAP Results

	Q4 FY20								
(in millions except EPS)	GAAP	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Goodwill Impairment Losses	Gain on Arbitration Award	Pension and OPEB Actuarial and Settlement Gains	Tax Adjustment	Non-GAAP Results
(Loss) income from continuing operations before income taxes	(3,562)	4	92	148	3,854	-	(244)	-	292
Income tax (benefit) expense	(61)	2	20	34	42	-	(51)	6	(8)
(Loss) income from continuing operations	(3,501)	2	72	114	3,812	-	(193)	(6)	300
Diluted EPS from continuing operations(1)	**($13.79)**	0.01	0.28	0.45	15.00	-	(0.76)	(0.02)	**$1.20**

	FY20								
(in millions except EPS)	GAAP	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Goodwill Impairment Losses	Gain on Arbitration Award	Pension and OPEB Actuarial and Settlement Gains	Tax Adjustment	Non-GAAP Results
(Loss) income from continuing operations before income taxes	(5,228)	252	318	583	6,794	(632)	(244)	-	1,843
Income tax expense (benefit)	130	44	63	133	95	-	(51)	(33)	381
(Loss) income from continuing operations	(5,358)	208	255	450	6,699	(632)	(193)	33	1,462
Diluted EPS from continuing operations(1)	**($20.76)**	0.80	0.98	1.73	25.78	(2.43)	(0.74)	0.13	**$5.58**

1 EPS and per-share values of certain items do not sum to non-GAAP EPS

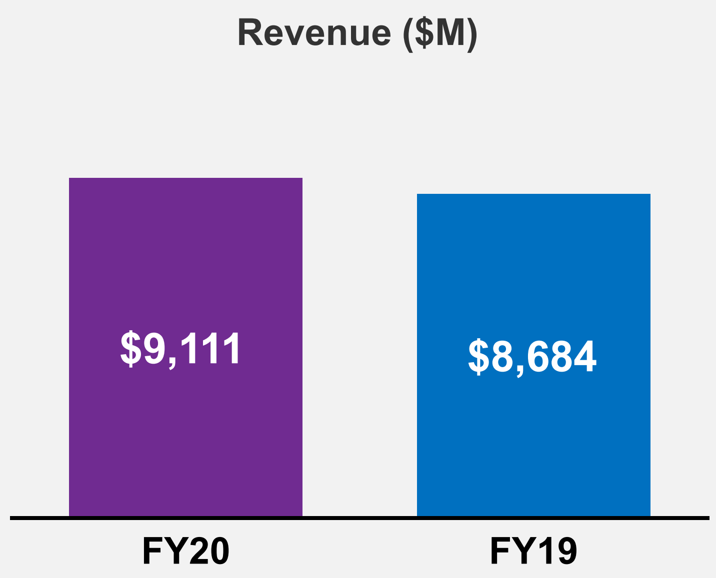
4th Quarter Results

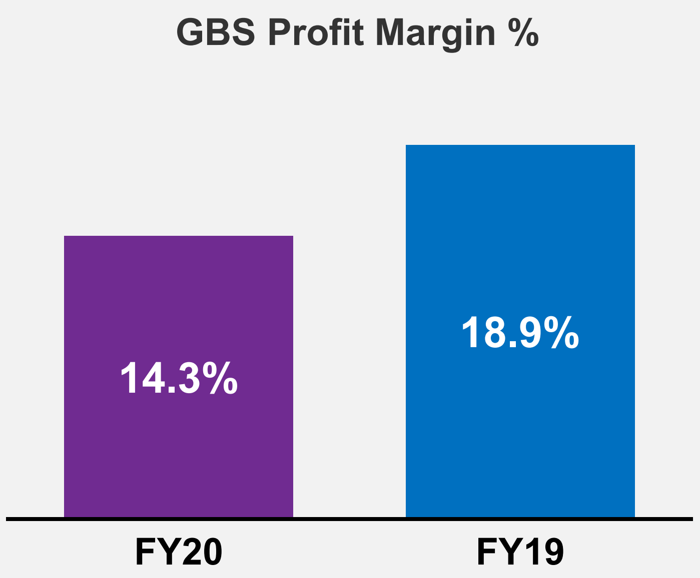
	Q4				FY			
	FY20		FY19		FY20		FY19	
Revenue ($M)	$	4,815	$	5,280	$	19,577	$	20,753
– YoY Growth – GAAP		*(8.8%)*				*(5.7%)*		
– cc		*(6.9%)*				*(3.5%)*		
– QtQ Growth – GAAP		*(4.1%)*				—		
– cc		*(3.3%)*				—		
Adjusted EBIT ($M)		352		827		2,061		3,269
Adjusted EBIT Margin (%)		*7.3%*		*15.7%*		*10.5%*		*15.8%*
Adjusted Income from Continuing Operations ($M)[1]		300		589		1,462		2,352
Non-GAAP Diluted EPS from Continuing Operations[1]	$	1.20	$	2.19	$	5.58	$	8.34
Bookings ($B)	$	4.4	$	5.8	$	17.7	$	20.7
Book-to-Bill		0.9x		1.1x		0.9x		1.0x

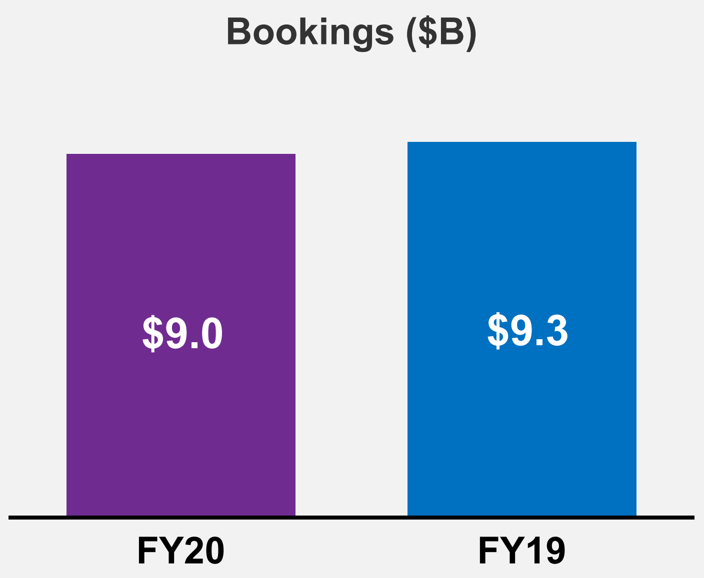
[1] Excludes restructuring costs, transaction, separation and integration-related costs, amortization of acquired intangible assets, goodwill impairment losses, gain on arbitration award, pension and OPEB actuarial and settlement gains, and tax adjustment

Global Business Services (GBS)

	Q4 FY20	Q4 FY19	FY20	FY19
Revenue ($M)	$ 2,308	$ 2,191	$ 9,111	$ 8,684
– YoY Growth – GAAP	*5.3%*		*4.9%*	
– cc	*7.3%*		*7.0%*	
– QtQ Growth – GAAP	*(2.2%)*		—	
– cc	*(1.5%)*		—	
GBS Profit ($M)	223	447	1,301	1,645
GBS Profit Margin (%)	*9.7%*	*20.4%*	*14.3%*	*18.9%*
Bookings ($B)	$ 2.2	$ 2.9	$ 9.0	$ 9.3
Book-to-Bill	0.9x	1.3x	1.0x	1.1x



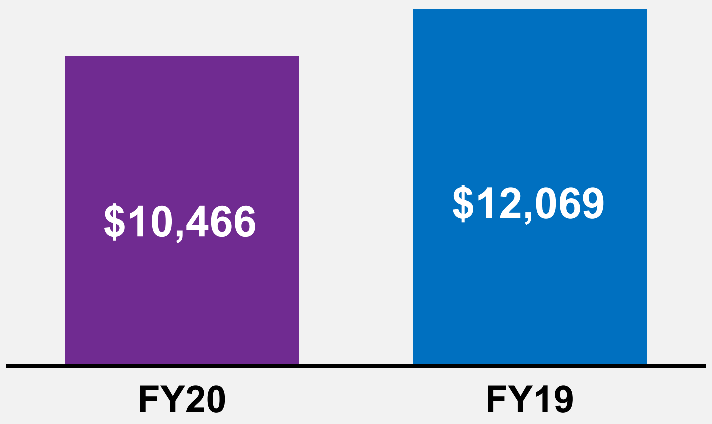




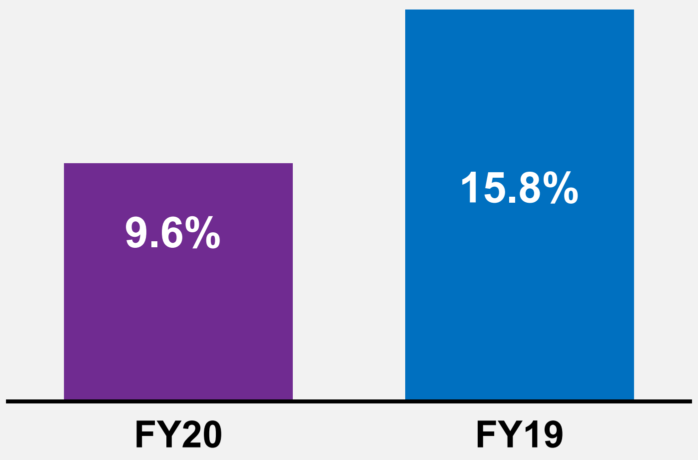
Global Infrastructure Services (GIS)

	Q4 FY20		Q4 FY19		FY20		FY19	
Revenue ($M)	$	2,507	$	3,089	$	10,466	$	12,069
– YoY Growth – GAAP		*(18.8%)*				*(13.3%)*		
– cc		*(16.9%)*				*(11.1%)*		
– QtQ Growth – GAAP		*(5.8%)*				—		
– cc		*(4.9%)*				—		
GIS Profit ($M)		192		436		1,007		1,911
GIS Profit Margin (%)		*7.7%*		*14.1%*		*9.6%*		*15.8%*
Bookings ($B)	$	2.2	$	2.9	$	8.7	$	11.5
Book-to-Bill		0.9x		1.0x		0.8x		0.9x

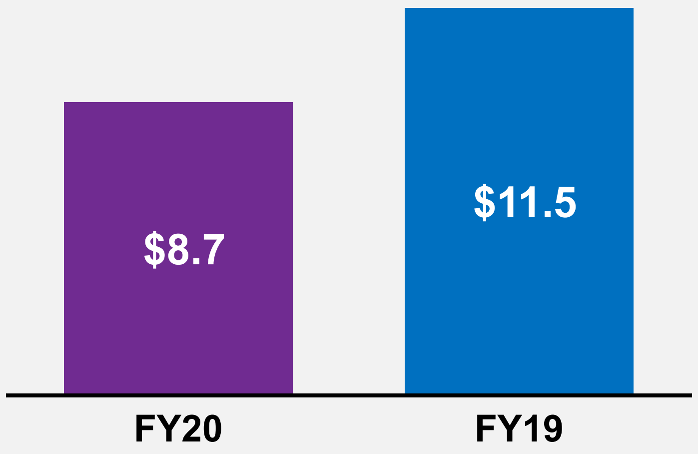
Revenue ($M)



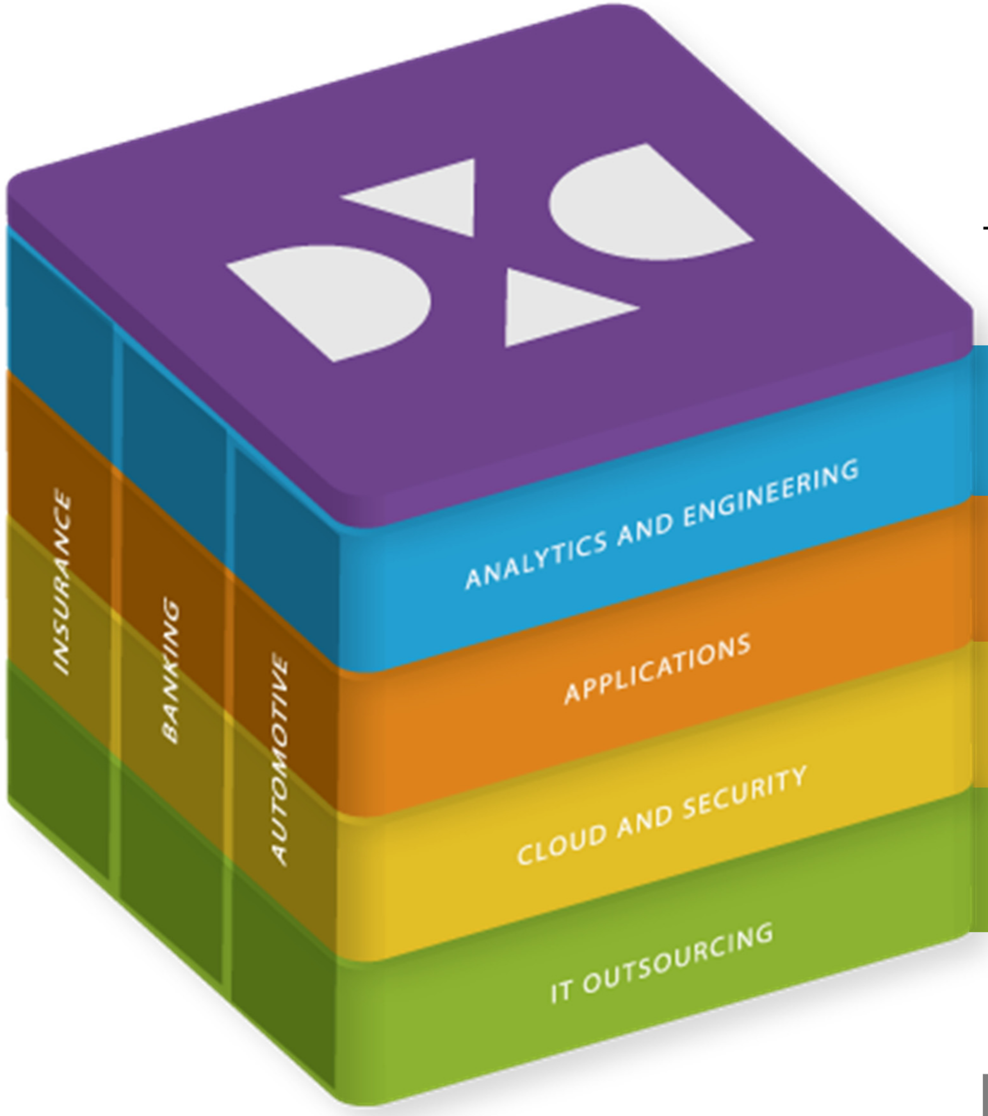
GIS Profit Margin %



Bookings ($B)



Enterprise Technology Stack – Performance Update



Q4 FY20			
QtQ Growth	YoY Growth	Book to Bill	FY20 Revenue
(6.0%)	71.3%	1.3x	$1.8B*
0.6%	(0.2%)	0.8x	$5.5B
3.1%	7.0%	1.1x	$2.0B
(7.1%)	(20.6%)	1.0x	$5.5B
(2.7%)	(3.4%)	1.0x	$14.8B*

Strategic Alternatives – Q4 FY20 (5.1%) QtQ and (16%) YoY; FY20 Revenues of $5.0B

- U.S. State and Local HHS
- Horizontal BPS
- Workplace and Mobility

Note: Figures in the chart represent growth rates in constant currency, except for Revenue and Book-to-Bill values.

* Pro-forma including full year impact of Luxoft of ~$0.2B

Financial Highlights

Cash Flow Performance

	Q4 FY20	FY20
• Adjusted Free Cash Flow	$131M	$1.34B
• Cap Ex — Including Payments on Capital Leases	$368M	$1,377M
• *Cap Ex as a % of Revenue*	*7.6%*	*7.0%*

Capital to Shareholders

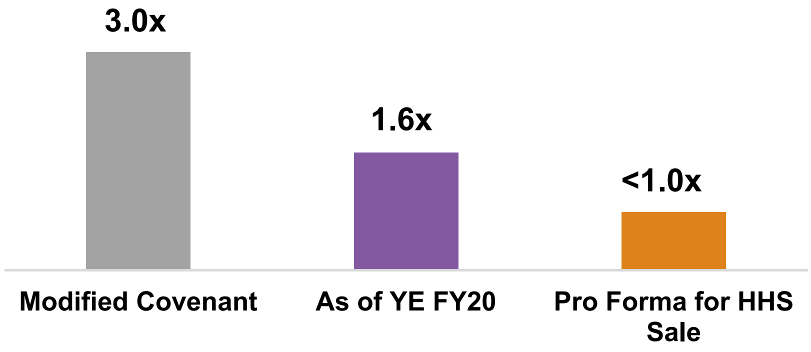
	Q4 FY20	FY20
• Cash Dividends	$53M	$214M
• Share Repurchases	—	$736M 15.9M shares

Capital Structure

	Q4 FY20
• Cash and Cash Equivalents	$3.7B
• Net Debt-to-Total Capitalization	*41.6%*

Enhancing Liquidity and Financial Flexibility

- **Increased cash position**
  - Over $5.5 billion of cash on balance sheet as of April 30, 2020
- **Modified bank covenants**
  - 3.0x Net Debt to EBITDA for the next 12 months
  - 2.25x Net Debt to EBITDA in FY22 and beyond
  - Current term-loans and revolver of $6.2 billion subject to covenants



- **Extended maturities**
  - EUR 920 million term loans extended to 2022 and 2023
  - Less than $600 million of long-term debt maturing in the next 24 months
- **Net-cash proceeds from U.S. State and Local HHS business to be used to pay down bank debt**
  - Pre-tax cash proceeds of $5.0 billion
  - Targeting close of U.S. State and Local HHS transaction by Q2 FY21
- **Suspended dividend**
  - Prudent step in uncertain current environment
  - Supports investment grade financial policy
  - Opportunity to re-evaluate payout post-completion of strategic alternatives

Guidance

- **Suspending guidance for FY21 given current market conditions**
  - Managing a number of key transformation initiatives
    - Securing customers
    - Optimizing costs
    - Executing on our strategic alternatives, each with its own timeline for close
  - Uncertainty from COVID
- **Greater resiliency of DXC business portfolio in challenging economic environment**
  - ~30% of revenue from project related work
  - ~85% of revenue from industries that have medium-to-low impact from COVID.
  - ~15% of revenue from industries most impacted by COVID, including travel, hospitality, consumer, and retail

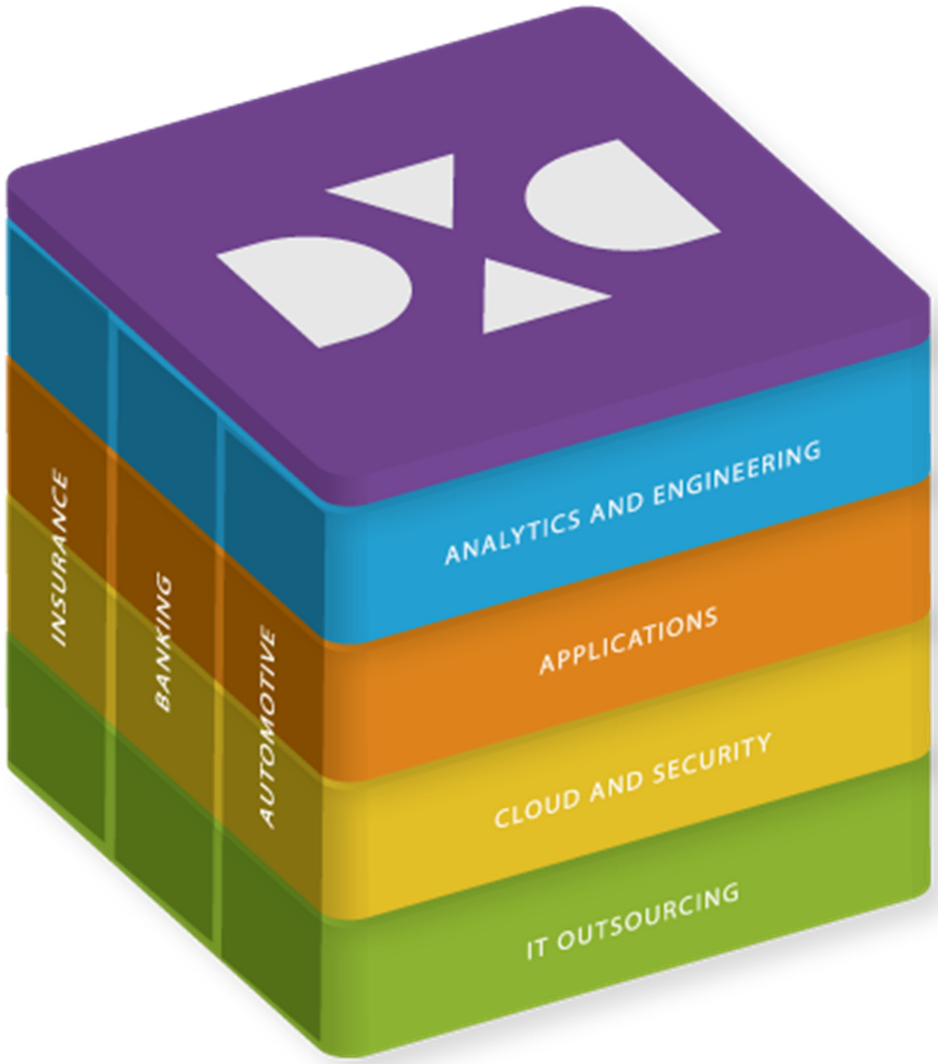
Guidance

- **Impact of transformation journey and COVID-19 more pronounced in first half of FY21**
  - Q1 revenue headwinds of 8% - 10% sequentially; expected to stabilize sequentially thereafter
  - Q1 EPS – low point in FY21, reflecting impact of revenue decline and minimal benefits from cost optimization actions
  - Cost optimization benefits of $550 million or ~$1.60 in EPS in FY21 ramping up significantly throughout the year
  - Higher interest expense in Q1 not indicative of annualized level for FY21

Q4 FY20 to Q1 FY21 EPS walk:

* Includes Pensions, asset sales, and other items

Closing Remarks



Solid Progress

- **Sale of U.S. State and Local HHS business closing in Q2 of FY21**
- **Strengthening liquidity and enhancing financial flexibility to deliver on our transformation journey**
- **Transformation journey moving at pace**
  - Fixing our delivery and customer relationships
  - Executing on cost optimization plans
  - Seizing the market opportunity through cross-selling
- **Positioning DXC for growth**

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Thank you!

4th Quarter FY 2020

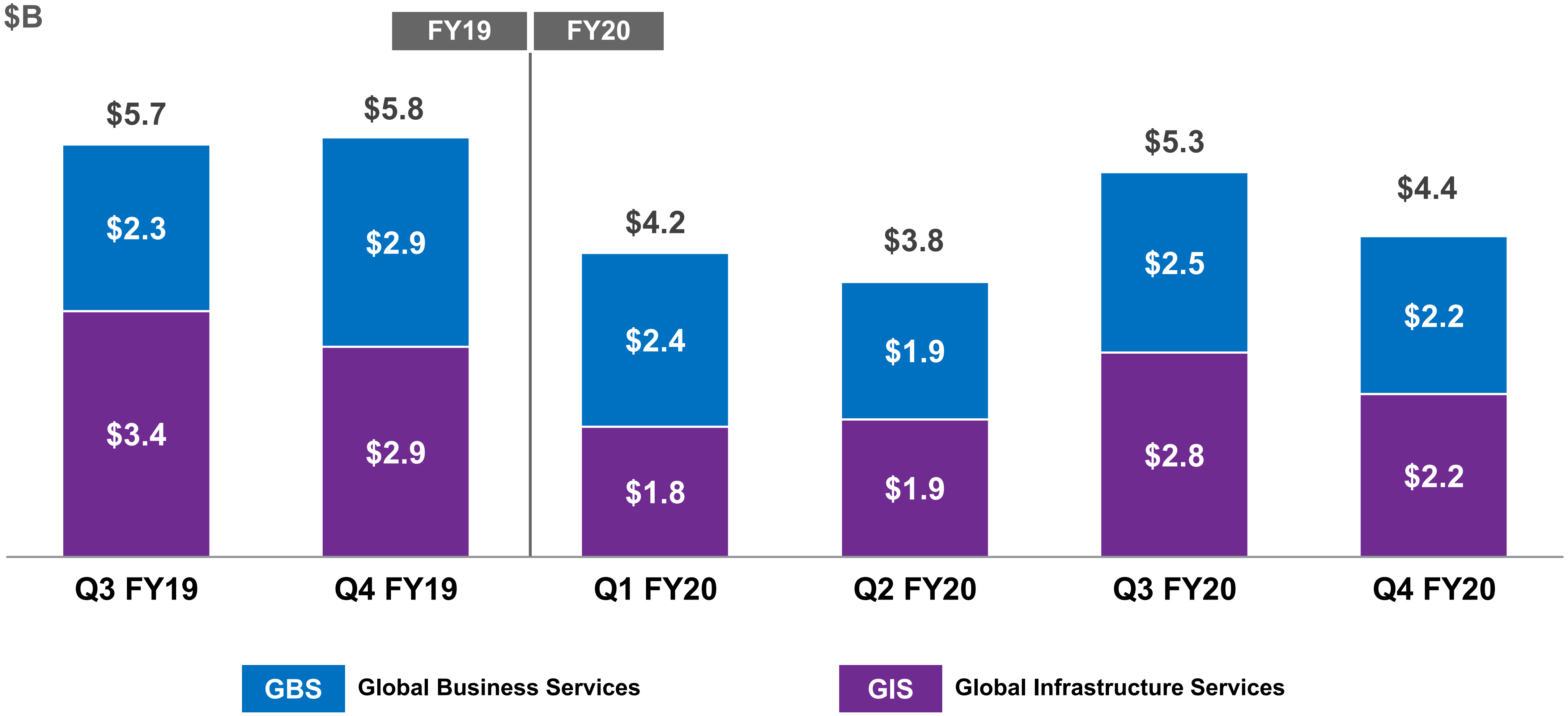
Supplemental Information

Consolidated Statements of Operations

(preliminary and unaudited)

in millions, except per-share amounts	Q4 FY20	Q4 FY19	FY20	FY19
Revenue	$ 4,815	$ 5,280	$ 19,577	$ 20,753
Costs of services	3,773	3,836	14,901	14,946
Selling, general and administrative	536	459	2,050	1,959
Depreciation and amortization	526	505	1,942	1,968
Goodwill impairment losses	3,854	-	6,794	-
Restructuring costs	4	47	252	465
Interest expense	95	85	383	334
Interest income	(35)	(36)	(165)	(128)
Gain on arbitration award	-	-	(632)	-
Other income, net	(376)	30	(720)	(306)
Total costs and expenses	8,377	4,926	24,805	19,238
(Loss) income from continuing operations before income taxes	(3,562)	354	(5,228)	1,515
Income tax (benefit) expense	(61)	83	130	288
(Loss) income from continuing operations	(3,501)	271	(5,358)	1,227
Income from discontinued operations, net of tax	-	-	-	35
Net (loss) income	(3,501)	271	(5,358)	1,262
Less: net (loss) income attributable to non-controlling interest, net of tax	(6)	(3)	11	5
Net (loss) income attributable to DXC common stockholders	$ (3,495)	$ 274	$ (5,369)	$ 1,257
(Loss) income per common share:				
Basic:				
Continuing operations	$ (13.79)	$ 1.02	$ (20.76)	$ 4.40
Discontinued operations	-	-	-	0.13
	$ (13.79)	$ 1.02	$ (20.76)	$ 4.53
Diluted:				
Continuing operations	$ (13.79)	$ 1.01	$ (20.76)	$ 4.35
Discontinued operations	-	-	-	0.12
	$ (13.79)	$ 1.01	$ (20.76)	$ 4.47
Cash dividend per common share	$ 0.21	$ 0.19	$ 0.84	$ 0.76
Weighted average common shares outstanding for:				
Basic EPS	253.51	268.59	258.57	277.54
Diluted EPS	253.51	270.82	258.57	281.43

Bookings[1]



[1] The summation of the quarter bookings number may not equal the full-year number due to rounding

Non-GAAP Reconciliations

EBIT and Adjusted EBIT

(in millions)	Q4 FY20	Q4 FY19	FY20	FY19
Net (loss) income	$ (3,501)	$ 271	$ (5,358)	$ 1,262
Income from discontinued operations, net of taxes	-	-	-	(35)
Income tax (benefit) expense	(61)	83	130	288
Interest income	(35)	(36)	(165)	(128)
Interest expense	95	85	383	334
EBIT	**(3,502)**	**403**	**(5,010)**	**1,721**
Restructuring costs	4	47	252	465
Transaction, separation and integration-related costs	92	96	318	401
Amortization of acquired intangible assets	148	138	583	539
Goodwill impairment losses	3,854	-	6,794	-
Gain on arbitration award	-	-	(632)	-
Pension and OPEB actuarial and settlement (gains) losses	(244)	143	(244)	143
Adjusted EBIT	**$ 352**	**$ 827**	**$ 2,061**	**$ 3,269**

	Q4 FY20	Q4 FY19	FY20	FY19
Adjusted EBIT margin (%)	7.3%	15.7%	10.5%	15.8%
EBIT margin (%)	(72.7%)	7.6%	(25.6%)	8.3%

Non-GAAP Reconciliations

Segment profit

(in millions)	Q4 FY20	Q4 FY19	FY20	FY19
GBS profit	$ 223	$ 447	$ 1,301	$ 1,645
GIS profit	192	436	1,007	1,911
All other loss	(63)	(56)	(247)	(287)
Interest income	35	36	165	128
Interest expense	(95)	(85)	(383)	(334)
Restructuring costs	(4)	(47)	(252)	(465)
Transaction, separation and integration-related costs	(92)	(96)	(318)	(401)
Amortization of acquired intangible assets	(148)	(138)	(583)	(539)
Goodwill impairment losses	(3,854)	-	(6,794)	-
Gain on arbitration award	-	-	632	-
Pension and OPEB actuarial and settlement gains (losses)	244	(143)	244	(143)
(Loss) income from continuing operations before taxes	**$ (3,562)**	**$ 354**	**$ (5,228)**	**$ 1,515**

Segment profit margins	Q4 FY20	Q4 FY19	FY20	FY19
GBS profit margin (%)	9.7%	20.4%	14.3%	18.9%
GIS profit margin (%)	7.7%	14.1%	9.6%	15.8%

Q4 FY20 Non-GAAP Results

(in millions except EPS)	GAAP	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Goodwill Impairment Losses	Pension and OPEB Actuarial and Settlement Gains	Tax Adjustment	Non-GAAP Results
Cost of services (excludes depreciation and amortization and restructuring costs)	$ 3,773	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,773
Selling, general and administrative (excludes depreciation and amortization and restructuring costs)	536	-	(92)	-	-	-	-	444
(Loss) income from continuing operations before income taxes	(3,562)	4	92	148	3,854	(244)	-	292
Income tax (benefit) expense	(61)	2	20	34	42	(51)	6	(8)
Net (loss) income	(3,501)	2	72	114	3,812	(193)	(6)	300
Less: net loss attributable to noncontrolling interest, net of tax	(6)	-	-	-	-	-	-	(6)
Net (loss) income attributable to DXC common stockholders	$ (3,495)	$ 2	$ 72	$ 114	$ 3,812	$ (193)	$ (6)	$ 306
Effective tax rate	1.7%							(2.7)%
Basic EPS from continuing operations [1]	$ (13.79)	$ 0.01	$ 0.28	$ 0.45	$ 15.04	$ (0.76)	$ (0.02)	$ 1.21
Diluted EPS from continuing operations [1]	$ (13.79)	$ 0.01	$ 0.28	$ 0.45	$ 15.00	$ (0.76)	$ (0.02)	$ 1.20
Weighted average common shares outstanding for:								
Basic EPS	253.51	253.51	253.51	253.51	253.51	253.51	253.51	253.51
Diluted EPS	253.51	254.14	254.14	254.14	254.14	254.14	254.14	254.14

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

FY20 Non-GAAP Results

(in millions except EPS)	GAAP	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Goodwill Impairment Losses	Gain on Arbitration Award	Pension and OPEB Actuarial and Settlement Gains	Tax Adjustment	Non-GAAP Results
Cost of services (excludes depreciation and amortization and restructuring costs)	$ 14,901	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,901
Selling, general and administrative (excludes depreciation and amortization and restructuring costs)	2,050	-	(318)	-	-	-	-	-	1,732
(Loss) income from continuing operations before income taxes	(5,228)	252	318	583	6,794	(632)	(244)	-	1,843
Income tax expense (benefit)	130	44	63	133	95	-	(51)	(33)	381
Net (loss) income	(5,358)	208	255	450	6,699	(632)	(193)	33	1,462
Less: net income attributable to noncontrolling interest, net of tax	11	-	-	-	-	-	-	-	11
Net (loss) income attributable to DXC common stockholders	$ (5,369)	$ 208	$ 255	$ 450	$ 6,699	$ (632)	$ (193)	$ 33	$ 1,451
Effective tax rate	(2.5)%								20.7%
Basic EPS from continuing operations [(1)]	$ (20.76)	$ 0.80	$ 0.99	$ 1.74	$ 25.91	$ (2.44)	$ (0.75)	$ 0.13	$ 5.61
Diluted EPS from continuing operations [(1)]	$ (20.76)	$ 0.80	$ 0.98	$ 1.73	$ 25.78	$ (2.43)	$ (0.74)	$ 0.13	$ 5.58
Weighted average common shares outstanding for:									
Basic EPS	258.57	258.57	258.57	258.57	258.57	258.57	258.57	258.57	258.57
Diluted EPS	258.57	259.81	259.81	259.81	259.81	259.81	259.81	259.81	259.81

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

Q4 FY19 Non-GAAP Results

(in millions except EPS)	GAAP	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Pension and OPEB Actuarial and Settlement Losses	Tax Adjustment	Non-GAAP Results
Cost of services (excludes depreciation and amortization and restructuring costs)	$ 3,836	$ -	$ -	$ -	$ -	$ -	$ 3,836
Selling, general and administrative (excludes depreciation and amortization and restructuring costs)	459	-	(96)	-	-	-	363
Income from continuing operations before income taxes	354	47	96	138	143	-	778
Income tax expense	83	12	30	37	27	-	189
Income from continuing operations	271	35	66	101	116	-	589
Income from discontinued operations, net of tax	-	-	-	-	-	-	-
Net income	271	35	66	101	116	-	589
Less: net loss attributable to noncontrolling interest, net of tax	(3)	-	-	-	-	-	(3)
Net income attributable to DXC common stockholders	$ 274	$ 35	$ 66	$ 101	$ 116	$ -	$ 592
Effective tax rate	23.4%						24.3%
Basic EPS from continuing operations (1)	$ 1.02	$ 0.13	$ 0.25	$ 0.38	$ 0.43	$ -	$ 2.20
Diluted EPS from continuing operations (1)	$ 1.01	$ 0.13	$ 0.24	$ 0.37	$ 0.43	$ -	$ 2.19
Weighted average common shares outstanding for:							
Basic EPS	268.59	268.59	268.59	268.59	268.59	268.59	268.59
Diluted EPS	270.82	270.82	270.82	270.82	270.82	270.82	270.82

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

FY19 Non-GAAP Results

(in millions except EPS)	GAAP	Restructuring Costs	Transaction, Separation and Integration-Related Costs	Amortization of Acquired Intangible Assets	Pension and OPEB Actuarial and Settlement Losses	Tax Adjustment	Non-GAAP Results
Cost of services (excludes depreciation and amortization and restructuring costs)	$ 14,946	$ -	$ -	$ -	$ -	$ -	$ 14,946
Selling, general and administrative (excludes depreciation and amortization and restructuring costs)	1,959	-	(401)	-	-	-	1,558
Income from continuing operations before income taxes	1,515	465	401	539	143	-	3,063
Income tax expense	288	112	102	138	27	44	711
Income from continuing operations	1,227	353	299	401	116	(44)	2,352
Income from discontinued operations, net of tax	35	-	-	-	-	-	35
Net income	1,262	353	299	401	116	(44)	2,387
Less: net income attributable to noncontrolling interest, net of tax	5	-	-	-	-	-	5
Net income attributable to DXC common stockholders	$ 1,257	$ 353	$ 299	$ 401	$ 116	$ (44)	$ 2,382
Effective tax rate	19.0%						23.2%
Basic EPS from continuing operations [1]	$ 4.40	$ 1.27	$ 1.08	$ 1.44	$ 0.42	$ (0.16)	$ 8.46
Diluted EPS from continuing operations [1]	$ 4.35	$ 1.25	$ 1.06	$ 1.42	$ 0.41	$ (0.16)	$ 8.34
Weighted average common shares outstanding for:							
Basic EPS	277.54	277.54	277.54	277.54	277.54	277.54	277.54
Diluted EPS	281.43	281.43	281.43	281.43	281.43	281.43	281.43

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

Adjusted Free Cash Flow

(in millions)	Q4 FY20	FY20
Net cash provided by operating activities	$ 288	$ 2,350
Net cash used in investing activities[1]	(53)	(2,100)
Acquisitions, net of cash acquired	-	1,997
Payments on capital leases and other long-term asset financings	(219)	(865)
Payments on transaction, separation and integration-related costs	54	257
Payments on restructuring costs	61	334
Gain on arbitration award	-	(632)
Adjusted free cash flow	**$ 131**	**$ 1,341**

[1] Excludes short-term investments

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, goodwill impairment, pension and OPEB actuarial and settlement gains and losses

Segment profit margin: Segment profit as a percentage of 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)

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 gains and losses, goodwill impairment losses, and gain on arbitration award

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

Adjusted free cash flow: Equal to the sum of (1) operating cash flows, (2) investing cash flows, excluding business acquisitions, dispositions and investments (including short-term investments and purchase or sale of available for sale securities), and (3) payments on capital leases and other long-term asset financings. Adjusted free cash flow is further adjusted for certain cash flow items, such as (i) payments on transaction, separation and integration-related costs, (ii) restructuring payments, (iii) gain on arbitration award

Capital expenditure: Equal to the sum of purchases of property, equipment, and software, and payments on capital leases, less proceeds from sales of assets

Net debt: Total debt, less cash and cash equivalents

Net debt-to-total capitalization: Calculated as the ratio of net debt to total capitalization

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