UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended March 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from __________________ to __________________

Commission File No.: 1-4850

DXC.technology

DXC TECHNOLOGY COMPANY

(Exact name of Registrant as specified in its charter)

Nevada	**61-1800317**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1775 Tysons Boulevard	
Tysons , Virginia	**22102**
(Address of principal executive offices)	(zip code)

Registrant's telephone number, including area code: **(703) 245-9675**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	**DXC**	**New York Stock Exchange**
2.750% Senior Notes Due 2025	**DXC 25**	**New York Stock Exchange**
1.750% Senior Notes Due 2026	**DXC 26**	**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. x Yes o No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. o Yes x No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. x Yes o No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). x Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	x	Accelerated Filer	o
Non-accelerated Filer	o	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes x No

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant on September 30, 2019, the last business day of the registrant's most recently completed second fiscal quarter, based upon the closing price of a share of the registrant’s common stock on that date, was $7,501,594,766.

253,751,753 shares of common stock, par value $0.01 per share, were outstanding as of May 26, 2020.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement relating to its 2020 Annual Meeting of Stockholders (the "2020 Proxy Statement"), which will be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days after the registrant's fiscal year end of March 31, 2020, are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

All statements and assumptions contained in this Annual Report on Form 10-K and in the documents incorporated by reference that do not directly and exclusively relate to historical facts constitute "forward-looking statements." Forward-looking statements often include words such as "anticipates," "believes," "estimates," "expects," "forecast," "goal," "intends," "objective," "plans," "projects," "strategy," "target" and "will" and words and terms of similar substance in discussions of future operating or financial performance. These statements represent current expectations and beliefs, and no assurance can be given that the results described in such statements will be achieved.

Forward-looking statements include, among other things, statements with respect to our financial condition, results of operations, cash flows, business strategies, operating efficiencies or synergies, divestitures, competitive position, growth opportunities, share repurchases, dividend payments, plans and objectives of management and other matters. Such statements are subject to numerous assumptions, risks, uncertainties and other factors that could cause actual results to differ materially from those described in such statements, many of which are outside of our control. 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 recent outbreak of the novel coronavirus ("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, impact on the global economy and current and potential travel restrictions, stay-at-home orders, economic restrictions implemented to address the COVID-19 outbreak;*
- *the current, and uncertain future, impact of the COVID-19 outbreak, as well as other emerging developments and disruption to economic activity, and their resulting impact on our clients that may affect our business, growth, prospects, financial condition, operating results, cash flows and liquidity;*
- *changes in governmental regulations or the adoption of new laws or regulations that may make it more difficult or expensive to operate our business;*
- *changes in senior management, the loss of key employees or the ability to retain and hire key personnel and maintain relationships with key business partners;*
- *the risk of liability or damage to our reputation resulting from security breaches or disclosure of sensitive data or failure to comply with data protection laws and regulations;*
- *business interruptions in connection with our technology systems;*
- *the competitive pressures faced by our business;*
- *the effects of macroeconomic and geopolitical trends and events;*
- *the need to manage third-party suppliers and the effective distribution and delivery of our products and services;*
- *the protection of our intellectual property assets, including intellectual property licensed from third parties;*
- *the risks associated with international operations;*
- *the development and transition of new products and services and the enhancement of existing products and services to meet customer needs, respond to emerging technological trends and maintain and grow our customer relationships over time;*
- *the ability to succeed in our strategic objectives, including strategic alternatives material for our business;*
- *the execution and performance of contracts by us and our suppliers, customers, clients and partners;*
- *our credit rating and the ability to manage working capital, refinance and raise additional capital for future needs;*
- *our ability to remediate any material weakness and maintain effective internal control over financial reporting;*
- *the resolution of pending investigations, claims and disputes;*
- *the integration of Computer Sciences Corporation's ("CSC") and Enterprise Services business of Hewlett Packard Enterprise Company's ("HPES") businesses, operations, and culture and the ability to operate as effectively and efficiently as expected, and the combined company's ability to successfully manage and integrate acquisitions generally;*
- *the ability to realize the synergies and benefits expected to result from the HPES Merger within the anticipated time frame or in the anticipated amounts;*
- *other risks related to the HPES Merger including anticipated tax treatment, unforeseen liabilities and future capital expenditures;*

- *the U.S. Public Sector business ("USPS") Separation and Mergers as described in Note 1 - “Summary of Significant Accounting Policies”, could result in substantial tax liability to DXC and our stockholders;*
- *risks relating to the respective abilities of the parties to our acquisition of Luxoft Holding, Inc. to achieve the expected results therefrom;*
- *risks relating to the consummation of the HHS Sale (as defined below) and the ability to achieve the expected results therefrom; and*
- *the other factors described under Item 1A. “Risk Factors.”*

No assurance can be given that any goal or plan set forth in any forward-looking statement can or will be achieved, and readers are cautioned not to place undue reliance on such statements which speak only as of the date they are made. Any forward-looking statement made by us in this Annual Report on Form 10-K speaks only as of the date on which this Annual Report on Form 10-K was first filed. We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date of this report or to reflect the occurrence of unanticipated events, except as required by law.

Throughout this report, we refer to DXC Technology Company, together with its consolidated subsidiaries, as “we,” “us,” “our,” “DXC,” or the “Company.” In order to make this report easier to read, we also refer throughout to (i) our Consolidated Financial Statements as our “financial statements,” (ii) our Consolidated Statements of Operations as our “statements of operations,” (iii) our Consolidated Statement of Comprehensive (Loss) Income as the "statements of comprehensive income,"(iv) our Consolidated Balance Sheets as our “balance sheets” and (v) our Consolidated Statements of Cash Flows as our “statements of cash flows.” In addition, references throughout to numbered “Notes” refer to the numbered Notes to our Financial Statements that we include in the Financial Statements section of this report.

PART I

ITEM 1. BUSINESS

Overview

DXC Technology Company helps global companies across the entire enterprise technology stack, running their mission critical systems and operations while modernizing IT, optimizing data architectures, and ensuring security and scalability across public, private and hybrid clouds.

The DXC's enterprise technology stack includes:

- Analytics and Engineering
- Applications
- Cloud and Security
- IT Outsourcing ("ITO")

DXC combines decades of experience running mission-critical systems with the latest digital innovations to deliver better business outcomes and new levels of performance, competitiveness and experiences for our customers and their stakeholders. DXC invests in three key drivers of growth: People, Customers and Operational Execution. The Company's global scale, talent and innovation platforms serve more than 6,000 private and public-sector customers in approximately 70 countries.

History and Development

DXC, a Nevada corporation, was formed on April 1, 2017, by the merger of CSC and HPES (the "HPES Merger").

Acquisitions and Divestitures

During fiscal 2020, DXC completed the acquisition of Luxoft Holding, Inc. (the "Luxoft Acquisition") a global scale digital service provider whose offerings encompass strategic consulting, custom software development, and digital solution engineering services. We also completed other acquisitions during fiscal 2020 to complement our offerings and to provide opportunities for future growth. See Note 2 - "Acquisitions" for further information.

On March 9, 2020, DXC entered into a definitive agreement (the "Purchase Agreement") to sell (the “HHS Sale”) our U.S. State and Local Health and Human Services (“State & Local HHS”) business to Veritas Capital Fund Management, L.L.C., for $5.0 billion in cash. The State and Local HHS business is an end-to-end provider of technology enabled, mission critical solutions that are fundamental to the administration and operations of health programs throughout the United States. It is accounted for as part of the Global Business Services segment. Known for its reliable delivery of highly complex systems for public sector clients, the business facilitates performance efficiencies and improved outcomes for a wide range of stakeholders in the healthcare ecosystem. The transaction is expected to close by September 2020, but no later than December 2020, subject to the satisfaction of certain closing conditions, including (i) the absence of a material adverse effect on the HHS Business or the ability of DXC to consummate the HHS Sale and (ii) HHS customer contracts that generated 87.5% or more of the aggregate revenue for all HHS customer contracts for the nine month period ending December 31, 2019 are able to be conveyed at the closing of the HHS Sale without receipt of additional customer consents. The sale is not subject to any financing condition or shareholder approval. The Purchase Agreement contains certain termination rights, including (i) the right of either party to terminate the Purchase Agreement if the transactions contemplated thereby is not consummated on or before December 31, 2020, (ii) the right of either party to terminate if a governmental authority has issued a final and non-appealable order prohibiting or enjoining the transactions contemplated thereby (subject to certain limitations) and (iii) the right of either party to terminate if the other party breaches its representations, warranties, covenants or agreements contained in the Purchase Agreement to such an extent that the conditions to Closing would not be satisfied (subject to certain limitations). In addition, the Purchaser will be obligated to pay to the Company a termination fee of $250 million in cash upon the termination of the Purchase Agreement under specified conditions. Following the transaction close, DXC will retain its remaining healthcare practice, servicing customers across the healthcare continuum, including payers, providers and life sciences firms.

Segments and Services

Our reportable segments are Global Business Services ("GBS") and Global Infrastructure Services ("GIS").

Global Business Services

GBS provides innovative technology solutions that help our customers address key business challenges and accelerate digital transformations tailored to each customer’s industry and specific objectives. GBS enterprise technology stack offerings include:

- *Analytics and Engineering.* Our portfolio of analytics services and extensive partner ecosystem help customers gain rapid insights, automate operations, and accelerate their digital transformation journeys. We provide software engineering and solutions that enable businesses to run and manage their mission-critical functions, transform their operations and develop new ways of doing business.
- *Applications.* We use advanced technologies and methods to accelerate the creation, modernization, delivery and maintenance of high-quality, secure applications allowing customers to innovate faster while reducing risk, time to market, and total cost of ownership, across industries. Our vertical-specific IP includes solutions for insurance; banking and capital markets; and automotive, among others.

GBS offerings also includes business process services, which include digital integration and optimization of front and back office processes, and agile process automation. This helps companies to reduce cost, and minimize business disruption, human error, and operational risk while improving customer experiences.

Global Infrastructure Services

GIS provides a portfolio of technology offerings that deliver predictable outcomes and measurable results, while reducing business risk and operational costs for customers. GIS enterprise stack elements include:

- *Cloud and Security.* We help customers to rapidly modernize by adapting legacy apps to cloud, migrate the right workloads, and securely manage their multi-cloud environments. Our security solutions help predict attacks, proactively respond to threats, ensure compliance and protect data, applications and infrastructure.
- *IT Outsourcing.* Our ITO services support infrastructure, applications, and workplace IT operations, including hardware, software, physical/virtual end-user devices, collaboration tools, and IT support services. We help customers securely optimize operations to ensure continuity of their systems and respond to new business and workplace demands, while achieving cost takeout, all with limited resources, expertise and budget.

GIS offerings also include **workplace and mobility services** to fit our customer's employee, business and IT needs from intelligent collaboration, modern device management, digital support services, Internet of Things ("IoT") and mobility services, providing a consumer-like, digital experience.

See Note 19 - "Segment and Geographic Information" for additional information related to our reportable segments, including the disclosure of segment revenues, segment profit and financial information by geographic area.

Sales and Marketing

We market and sell our services to customers through our direct sales force, operating out of sales offices around the world. Our customers include commercial businesses of many sizes and in many industries and public sector enterprises. No individual customer exceeded 10% of our consolidated revenues for fiscal 2020, 2019 or 2018.

Seasonality

General economic conditions have an impact on our business and financial results. The markets in which we sell our products, services and solutions occasionally experience weak economic conditions that may negatively affect sales. We also experience some seasonal trends in the sale of our services. For example, contract awards are often tied to the timing of our customers' fiscal year-ends, and we also experience seasonality related to our own fiscal year-end selling activities.

Competition

The IT and professional services markets in which we compete are highly competitive and are not dominated by a single company or a small number of companies. A substantial number of companies offer services that overlap and are competitive with those we offer. In addition, the increased importance of offshore labor centers has brought several foreign-based firms into competition with us.

Our competitors include:

- large multinational enterprises that offer some or all of the services and solutions that we do;
- smaller companies that offer focused services and solutions similar to those that we offer;
- offshore service providers in lower-cost locations, particularly in India, that sell directly to end-users;
- solution or service providers that compete with us in a specific industry segment or service area; and
- in-house functions of corporations that use their own resources, rather than engage an outside IT services provider.

The principal methods of competition in the markets for our solutions and services include:

- vision and strategic advisory ability;
- digital services capabilities;
- performance and reliability;
- responsiveness to client needs;
- competitive pricing of services;
- technical and industry expertise;
- reputation and experience;
- quality of solutions and services; and
- financial stability and strong corporate governance.

Our ability to obtain new business and retain existing business is dependent upon the following:

- technology, industry and systems know-how with an independent perspective on the best client solutions across software, hardware, and service providers;
- ability to offer improved strategic frameworks and technical solutions;
- investments in our digital services and solutions;
- focus on responsiveness to customer needs, quality of services and competitive prices;
- successful management of our relationships with leading strategic and solution partners in hardware, networking, cloud, applications and software;
- project management experience and capabilities;
- end-to-end spectrum of IT and professional services we provide; and
- financial stability and strong corporate governance.

Intellectual Property

We rely on a combination of trade secrets, patents, copyrights, and trademarks, as well as contractual protections, to protect our business interests. While our technical services and products are not generally dependent upon patent protection, we do selectively seek patent protection for certain inventions likely to be incorporated into products and services or where obtaining such proprietary rights will improve our competitive position.

As our patent portfolio has been built over time, the remaining terms of the individual patents across the patent portfolio vary. We believe that our patents and patent applications are important for maintaining the competitive differentiation of our solutions and services and enhancing our freedom of action to sell solutions and services in markets in which we choose to participate. No single patent is in itself essential to our company as a whole or to any business segment.

Additionally, we own or have rights to various trademarks, logos, service marks, and trade names that are used in the operation of our business. We also own or have the rights to copyrights that protect the content of our products and other proprietary materials.

In addition to developing our intellectual property portfolio, we license intellectual property rights from third parties as we deem appropriate. We have also granted and plan to continue to grant licenses to others under our intellectual property rights when we consider these arrangements to be in our interest. These license arrangements include a number of cross-licenses with third parties.

Environmental Regulation

Our operations are subject to regulation under various federal, state, local, and foreign laws concerning the environment, including laws addressing the discharge of pollutants into the air and water, the management and disposal of hazardous substances and wastes and the clean-up of contaminated sites. Environmental costs and accruals are presently not material to our operations, cash flows or financial position, and we do not currently anticipate material capital expenditures for environmental control facilities. However, we could incur substantial costs, including clean-up costs, fines and civil or criminal sanctions and third-party damage or personal injury claims, if we were to violate or become liable under environmental laws, or if new environmental legislation is passed which impacts our business.

Employees

As of March 31, 2020, we employed approximately 138,000 employees and had offices and operations in approximately 70 countries.

Available Information

We use our corporate website, *www.dxc.technology*, as a routine channel for distribution of important information, including detailed company information, financial news, SEC filings, Annual Reports, historical stock information and links to a recent earnings call webcast. DXC’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, all amendments to those reports, and the Proxy Statements for our Annual Meetings of Stockholders are made available, free of charge, on our corporate website as soon as reasonably practicable after such reports have been filed with or furnished to the SEC. They are also available through the SEC at *www.sec.gov/edgar/searchedgar/companysearch.html.* Our corporate governance guidelines, Board of Directors' committee charters (including the charters of the Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee) and code of ethics entitled "Code of Business Conduct" are also available on our website. The information on our website is not incorporated by reference into, and is not a part of, this report.

Information About Our Executive Officers

Name	Age	Year First Elected as Officer	Term as an Officer	Position Held with the Registrant as of the filing date	Family Relationship
Michael J. Salvino	54	2019	Indefinite	President and Chief Executive Officer	None
Paul N. Saleh	63	2017	Indefinite	Executive Vice President and Chief Financial Officer	None
William L. Deckelman, Jr.	62	2017	Indefinite	Executive Vice President, General Counsel and Secretary	None
Mary E. Finch	50	2019	Indefinite	Executive Vice President and Chief Human Resources Officer	None
Edward Ho	57	2018	Indefinite	Executive Vice President and Co-Lead, Americas	None
James R. Smith	52	2017	Indefinite	Executive Vice President, Digital Transformation and Customer Advocacy	None
Vinod Bagal	54	2019	Indefinite	Executive Vice President, Global Transformation	None
Neil A. Manna	57	2017	Indefinite	Senior Vice President, Corporate Controller and Principal Accounting Officer	None

Business Experience of Executive Officers

Michael J. Salvino became the President and Chief Executive Officer of DXC in September 2019 and has been a member of the Board of Directors of DXC since May 2019. Prior to joining DXC, Mr. Salvino served as Managing Director of Carrick Capital Partners from 2016 to 2019. Prior to his tenure at Carrick, from 2009 to 2016, Mr. Salvino served as group chief executive of Accenture Operations, where he led a team of more than 100,000 consulting and outsourcing professionals focused on providing business process outsourcing, infrastructure, security and cloud services to deliver business value and drive productivity and digital improvements for clients. Prior to that, he held leadership roles in the HR outsourcing business at Hewitt Associates Inc. and as President of the Americas Region at Exult Inc. Mr. Salvino is a board member of the Atrium Health Foundation Board, the largest Healthcare system in the Carolinas, where he serves on the Investment Oversight Committee for both the hospital and the foundation. Mr. Salvino graduated from Marietta College with a Bachelor of Science degree in industrial engineering. He serves on the Marietta College Board of Trustees and is Chair of its Investment Committee. Mr. Salvino is also a member of the Board of Visitors of the Duke University Pratt School of Engineering.

Paul N. Saleh has served as Executive Vice President and Chief Financial Officer of DXC since the completion of the HPES Merger. Mr. Saleh previously served as Executive Vice President and Chief Financial Officer of CSC. Mr. Saleh joined CSC as Vice President and Chief Financial Officer in May 2012. Prior to joining CSC, Mr. Saleh served as the Chief Financial Officer of Gannett Co. from 2010 to 2012. Prior to his tenure at Gannett Co., from 2008 to 2010, Mr. Saleh was a Managing Partner at Menza Partners, an operational and financial advisory group focusing on media, telecommunications and technology industries. Prior to that, he served as Chief Financial Officer of Sprint Nextel Communications from 2001 to 2007 and as Interim Chief Executive Officer of Sprint Nextel until 2008. He served as Senior Vice President and Chief Financial Officer of Walt Disney International where he also held various other senior positions from 1997 to 2001. Mr. Saleh served as a Director of Perspecta Inc. ("Perspecta") from its inception in 2018 until 2019.

William L. Deckelman, Jr. has served as Executive Vice President, General Counsel and Secretary of DXC since the completion of the HPES Merger. Mr. Deckelman previously served as Executive Vice President and General Counsel of CSC. Mr. Deckelman joined CSC in January 2008 and served as Vice President, General Counsel and Secretary from 2008 to 2012, and as Executive Vice President and General Counsel from 2012 to 2014. Prior to joining CSC, Mr. Deckelman served as Executive Vice President and General Counsel of Affiliated Computer Services Inc. from 2000 to 2008, and served as a director from 2000 to 2003, holding various executive positions there since 1989.

Mary E. Finch was appointed as Executive Vice President and Chief Human Resources Officer of DXC in December 2019. Ms. Finch previously served as Executive Vice President and CHRO of AECOM from 2015 to 2019. Prior to that, she served at Accenture as Senior Managing Partner from 2013 to 2015 and as Managing Director Human Resources, Business Partner Organization from 2001 to 2013, where she drove global delivery of HR services, overseeing operations supporting approximately 320,000 employees across 56 countries and multiple Accenture businesses. Ms. Finch also served as VP Human Resources of Abilizer Solutions Inc. from 2000 to 2001.

Edward Ho joined DXC in January 2018 and serves as Executive Vice President and Co-Lead, Americas. Mr. Ho previously served as the President of Global Payment Solutions of D+H Corporation, a publicly traded, leading, global financial technology company, from April 2015 to November 2017, where he was responsible for leadership of its digital, global transaction banking business. From January 2013 to April 2015, Mr. Ho served as the President and Chief Operating Officer of Fundtech Corporation, a private equity owned, leading provider of digital payments banking software and services, where he was responsible of sales, marketing, product management, development, professional services, customer support and certain general and administrative functions. Prior to his role at Fundtech, he served for nine years as Executive Vice President and General Manager of the capital markets division at Misys plc, a provider of banking, treasury, trading and risk management software solutions. Previously, he had been Chief Executive Officer and President of IQ Financial Systems, a developer and marketer of commercial lending and risk management software systems. Mr. Ho also spent 15 years as a banker with Bank of America, Bankers Trust and Deutsche Bank.

James R. Smith serves as Executive Vice President, Digital Transformation and Customer Advocacy of DXC. Mr. Smith previously served as CSC's Executive Vice President and General Manager for GBS since he joined in August 2013. Prior to joining CSC, Mr. Smith served as Chief Executive Officer of Motricity, a provider of cloud-based mobile enterprise and analytics solutions from 2009 to 2012. Under his direction, Motricity had a successful initial public offering on NASDAQ after completing a business model transformation and global expansion. Mr. Smith held various executive leadership positions at Avaya from 2001 to 2008, where he helped drive a 10-fold increase in the company's market capitalization and reinvented a global software platform. Prior to that, he was an Associate Partner at Accenture.

Vinod Bagal was appointed as Executive Vice President, Global Transformation of DXC in December 2019. Prior to joining DXC, Mr. Bagal served at Cognizant as Senior Vice President - Global Multi-Service Integration and North America Delivery and as Senior Vice President - Global Technology Consulting & Multi-Service Integration from 2014 to 2019, where he led the transformation of Cognizant's client delivery organization to position it for the next wave of professional services demands. From 1994 to 2014, Mr. Bagal held a series of leadership roles at Accenture.

Neil A. Manna has served as Senior Vice President, Corporate Controller and Principal Accounting Officer of DXC since the completion of the HPES Merger. Mr. Manna previously served as Principal Accounting Officer, Vice President and Controller of CSC. Mr. Manna joined CSC in June 2016. Prior to joining CSC, he served as the Chief Accounting Officer and Senior Vice President of CA, Inc. from December 2008 to June 3, 2016. He served as Principal Accounting Officer and Vice President of Worldwide Accounting for RealNetworks, Inc. from July 2007 to November 2008. He served as the Chief Financial Officer of TimePlus Systems, LLC (formerly TimePlus, Inc.) from November 2005 to April 2007. From February 2000 to October 2005, he served as a Director of Finance for the Payroll Division of Intuit and Controller of Employee Matters, Inc. From July 1990 to February 2000 he served as the Principal Accounting Officer, Vice President of Finance, Controller and Treasurer of CHI Energy, Inc. He is a Certified Public Accountant and holds a Bachelor's degree in Accounting and a Master's degree in Business Administration.

Item 1A. RISK FACTORS

Any of the following risks could materially and adversely affect our business, financial condition, and results of operations, and the actual outcome of matters as to which forward-looking statements are made in this Annual Report. In such case, the trading price for DXC common stock could decline, and you could lose all or part of your investment. The risks described below are not the only risks that DXC currently faces. Additional risks and uncertainties not currently known or that are currently expected to be immaterial may also materially and adversely affect our business, financial condition, and results of operations or the price of our common stock in the future. Past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results or trends in future periods.

Risks Relating to Our Business

We may not succeed in our strategic objectives, which could adversely affect our business, financial condition, results of operations and cash flows.

We recently announced a number of senior leadership changes as well as updates to our strategic priorities including an initiative to assist DXC customers across a broader range of their information technology needs, which we refer to as “the enterprise technology stack.” We may not be able to implement our strategic priorities in accordance with our expectations for a variety of reasons, including failure to execute on our plans in a timely fashion, lack of adequate skills, ineffective management, inadequate incentives, customer resistance to new initiatives, inability to control costs or maintain competitive offerings. We also cannot be certain that executing on our strategy will generate the benefits we expect. If we fail to execute successfully on our strategic priorities, or if we pursue strategic priorities that prove to be unsuccessful, our business, financial position, results of operations and cash flows may be materially and adversely affected.

Strategic alternatives we are considering may not achieve the results we expect, could result in operating difficulties, harm to one or more of our businesses and negative impacts our financial condition, results of operations and cash flows.

We recently announced our intention to explore strategic alternatives for our U.S. State and Local Health and Human Services business, our horizontal BPS business and our workplace & mobility business. Among the alternatives we may consider for those businesses are potential divestiture transactions. Any such transactions may involve significant challenges and risks, including:

- the potential loss of key customers, suppliers, vendors and other key business partners;
- declining employee morale and retention issues affecting employees, which may result from changes in compensation, or changes in management, reporting relationships, future prospects or perceived expectations;
- difficulty making new and strategic hires of new employees;
- diversion of management time and a shift of focus from operating the businesses to transaction execution considerations;
- the need to provide transition services, which may result in stranded costs and the diversion of resources and focus;
- the need to separate operations, systems (including accounting, management, information, human resource and other administrative systems), technologies, products and personnel, which is an inherently risky and potentially lengthy and costly process;
- the inefficiencies and lack of control that may result if such separation is delayed or not implemented effectively, and unforeseen difficulties and expenditures that may arise as a result including potentially significant stranded costs;
- our desire to maintain an investment grade credit rating may cause us to use cash proceeds, if any, from any divestitures or other strategic alternatives that we might otherwise have used for other purposes in order to reduce our financial leverage;
- the inability to obtain necessary regulatory approvals or otherwise satisfy conditions required in order consummate any such transactions; and
- our dependence on accounting, financial reporting, operating metrics and similar systems, controls and processes of divested businesses could lead to challenges in preparing our consolidated financial statements or maintaining effective financial control over financial reporting.

At any given time, we may be engaged in discussions or negotiations with respect to one or more strategic alternatives, and any of these strategic alternatives could be material to our business, financial condition, results of operations and cash flows. In addition, we may explore a divestiture or spin-off or other transaction involving one or more of these businesses and ultimately determine not to proceed with any transaction or other strategic alternative for commercial, financial, strategic or other reasons. As a result, we may not realize benefits expected from exploring one or more strategic alternatives or may realize benefits further in the future and those benefits may ultimately be significantly smaller than anticipated, which could adversely affect our business, financial condition, operating results and cash flows.

We expect our business and financial results to potentially be negatively impacted by the recent COVID-19 outbreak as well as other recent developments.

The recent outbreak of COVID-19 and global pandemic along with other recent developments, including disruptions in global economies, financial and commodities markets and rapid shifts in governmental and public health policies in response to these and other factors affecting the countries where we operate or our customers are located or the industries in which we and our customers compete, are expected to potentially have a negative effect on our business, results of operations, cash flows and financial condition. These effects could include disruptions or restrictions on our employees' ability to work effectively, as well as temporary closures of our facilities or the facilities of our clients or our subcontractors, or the requirements to deliver our services by working remotely. This could potentially affect our ability to perform under our contracts with customers. Cost increases may not be recoverable from customers or covered by insurance, which could impact our profitability. If a business interruption occurs and we are unsuccessful in our continuing efforts to minimize the impact of these events, our business, results of operations, financial position, and cash flows could be materially adversely affected. In addition, the outbreak of COVID-19 has resulted in a widespread global pandemic health crisis that is adversely affecting the economies and financial markets of many countries, which could result in an economic downturn that may negatively affect demand for our services, including the financial failure of some of our clients. This economic downturn, depending upon its severity and duration, could also lead to the deterioration of worldwide credit and financial markets that could limit our customers' ability or willingness to pay us in a timely manner and our ability to obtain external financing to fund our operations and capital expenditures, result in losses on our holdings of cash and investments due to failures of financial institutions and other parties, and result in a higher rate of losses on our accounts receivables due to credit defaults. Our financial results may be materially and adversely impacted by a variety of factors that have not yet been determined, including potential impairments of goodwill and other assets, our evaluation of contingent liabilities, for which actual amounts may materially exceed management estimates and our calculation of global tax liabilities. Even after the COVID-19 outbreak has subsided, depending upon its duration and frequency of recurrence, and the governmental policies in response thereto, we may continue to experience materially adverse impacts to our business as a result of its global economic impact, including any recession that may occur or be continuing as a result. We are evaluating the extent to which COVID-19 has impacted us and our employees, customers and suppliers and the extent to which it and other emerging developments are expected to impact us in the future and caution investors that any of those factors could have material and adverse impacts on our current and future business, results of operations, cash flows and financial condition.

To the extent the global COVID-19 pandemic and resulting economic disruption adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section, such as those relating to our level of indebtedness, our ability to generate sufficient cash flows to service our indebtedness and to comply with the covenants contained in the agreements that govern our indebtedness and our counterparty credit risk.

We could be held liable for damages, our reputation could suffer, or we may experience service interruptions from security breaches, cyber-attacks or disclosure of confidential information or personal data, which could cause significant financial loss.

As a provider of IT services to private and public sector customers operating in a number of regulated industries and countries, we store and process increasingly large amounts of data for our clients, including sensitive and personally identifiable information. We also manage IT infrastructure of our own and of clients. We possess valuable proprietary information, including copyrights, trade secrets and other intellectual property and, we collect and store certain personal and financial information from customers and employees.

At the same time, the continued occurrence of high-profile data breaches and cyber-attacks, including by state actors, reflects an external environment that is increasingly hostile to information and corporate security. Cybersecurity incidents can result from unintentional events or deliberate attacks by insiders or third parties, including criminals, competitors, nation-states, and hacktivists. Like other companies, we face an evolving array of cybersecurity and data security threats that pose risks to us and our clients. We can also be harmed by attacks on third parties, such as denial-of-service attacks. We see regular unauthorized efforts to access our systems, which we evaluate for severity and frequency. While incidents experienced thus far have not resulted in significant disruption to our business, it is possible that we could suffer a severe attack or incident, with potentially material and adverse effects on our business, reputation, customer relations, results of operations or financial condition.

We must expend capital and other resources to protect against attempted security breaches and cyber-attacks and to alleviate problems caused by successful breaches or attacks. We consider information security to be a top priority and are undertaking cybersecurity planning and activities throughout the company. This includes the acquisition of technology and services, review and refinement of cybersecurity and data security policies and procedures and employee training, among many other investments. Senior management and the Board of Directors are appropriately and actively engaged in cybersecurity risk management.

Our security measures are designed to identify and protect against security breaches and cyber-attacks; no threat incident identified to date has resulted in a material adverse effect on us or our customers. However, there is no perfect security system, and our failure to detect, prevent or adequately respond to a future threat incident could subject us to liability and reputational damage, and have a material adverse effect on our business. In addition, the cost and operational consequences of responding to breaches and cyber-attacks and implementing remediation measures could be significant.

We rely on internal and external information and technological systems to manage our operations and are exposed to risk of loss resulting from breaches in the security or other failures of these systems. Security breaches such as through an advanced persistent threat attack, or the accidental loss, inadvertent disclosure or unapproved dissemination of proprietary information or sensitive or confidential data about us, our clients or our customers, could expose us to risk of loss of this information, regulatory scrutiny, actions and penalties, extensive contractual liability and other litigation, reputational harm, and a loss of customer confidence which could potentially have an adverse impact on future business with current and potential customers.

Advances in computer capabilities, new discoveries in the field of cryptography or other events or developments may result in a compromise or breach of the algorithms that we use to protect our data and that of clients, including sensitive customer transaction data. A party who is able to circumvent our security measures or those of our contractors, partners or vendors could access our systems and misappropriate proprietary information, the confidential data of our customers, employees or business partners or cause interruption in our or their operations.

Experienced computer programmers and hackers may be able to penetrate our network security and misappropriate or compromise our confidential information or that of third parties, create system disruptions or cause shutdowns. Computer programmers and hackers also may be able to develop and deploy ransomware, malware and other malicious software programs through phishing and other methods that attack our products or otherwise exploit any security vulnerabilities of these products. In addition, sophisticated hardware and operating system software and applications produced or procured from third parties may contain defects in design or manufacture, including “bugs” and other problems that could unexpectedly interfere with the security and operation of our systems, or harm those of third parties with whom we may interact. The costs to eliminate or alleviate cyber or other security problems, including ransomware, malware, bugs, malicious software programs and other security vulnerabilities, could be significant, and our efforts to address these problems may not be successful and could result in interruptions, delays, cessation of service and loss of existing or potential customers, which may impede our sales, distribution or other critical functions.

Increasing cybersecurity, data privacy and information security obligations around the world could also impose additional regulatory pressures on our customers’ businesses and, indirectly, on our operations, or lead to inquiries or enforcement actions. In the United States, we are seeing increasing obligations and expectations from federal and non-federal customers. In response, some of our customers have sought and may continue to seek, to contractually impose certain strict data privacy and information security obligations on us. Some of our customer contracts may not limit our liability for the loss of confidential information. If we are unable to adequately address these concerns, our business and results of operations could suffer.

Compliance with new privacy and security laws, requirements and regulations, such as the European Union General Data Protection Regulation, which became effective in May 2018, where required or undertaken by us, may result in cost increases due to expanded compliance obligations, potential systems changes, the development of additional administrative processes and increased enforcement actions, fines and penalties. While we strive to comply with all applicable data protection laws and regulations, as well as internal privacy policies, any failure or perceived failure to comply or any misappropriation, loss or other unauthorized disclosure of sensitive or confidential information may result in proceedings or actions against us by government or other entities, private lawsuits against us (including class actions) or the loss of customers, which could potentially have an adverse effect on our business, reputation and results of operations.

Portions of our infrastructure also may experience interruptions, delays or cessations of service or produce errors in connection with systems integration or migration work that takes place from time to time. We may not be successful in implementing new systems and transitioning data, which could cause business disruptions and be expensive, time-consuming, disruptive and resource intensive. Such disruptions could adversely impact our ability to fulfill orders and respond to customer requests and interrupt other processes. Delayed sales, lower margins or lost customers resulting from these disruptions could reduce our revenues, increase our expenses, damage our reputation, and adversely affect our stock price.

Achieving our growth objectives may prove unsuccessful. We may be unable to identify future attractive acquisitions and strategic partnerships, which may adversely affect our growth. In addition, if we are unable to integrate acquisitions and implement strategic partnerships or achieve anticipated revenue improvements and cost reductions, our profitability may be materially and adversely affected.

We may fail to complete strategic transactions. Closing strategic transactions is subject to uncertainties and risks, including the risk that we will be unable to satisfy conditions to closing, such as regulatory and financing conditions and the absence of material adverse changes to our business. In addition, our inability to successfully integrate the operations we acquire and leverage these operations to generate substantial cost savings, as well as our inability to avoid revenue erosion and earnings decline, could have a material adverse effect on our results of operations, cash flows and financial position. In order to achieve successful acquisitions, we will need to:

- successfully integrate the operations, as well as the accounting, financial controls, management information, technology, human resources and other administrative systems, of acquired businesses with existing operations and systems;
- maintain third-party relationships previously established by acquired companies;
- attract and retain senior management and other key personnel at acquired businesses; and
- successfully manage new business lines, as well as acquisition-related workload.

We may not be successful in meeting these challenges or any others encountered in connection with historical and future acquisitions. In addition, the anticipated benefits of one or more acquisitions may not be realized and future acquisitions could require dilutive issuances of equity securities and/or the assumption of contingent liabilities. The occurrence of any of these events could adversely affect our business, financial condition and results of operations.

We have also entered into and intend to identify and enter into additional strategic partnerships with other industry participants that will allow us to expand our business. However, we may be unable to identify attractive strategic partnership candidates or complete these partnerships on terms favorable to us. In addition, if we are unable to successfully implement our partnership strategies or our strategic partners do not fulfill their obligations or otherwise prove disadvantageous to our business, our investments in these partnerships and our anticipated business expansion could be adversely affected.

Our ability to continue to develop and expand our service offerings to address emerging business demands and technological trends, including the demand for digital technologies and services, may impact our future growth. If we are not successful in meeting these business challenges, our results of operations and cash flows may be materially and adversely affected.

Our ability to implement solutions for our customers, incorporating new developments and improvements in technology that translate into productivity improvements for our customers, and our ability to develop digital and other new service offerings that meet current and prospective customers' needs, as well as evolving industry standards, are critical to our success. The markets we serve are highly competitive and characterized by rapid technological change which has resulted in deflationary pressure in the price of services which in turn can adversely impact our margins. Our competitors may develop solutions or services that make our offerings obsolete or may force us to decrease prices on our services which can result in lower margins. Our ability to develop and implement up to date solutions utilizing new technologies that meet evolving customer needs in digital cloud, information technology outsourcing, consulting, industry software and solutions, application services markets, and in areas such as artificial intelligence, automation, Internet of Things and as-a-service solutions,
in a timely or cost-effective manner, will impact our ability to retain and attract customers and our future revenue growth and earnings. If we are unable to continue to develop digital and other new service offerings in a highly competitive and rapidly evolving environment or if we are unable to commercialize such services and solutions, expand and scale them with sufficient speed and versatility, our growth, productivity objectives and profit margins could be negatively affected.

Technological developments may materially affect the cost and use of technology by our customers. Some of these technologies have reduced and replaced some of our traditional services and solutions and may continue to do so in the future. This has caused, and may in the future cause, customers to delay spending under existing contracts and engagements and to delay entering into new contracts while they evaluate new technologies. Such delays can negatively impact our results of operations if the pace and level of spending on new technologies is not sufficient to make up any shortfall. Our growth strategy focuses on responding to these types of developments by driving innovation that will enable us to expand our business into new growth areas. If we do not sufficiently invest in new technology and adapt to industry developments, or evolve and expand our business at sufficient speed and scale, or if we do not make the right strategic investments to respond to these developments and successfully drive innovation, our services and solutions, our results of operations, and our ability to develop and maintain a competitive advantage and to execute on our growth strategy could be negatively affected.

Our ability to compete in certain markets we serve is dependent on our ability to continue to expand our capacity in certain offshore locations. However, as our presence in these locations increases, we are exposed to risks inherent to these locations which may adversely affect our revenue and profitability.

A significant portion of our application outsourcing and software development activities has been shifted to India and we plan to continue to expand our presence there and in other lower-cost locations. As a result, we are exposed to the risks inherent in operating in India or other locations including (1) a highly competitive labor market for skilled workers which may result in significant increases in labor costs, as well as shortages of qualified workers in the future and (2) the possibility that the U.S. Federal Government or the European Union may enact legislation that creates significant disincentives for customers to locate certain of their operations offshore, which would reduce the demand for the services we provide in such locations and may adversely impact our cost structure and profitability. In addition, India has experienced, and other countries may experience, political instability, civil unrest and hostilities with neighboring countries. Negative or uncertain political climates in countries or locations where we operate, including but not limited to military activity or civil hostilities, criminal activities and other acts of violence, infrastructure disruption, natural disasters or other conditions could adversely affect our operations.

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended ("FCPA") and similar anti-bribery laws in other jurisdictions. We pursue opportunities in certain parts of the world that experience government corruption and in certain circumstances, compliance with anti-bribery laws may conflict with local customs and practices. Our internal policies mandate compliance with all applicable anti-bribery laws. We require our employees, partners, subcontractors, agents, and others to comply with the FCPA and other anti-bribery laws. There is no assurance that our policies or procedures will protect us against liability under the FCPA or other laws for actions taken by our employees and intermediaries. If we are found to be liable for FCPA violations (either due to our own acts or our omissions, or due to the acts or omissions of others), we could suffer from severe criminal or civil penalties or other sanctions, which could have a material adverse effect on our reputation, business, results of operations or cash flows. In addition, detecting, investigating and resolving actual or alleged violations of the FCPA or other anti-bribery violations is expensive and could consume significant time and attention of our senior management.

Our credit rating and ability to manage working capital, refinance and raise additional capital for future needs, could adversely affect our liquidity, capital position, borrowing, cost and access to capital markets.

We currently maintain investment grade credit ratings with Moody's Investors Service, Fitch Rating Services, and Standard & Poor's Ratings Services. Our credit ratings are based upon information furnished by us or obtained by a rating agency from its own sources and are subject to revision, suspension or withdrawal by one or more rating agencies at any time. Rating agencies may review the ratings assigned to us due to developments that are beyond our control, including potential new standards requiring the agencies to reassess rating practices and methodologies. Ratings agencies may consider changes in credit ratings based on changes in expectations about future profitability and cash flows even if short-term liquidity expectations are not negatively impacted. If changes in our credit ratings were to occur, it could result in higher interest costs under certain of our credit facilities. It would also cause our future borrowing costs to increase and limit our access to capital markets. For example, we currently fund a portion of our working capital requirements in the U.S. and European commercial paper markets. Any downgrade below our current rating would, absent changes to current market liquidity, substantially reduce or eliminate our ability to access that source of funding and could otherwise negatively impact the perception of our company by lenders and other third parties. In addition, certain of our major contracts provide customers with a right of termination in certain circumstances in the event of a rating downgrade below investment grade. There can be no assurance that we will be able to maintain our credit ratings, and any additional actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under review for a downgrade, may have a negative impact on our liquidity, capital position and access to capital markets.

Our liquidity is a function of our ability to successfully generate cash flows from a combination of efficient operations and continuing operating improvements, access to capital markets and funding from third parties. In addition, like many multinational regulated enterprises, our operations are subject to a variety of tax, foreign exchange and regulatory capital requirements in different jurisdictions that have the effect of limiting, delaying or increasing the cost of moving cash between jurisdictions or using our cash for certain purposes. Our ability to maintain sufficient liquidity going forward is subject to the general liquidity of and on-going changes in the credit markets as well as general economic, financial, competitive, legislative, regulatory and other market factors that are beyond our control. An increase in our borrowing costs, limitations on our ability to access the global capital and credit markets or a reduction in our liquidity can adversely affect our financial condition and results of operations.

Information regarding our credit ratings is included in Part II, Item 7 of this Annual Report on Form 10-K under the caption "Liquidity and Capital Resources."

We have a substantial amount of indebtedness, which could have a material adverse effect on our business, financial condition and results of operations.

We have a significant amount of indebtedness totaling approximately $9.9 billion as of March 31, 2020 (including capital lease obligations). We may incur substantial additional indebtedness in the future for many reasons, including to fund acquisitions. Our existing indebtedness, together with the incurrence of additional indebtedness and the restrictive covenants contained in, or expected to be contained in the documents evidencing such indebtedness, could have significant consequences on our future operations, including:

- events of default if we fail to comply with the financial and other covenants contained in the agreements governing our debt instruments, which could, if material and not cured, result in all of our debt becoming immediately due and payable or require us to negotiate an amendment to financial or other covenants that could cause us to incur additional fees and expenses;
- subjecting us to the risk of increased sensitivity to interest rate increases in our outstanding variable-rate indebtedness that could cause our debt service obligations to increase significantly;
- increasing the risk of a future credit ratings downgrade of our debt, which could increase future debt costs and limit the future availability for debt financing;
- debt service may reduce the availability of our cash flow to fund working capital, capital expenditures, acquisitions and other general corporate purposes, and limiting our ability to obtain additional financing for these purposes;
- placing us at a competitive disadvantage compared to less leveraged competitors;
- increasing our vulnerability to the impact of adverse economic and industry conditions; and
- causing us to reduce or eliminate our return of cash to our stockholders, including via dividends and share repurchases.

In addition, we could be unable to refinance our outstanding indebtedness on reasonable terms or at all.

Our ability to meet our payment and other obligations under our debt instruments depends on our ability to generate significant cash flow in the future. This, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors as well as other factors that are beyond our control. There can be no assurance that our business will generate sufficient cash flow from operations, or that current or future borrowings will be sufficient to meet our current debt obligations and to fund other liquidity needs.

A substantial portion of our borrowing capacity bears interest at a variable rate based on the London Interbank Offered Rate ("LIBOR"). In July 2017, the United Kingdom’s Financial Conduct Authority (“FCA”), which regulates LIBOR, announced that it intends to phase out LIBOR by the end of 2021. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, is considering replacing LIBOR with the Secured Overnight Financing Rate ("SOFR"), a new index calculated by short-term repurchase agreements, backed by Treasury securities.

Certain of our financing agreements include language to determine a replacement rate for LIBOR, if necessary. However, if LIBOR ceases to exist, we may need to renegotiate some financing agreements extending beyond 2021 that utilize LIBOR as a factor in determining the interest rate. We are evaluating the potential impact of the eventual replacement of the LIBOR benchmark interest rate, however, we are not able to predict whether LIBOR will cease to be available after 2021, whether SOFR will become a widely accepted benchmark in place of LIBOR, or what the impact of such a possible transition to SOFR may be on our business, financial condition, and results of operations.

Our primary markets are highly competitive. If we are unable to compete in these highly competitive markets, our results of operations may be materially and adversely affected.

Our competitors include large, technically competent and well capitalized companies, some of which have emerged as a result of industry consolidation, as well as “pure-play” companies that have a single product focus. This competition may place downward pressure on operating margins in our industry, particularly for technology outsourcing contract extensions or renewals. As a result, we may not be able to maintain our current operating margins, or achieve favorable operating margins, for technology outsourcing contracts extended or renewed in the future. If we fail to effectively reduce our cost structure during periods with declining margins, our results of operations may be adversely affected.

We encounter aggressive competition from numerous and varied competitors. Our competitiveness is based on factors including technology, innovation, performance, price, quality, reliability, brand, reputation, range of products and services, account relationships, customer training, service and support and security. If we are unable to compete based on such factors, our results of operations and business prospects could be harmed. We have a large portfolio of services and we need to allocate financial, personnel and other resources across all services while competing with companies that have smaller portfolios or specialize in one or more of our service lines. As a result, we may invest less in certain business areas than our competitors do, and competitors may have greater financial, technical and marketing resources available to them compared to the resources allocated to our services. Industry consolidation may also affect competition by creating larger, more homogeneous and potentially stronger competitors in the markets in which we operate. Additionally, competitors may affect our business by entering into exclusive arrangements with existing or potential customers or suppliers.

Companies with whom we have alliances in certain areas may be or become competitors in other areas. In addition, companies with whom we have alliances also may acquire or form alliances with competitors, which could reduce their business with us. If we are unable to effectively manage these complicated relationships with alliance partners, our business and results of operations could be adversely affected.

We face aggressive price competition and may have to lower prices to stay competitive, while simultaneously seeking to maintain or improve revenue and gross margin. In addition, competitors who have a greater presence in some of the lower-cost markets in which we compete, or who can obtain better pricing, more favorable contractual terms and conditions, may be able to offer lower prices than we are able to offer. Our cash flows, results of operations and financial condition may be adversely affected by these and other industry-wide pricing pressures.

If we are unable to accurately estimate the cost of services and the timeline for completion of contracts, the profitability of our contracts may be materially and adversely affected.

Our commercial contracts are typically awarded on a competitive basis. Our bids are based upon, among other items, the expected cost to provide the services. We generally provide services under time and materials contracts, unit price contracts, fixed-price contracts, and multiple-element software sales. We are dependent on our internal forecasts and predictions about our projects and the marketplace and, to generate an acceptable return on our investment in these contracts, we must be able to accurately estimate our costs to provide the services required by the contract and to complete the contracts in a timely manner. We face a number of risks when pricing our contracts, as many of our projects entail the coordination of operations and workforces in multiple locations and utilizing workforces with different skill sets and competencies across geographically diverse service locations. In addition, revenues from some of our contracts are recognized using the percentage-of-completion method, which requires estimates of total costs at completion, fees earned on the contract, or both. This estimation process, particularly due to the technical nature of the services being performed and the long-term nature of certain contracts, is complex and involves significant judgment. Adjustments to original estimates are often required as work progresses, experience is gained, and additional information becomes known, even though the scope of the work required under the contract may not change. If we fail to accurately estimate our costs or the time required to complete a contract, the profitability of our contracts may be materially and adversely affected.

Some ITO services agreements contain pricing provisions that permit a client to request a benchmark study by a mutually acceptable third party. The benchmarking process typically compares the contractual price of services against the price of similar services offered by other specified providers in a peer comparison group, subject to agreedupon adjustment, and normalization factors. Generally, if the benchmarking study shows that the pricing differs from the peer group outside a specified range, and the difference is not due to the unique requirements of the client, then the parties will negotiate in good faith appropriate adjustments to the pricing. This may result in the reduction of rates for the benchmarked services performed after the implementation of those pricing adjustments, which could harm the financial performance of our services business.

Some IT service agreements require significant investment in the early stages that is expected to be recovered through billings over the life of the agreement. These agreements often involve the construction of new IT systems and communications networks and the development and deployment of new technologies. Substantial performance risk exists in each agreement with these characteristics, and some or all elements of service delivery under these agreements are dependent upon successful completion of the development, construction, and deployment phases. Failure to perform satisfactorily under these agreements may expose us to legal liability, result in the loss of customers or harm our reputation, which could harm the financial performance of our IT services business.

Performance under contracts, including those on which we have partnered with third parties, may be adversely affected if we or the third parties fail to deliver on commitments or if we incur legal liability in connection with providing our services and solutions.

Our contracts are complex and, in some instances, may require that we partner with other parties, including software and hardware vendors, to provide the complex solutions required by our customers. Our ability to deliver the solutions and provide the services required by our customers is dependent on our and our partners' ability to meet our customers' delivery schedules. If we or our partners fail to deliver services or products on time, our ability to complete the contract may be adversely affected. Additionally, our customers may perform audits or require us to perform audits and provide audit reports with respect to the controls and procedures that we use in the performance of services for such customers. Our ability to acquire new customers and retain existing customers may be adversely affected and our reputation could be harmed if we receive a qualified opinion, or if we cannot obtain an unqualified opinion in a timely manner, with respect to our controls and procedures in connection with any such audit. We could also incur liability if our controls and procedures, or the controls and procedures we manage for a customer, were to result in an internal control failure or impair our customer’s ability to comply with its own internal control requirements. If we or our partners fail to meet our contractual obligations or otherwise breach obligations to our customers, we could be subject to legal liability, which may have a material and adverse impact on our revenues and profitability.

Our ability to provide customers with competitive services is dependent on our ability to attract and retain qualified personnel.

Our ability to grow and provide our customers with competitive services is partially dependent on our ability to attract and retain highly motivated people with the skills necessary to serve our customers. The markets we serve are highly competitive and competition for skilled employees in the technology outsourcing, consulting, and systems integration and enterprise services markets is intense for both onshore and offshore locales. The loss of personnel could impair our ability to perform under certain contracts, which could have a material adverse effect on our consolidated financial position, results of operations and cash flows.

Additionally, the inability to adequately develop and train personnel and assimilate key new hires or promoted employees could have a material adverse effect on relationships with third parties, our financial condition and results of operations and cash flows.

We also must manage leadership development and succession planning throughout our business. Any significant leadership change and accompanying senior management transition, such as our recent change in Chief Executive Officer, Chief Human Resources Officer and the hiring of new leaders in key roles, involves inherent risk and any failure to ensure a smooth transition could hinder our strategic planning, execution and future performance. While we strive to mitigate the negative impact associated with changes to our senior management team, such changes may cause uncertainty among investors, employees, customers, creditors and others concerning our future direction and performance. If we fail to effectively manage our leadership changes, including ongoing organizational and strategic changes, our business, financial condition, results of operations, cash flows and reputation, as well as our ability to successfully attract, motivate and retain key employees, could be harmed.

In addition, uncertainty around future employment opportunities, facility locations, organizational and reporting structures, and other related concerns may impair our ability to attract and retain qualified personnel. If employee attrition is high, it may adversely impact our ability to realize the anticipated benefits of our strategic priorities.

If we do not hire, train, motivate, and effectively utilize employees with the right mix of skills and experience in the right geographic regions and for the right offerings to meet the needs of our clients, our financial performance and cash flows could suffer. For example, if our employee utilization rate is too low, our profitability, and the level of engagement of our employees could decrease. If that utilization rate is too high, it could have an adverse effect on employee engagement and attrition and the quality of the work performed, as well as our ability to staff projects. If we are unable to hire and retain enough employees with the skills or backgrounds needed to meet current demand, we may need to redeploy existing personnel, increase our reliance on subcontractors or increase employee compensation levels, all of which could also negatively affect our profitability. In addition, if we have more employees than necessary with certain skill sets or in certain geographies, we may incur increased costs as we work to rebalance our supply of skills and resources with client demand in those geographies.

Our international operations are exposed to risks, including fluctuations in exchange rates, which may be beyond our control.

Our exposure to currencies other than the U.S. dollar may impact our results, as they are expressed in U.S. dollars. Currency variations also contribute to variations in sales of products and services in affected jurisdictions. For example, in the event that one or more European countries were to replace the Euro with another currency, sales in that country or in Europe generally may be adversely affected until stable exchange rates are established. While historically we have partially mitigated currency risk, including exposure to fluctuations in currency exchange rates by matching costs with revenues in a given currency, our exposure to fluctuations in other currencies against the U.S. dollar increases, as revenue in currencies other than the U.S. dollar increases and as more of the services we provide are shifted to lower cost regions of the world. Approximately 63% of revenues earned during fiscal 2020 were derived from sales denominated in currencies other than the U.S. dollar and are expected to continue to represent a significant portion of our revenues. Also, we believe that our ability to match revenues and expenses in a given currency will decrease as more work is performed at offshore locations.

We may use forward and option contracts to protect against currency exchange rate risks. The effectiveness of these hedges will depend on our ability to accurately forecast future cash flows, which may be particularly difficult during periods of uncertain demand and highly volatile exchange rates. We may incur significant losses from our hedging activities due to factors such as demand volatility and currency variations. In addition, certain or all of our hedging activities may be ineffective, may expire and not be renewed or may not offset the adverse financial impact resulting from currency variations. Losses associated with hedging activities may also impact our revenues and to a lesser extent our cost of sales and financial condition.

Uncertainty surrounding the effect of Brexit, including changes to the legal and regulatory framework that apply to the United Kingdom and its relationship with the European Union, as well as new and proposed changes relating to Brexit affecting tax laws and trade policy in the U.S. and elsewhere may adversely impact our operations.

Our future business and financial performance could suffer due to a variety of international factors, including:

- ongoing instability or changes in a country's or region's economic or geopolitical and security conditions, including inflation, recession, interest rate fluctuations, and actual or anticipated military or political conflict, civil unrest, crime, political instability, human rights concerns, and terrorist activity;
- natural or man-made disasters, industrial accidents, public health issues, cybersecurity incidents, interruptions of service from utilities, transportation or telecommunications providers, or other catastrophic events;
- longer collection cycles and financial instability among customers;
- trade regulations and procedures and actions affecting production, pricing and marketing of products, including policies adopted by countries that may champion or otherwise favor domestic companies and technologies over foreign competitors;
- local labor conditions and regulations;
- managing our geographically dispersed workforce;
- changes in the international, national or local regulatory and legal environments;
- differing technology standards or customer requirements;
- difficulties associated with repatriating earnings generated or held abroad in a tax-efficient manner and
- changes in tax laws.

Our business operations are subject to various and changing federal, state, local and foreign laws and regulations that could result in costs or sanctions that adversely affect our business and results of operations.

We operate in approximately 70 countries in an increasingly complex regulatory environment. Among other things, we provide complex industry specific insurance processing in the United Kingdom, which is regulated by authorities in the United Kingdom. and elsewhere, such as the U.K.'s Financial Conduct Authority and Her Majesty's Treasury and the U.S. Department of Treasury, which increases our exposure to compliance risk. For example, in February 2017, CSC submitted an initial notification of voluntary disclosure to the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") regarding certain possible violations of U.S. sanctions laws pertaining to insurance premium data and claims data processed by two partially-owned joint ventures of Xchanging, which CSC acquired during the first quarter of fiscal 2017. A copy of the disclosure was also provided to Her Majesty's Treasury Office of Financial Sanctions Implementation in the United Kingdom. Our related internal investigation is continuing, and we have undertaken to cooperate with and provide a full report of our findings to OFAC when completed. Our retail investment account management business in Germany is another example of a regulated business, which must maintain a banking license, is regulated by the German Federal Financial Supervisory Authority and the European Central Bank and must comply with German banking laws and regulations.

In addition, businesses in the countries in which we operate are subject to local, legal and political environments and regulations including with respect to employment, tax, statutory supervision and reporting and trade restriction. These regulations and environments are also subject to change.

Adjusting business operations to changing environments and regulations may be costly and could potentially render the particular business operations uneconomical, which may adversely affect our profitability or lead to a change in the business operations. Notwithstanding our best efforts, we may not be in compliance with all regulations in the countries in which we operate at all times and may be subject to sanctions, penalties or fines as a result. These sanctions, penalties or fines may materially and adversely impact our profitability.

We may not achieve some or all of the expected benefits of our restructuring plans and our restructuring may adversely affect our business.

Our Board of Directors has approved several restructuring plans to realign our cost structure due to the changing nature of our business and to achieve operating efficiencies to reduce our costs. We may not be able to obtain the costs savings and benefits that were initially anticipated in connection with our restructuring plans. Additionally, as a result of our restructuring, we may experience a loss of continuity, loss of accumulated knowledge and/or inefficiency during transitional periods. Reorganization and restructuring can require a significant amount of management and other employees' time and focus, which may divert attention from operating and growing our business. If we fail to achieve some or all of the expected benefits of restructuring, it could have a material adverse effect on our competitive position, business, financial condition, results of operations and cash flows. For more information about our restructuring plans, see Note 21 - "Restructuring Costs".

In the course of providing services to customers, we may inadvertently infringe on the intellectual property rights of others and be exposed to claims for damages.

The solutions we provide to our customers may inadvertently infringe on the intellectual property rights of third parties resulting in claims for damages against us or our customers. Our contracts generally indemnify our clients from claims for intellectual property infringement for the services and equipment we provide under the applicable contracts. We also indemnify certain vendors and customers against claims of intellectual property infringement made by third parties arising from the use by such vendors and customers of software products and services and certain other matters. Some of the applicable indemnification arrangements may not be subject to maximum loss clauses. The expense and time of defending against these claims may have a material and adverse impact on our profitability. If we lose our ability to continue using any such services and solutions because they are found to infringe the rights of others, we will need to obtain substitute solutions or seek alternative means of obtaining the technology necessary to continue to provide such services and solutions. Our inability to replace such solutions, or to replace such solutions in a timely or cost-effective manner, could materially adversely affect our results of operations. Additionally, the publicity resulting from infringing intellectual property rights may damage our reputation and adversely impact our ability to develop new business.

We may be exposed to negative publicity and other potential risks if we are unable to achieve and maintain effective internal controls over financial reporting.

The Sarbanes-Oxley Act of 2002 and the related regulations require our management to report on, and our independent registered public accounting firm to attest to, the effectiveness of our internal control over financial reporting. Effective internal controls are necessary for us to provide reliable financial reports and effectively prevent fraud. However, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. There can be no assurance that all control issues or fraud will be detected. As we continue to grow our business, our internal controls continue to become more complex and require more resources.

Any failure to maintain effective controls could prevent us from timely and reliably reporting financial results and may harm our operating results. In addition, if we are unable to conclude that we have effective internal control over financial reporting or, if our independent registered public accounting firm is unable to provide an unqualified report as to the effectiveness of our internal control over financial reporting, as of each fiscal year end, we may be exposed to negative publicity, which could cause investors to lose confidence in our reported financial information. Any failure to maintain effective internal controls and any such resulting negative publicity may negatively affect our business and stock price.

Additionally, the existence of any material weaknesses or significant deficiencies would require management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. The existence of any material weakness in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations and cause stockholders to lose confidence in our reported financial information, all of which could materially and adversely affect us and the market price of our common stock.

We have identified a material weakness in our internal control over financial reporting. Without effective internal control over financial reporting, we may fail to detect or prevent a material misstatement in our financial statements, which could materially harm our business, our reputation and our stock price.

While we have not identified any material misstatements in our previously reported consolidated financial statements, our management identified a material weakness in our internal control over financial reporting as of December 31, 2019. See "Item 9A. Controls and Procedures." Without effective internal control over financial reporting, we may fail to detect or prevent a material misstatement in our financial statements. In that event, we may be required to restate our financial statements. A restatement or an unremediated material weakness could result in a loss of confidence in us by our investors, customers, regulators and/or counterparties. In addition, if we are unable to promptly remediate the material weakness identified above, or if we were to conclude in the future that we have one or more additional weaknesses, our investors, regulators, customers and/or counterparties may lose confidence in our reported financial information. Additionally, management may be required to devote significant time and incur significant expense to remediate the material weakness, and management may not be able to complete such remediation in a timely manner. Any of the foregoing could materially harm our business, our reputation and the market price of our common stock.

We could suffer additional losses due to asset impairment charges.

We acquired substantial goodwill and other intangibles as a result of the HPES Merger and the Luxoft Acquisition, increasing our exposure to this risk. We test our goodwill for impairment during the second quarter of every year and on an interim date should events or changes in circumstances indicate that it is more likely than not that the fair value of a reporting unit is below its carrying amount. If the fair value of a reporting unit is revised downward due to declines in business performance or other factors or if the Company suffers further declines in share price, an impairment could result and a non-cash charge could be required. We test intangible assets with finite lives for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. This assessment of the recoverability of finite-lived intangible assets could result in an impairment and a non-cash charge could be required. For example, during fiscal 2020, we recorded non-cash goodwill impairment charges of $6,794 million which is discussed in Note 11 - "Goodwill." We also test certain equipment and deferred cost balances associated with contracts when the contract is materially underperforming or is expected to materially underperform in the future, as compared to the original bid model or budget. If the projected cash flows of a particular contract are not adequate to recover the unamortized cost balance of the asset group, the balance is adjusted in the tested period based on the contract's fair value. Either of these impairments could materially affect our reported net earnings.

We may not be able to pay dividends or repurchase shares of our common stock in accordance with our announced intent or at all.

On April 3, 2017, we announced the establishment of a share repurchase plan approved by the Board of Directors with an initial authorization of up to $2.0 billion for future repurchases of outstanding shares of our common stock. On November 8, 2018, DXC announced that its Board of Directors approved an incremental $2.0 billion share repurchase authorization. Starting fiscal 2018, we paid quarterly cash dividends to our stockholders in accordance with our announced dividend policy. We intend to continue to pay a quarterly cash dividend during fiscal 2021 but the declaration and payment of future dividends, the amount of any such dividends, and the establishment of record and payment dates for dividends, if any, are subject to final determination by our Board of Directors after review of our current strategy and financial performance and position, among other things.

The Board of Directors' determinations regarding dividends and share repurchases will depend on a variety of factors, including net income, cash flow generated from operations, amount and location of our cash and investment balances, overall liquidity position and potential alternative uses of cash, such as acquisitions, as well as economic conditions and expected future financial results. There can be no guarantee that we will achieve our financial goals in the amounts or within the expected time frame, or at all. Our ability to declare future dividends will depend on our future financial performance, which in turn depends on the successful implementation of our strategy and on financial, competitive, regulatory and other factors, general economic conditions, demand and prices for our services and other factors specific to our industry or specific projects, many of which are beyond our control. Therefore, our ability to generate cash flow depends on the performance of our operations and could be limited by decreases in our profitability or increases in costs, regulatory changes, capital expenditures or debt servicing requirements.

Any failure to achieve our financial goals could negatively impact our reputation, harm investor confidence in us, and cause the market price of our common stock to decline.

We are defendants in pending litigation that may have a material and adverse impact on our profitability and liquidity.

As noted in Note 22 - "Commitments and Contingencies", we are currently party to a number of disputes that involve or may involve litigation or arbitration, including a securities class action and other lawsuits in which we and certain of our officers and directors have been named as defendants. The result of these lawsuits and any other future legal proceedings cannot be predicted with certainty. Regardless of their subject matter or merits, such legal proceedings may result in significant cost to us, which may not be covered by insurance, may divert the attention of management or may otherwise have an adverse effect on our business, financial condition and results of operations. Negative publicity from litigation, whether or not resulting in a substantial cost, could materially damage our reputation and could have a material adverse effect on our business, financial condition, results of operations, and the price of our common stock. In addition, such legal proceedings may make it more difficult to finance our operations.

We may be adversely affected by disruptions in the credit markets, including disruptions that reduce our customers' access to credit and increase the costs to our customers of obtaining credit.

The credit markets have historically been volatile and therefore it is not possible to predict the ability of our clients and customers to access short-term financing and other forms of capital. If a disruption in the credit markets were to occur, it could pose a risk to our business if customers or suppliers are unable to obtain financing to meet payment or delivery obligations to us. In the event that one or more customers or suppliers' defaults on its payment or delivery obligations, we could incur significant losses, which may harm our business, reputation, results of operations, cash flows and financial condition. In addition, customers may decide to downsize, defer or cancel contracts which could negatively affect our revenues.

Further, as of March 31, 2020, we have $5.2 billion of floating interest rate debt. Accordingly, a spike in interest rates could adversely affect our results of operations and cash flows.

Our hedging program is subject to counterparty default risk.

We enter into foreign currency forward contracts and interest rate swaps with a number of counterparties. As a result, we are subject to the risk that the counterparty to one or more of these contracts defaults on its performance under the contract. During an economic downturn, the counterparty's financial condition may deteriorate rapidly and with little notice and we may be unable to take action to protect our exposure. In the event of a counterparty default, we could incur significant losses, which may harm our business and financial condition. In the event that one or more of our counterparties becomes insolvent or files for bankruptcy, our ability to eventually recover any losses suffered as a result of that counterparty's default may be limited by the liquidity of the counterparty.

We derive significant revenues and profit from contracts awarded through competitive bidding processes, which can impose substantial costs on us and we may not achieve revenue and profit objectives if we fail to bid on these projects effectively.

We derive significant revenues and profit from government contracts that are awarded through competitive bidding processes. We expect that most of the non-U.S. government business we seek in the foreseeable future will be awarded through competitive bidding. Competitive bidding is expensive and presents a number of risks, including:

- the substantial cost and managerial time and effort that we spend to prepare bids and proposals for contracts that may or may not be awarded to us;
- the need to estimate accurately the resources and costs that will be required to service any contracts we are awarded, sometimes in advance of the final determination of their full scope and design;
- the expense and delay that may arise if our competitors protest or challenge awards made to us pursuant to competitive bidding;
- the requirement to resubmit bids protested by our competitors and in the termination, reduction, or modification of the awarded contracts; and
- the opportunity cost of not bidding on and winning other contracts we might otherwise pursue.

If our customers experience financial difficulties, we may not be able to collect our receivables, which would materially and adversely affect our profitability and cash flows from operations.

Over the course of a contract term, a customer's financial condition may decline and limit its ability to pay its obligations. This could cause our cash collections to decrease and bad debt expense to increase. While we may resort to alternative methods to pursue claims or collect receivables, these methods are expensive and time consuming and successful collection is not guaranteed. Failure to collect our receivables or prevail on claims would have an adverse effect on our profitability and cash flows.

If we are unable to maintain and grow our customer relationships over time, our operating results and cash flows will suffer. Failure to comply with customer contracts or government contracting regulations or requirements could adversely affect our business, results of operations and cash flows.

We devote significant resources to establish relationships with our customers and implement our offerings and related services, particularly in the case of large enterprises that often request or require specific features or functions specific to their particular business profile. Accordingly, our operating results depend in substantial part on our ability to deliver a successful customer experience and persuade customers to maintain and grow our relationship with us over time. If we are not successful in implementing an offering or delivering a successful customer experience, including achieving cost and staffing levels that meet our customers' expectations, customers could terminate or elect not to renew their agreements with us and our operating results may suffer.

Contracts with customers may include unique and specialized performance requirements. In particular, our contracts with federal, state, provincial, and local governmental customers are generally subject to various procurement regulations, contract provisions, and other requirements relating to their formation, administration, and performance, including the maintenance of necessary security clearances. Contracts with U.S. government agencies are also subject to audits and investigations, which may include a review of performance on contracts, pricing practices, cost structure, and compliance with applicable laws and regulations.

Any failure on our part to comply with the specific provisions in customer contracts or any violation of government contracting regulations or other requirements could result in the imposition of various civil and criminal penalties, which may include termination of contracts, forfeiture of profits, suspension of payments, and, in the case of government contracts, fines and suspension from future government contracting. Such failures could also cause reputational damage to our business. In addition, we may be subject to *qui tam* litigation brought by private individuals on behalf of the government relating to government contracts, which could include claims for treble damages. Further, any negative publicity with respect to customer contracts or any related proceedings, regardless of accuracy, may damage our business by harming our ability to compete for new contracts.

Contracts with the U.S. federal government and related agencies are also subject to issues with respect to federal budgetary and spending limits or matters. Any changes to the fiscal policies of the U.S. federal government may decrease overall government funding, result in delays in the procurement of products and services due to lack of funding, cause the U.S. federal government and government agencies to reduce their purchases under existing contracts, or cause them to exercise their rights to terminate contracts at will or to abstain from exercising options to renew contracts, any of which would have an adverse effect on our business, financial condition, results of operations and/or cash flows.

If our customer contracts are terminated, if we are suspended or disbarred from government work, or our ability to compete for new contracts is adversely affected, our financial performance could suffer.

Recent U.S. tax legislation may materially affect our financial condition, results of operations and cash flows.

Recently enacted U.S. tax legislation has significantly changed the U.S. federal income taxation of U.S. corporations, including by reducing the U.S. corporate income tax rate, limiting interest deductions, permitting immediate expensing of certain capital expenditures, adopting elements of a territorial tax system, imposing a one-time transition tax (or “repatriation tax”) on all undistributed earnings and profits of certain U.S.-owned foreign corporations, revising the rules governing net operating losses and the rules governing foreign tax credits, and introducing new anti-base erosion provisions. Many of these changes were effective immediately, without any transition periods or grandfathering for existing transactions. The legislation is unclear in many respects and could be subject to potential amendments and technical corrections, as well as interpretations and implementing regulations by the U.S. Department of the Treasury and Internal Revenue Service ("IRS"), any of which could lessen or increase certain impacts of the legislation. In addition, state and local jurisdictions continue to issue guidance on how these U.S. federal income tax changes will affect state and local taxation, which often uses federal taxable income as a starting point for computing state and local tax liabilities.

While our analysis and interpretation of this legislation is ongoing, based on our current evaluation, we recorded a provisional reduction of our deferred income tax liabilities resulting in a material non-cash benefit to earnings during fiscal 2018, the period in which the tax legislation was enacted, which was adjusted in fiscal 2019. Additionally, the repatriation tax resulted in a material amount of additional U.S. tax liability, the majority of which was reflected as an income tax expense in fiscal 2018, when the tax legislation was enacted, despite the fact that the resulting tax may be paid over eight years. Further, there may be other material adverse effects resulting from future guidance, including technical corrections.

In addition, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was enacted in respect to the recent outbreak of COVID-19. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, the ability to utilize and carryback certain net operating losses, alternative minimum tax refunds and modifications to rules regarding the deductibility of net interest expense.

While some of the changes made by recent tax legislation may be beneficial to the Company in one or more reporting periods and prospectively, other changes may be adverse on a going forward basis. We continue to work with our tax advisors to determine the full impact that recent tax legislation as a whole will have on us.

Changes in our tax rates could affect our future results.

Our future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or by changes in tax laws or their interpretation. We are subject to the continuous examination of our income tax returns by the IRS and other tax authorities. We regularly assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for taxes. There can be no assurance that the outcomes from these examinations will not have a material adverse effect on our financial condition and operating results.

Risks Related to the HPES Merger

We may not realize the anticipated benefits from the HPES Merger.

There can be no assurance that we will be able to realize the intended benefits of the HPES Merger or that we will perform as anticipated.

Our success in realizing cost and revenues synergies, growth opportunities, and other financial and operating benefits as a result of the HPES Merger, and the timing of this realization, depends on the successful integration of our business operations. Even if we successfully integrate, we cannot predict with certainty if or when these cost and revenue synergies, growth opportunities and benefits will occur, or the extent to which they actually will be achieved. In addition, the quantification of previously announced synergies expected to result from the HPES Merger is based on significant estimates and assumptions that are subjective in nature and inherently uncertain. Realization of any benefits and synergies could be affected by a number of factors beyond our control, including, without limitation, general economic conditions, increased operating costs, regulatory developments and other risks. The amount of synergies actually realized, if any, and the time periods in which any such synergies are realized, could differ materially from the expected synergies, regardless of whether the two business operations are combined successfully. If the integration is unsuccessful or if we are unable to realize the anticipated synergies and other benefits of the HPES Merger, there could be a material adverse effect on our business, financial condition and results of operations.

The integration following the HPES Merger may continue to present significant challenges.

There is a significant degree of difficulty inherent in the process of integrating HPES and CSC. These difficulties include:

- integration activities while carrying on ongoing operations;
- the challenge of integrating the business cultures of HPES and CSC;
- the challenge and cost of integrating certain IT systems and other systems; and
- the potential difficulty in retaining key officers and other personnel.

The ongoing process of integrating operations could cause an interruption of, or loss of momentum in, the activities of one or more of our businesses. Members of senior management may be required to devote considerable amounts of time to this integration process, which would decrease the time they have to manage our business, service existing businesses and develop new services or strategies. In addition, certain existing contractual restrictions limit the ability to engage in certain integration activities for varying periods after the HPES Merger. There is no assurance we will be able to continue to manage this integration to the extent or in the time horizon anticipated, particularly given the larger scale of the HPES business in comparison to CSC's business. If senior management is not able to timely and effectively manage the integration process, or if any significant business activities are interrupted as a result of the integration process, our business could suffer. The delay or inability to achieve anticipated integration goals could have a material adverse effect on our business, financial condition and results of operations after the HPES Merger.

We could have an indemnification obligation to HPE if the stock distribution in connection with the HPES business separation (the "Distribution") were determined not to qualify for tax-free treatment, which could materially adversely affect our financial condition.

If, due to any of our representations being untrue or our covenants being breached, the Distribution was determined not to qualify for tax-free treatment under Section 355 of the Internal Revenue Code (the "Code"), HPE would generally be subject to tax as if it sold the DXC common stock in a taxable transaction, which could result in a material tax liability. In addition, each HPE stockholder who received DXC common stock in the Distribution would generally be treated as receiving a taxable Distribution in an amount equal to the fair market value of the DXC common stock received by the stockholder in the Distribution.

Under the Tax Matters Agreement, we were required to indemnify HPE against taxes resulting from the Distribution or certain aspects of the HPES Merger arising as a result of an Everett Tainting Act (as defined in the Tax Matters Agreement). If we were required to indemnify HPE for taxes resulting from an Everett Tainting Act, that indemnification obligation would likely be substantial and could materially adversely affect our financial condition.

If the HPES Merger does not qualify as a reorganization under Section 368(a) of the Code, CSC's former stockholders may incur significant tax liabilities.

The completion of the HPES Merger was conditioned upon the receipt by HPE and CSC of opinions of counsel to the effect that, for U.S. federal income tax purposes, the HPES Merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code (the "HPES Merger Tax Opinions"). The parties did not seek a ruling from the IRS regarding such qualification. The HPES Merger Tax Opinions were based on current law and relied upon various factual representations and assumptions, as well as certain undertakings made by HPE, HPES and CSC. If any of those representations or assumptions is untrue or incomplete in any material respect or any of those undertakings is not complied with, or if the facts upon which the HPES Merger Tax Opinions are based are materially different from the actual facts that existed at the time of the HPES Merger, the conclusions reached in the HPES Merger Tax Opinions could be adversely affected and the HPES Merger may not qualify for tax-free treatment. Opinions of counsel are not binding on the IRS or the courts. No assurance can be given that the IRS will not challenge the conclusions set forth in the HPES Merger Tax Opinions or that a court would not sustain such a challenge. If the HPES Merger were determined to be taxable, previous holders of CSC common stock would be considered to have made a taxable disposition of their shares to HPES, and such stockholders would generally recognize taxable gain or loss on their receipt of HPES common stock in the HPES Merger.

We assumed certain material pension benefit obligations in connection with the HPES Merger. These liabilities and the related future funding obligations could restrict our cash available for operations, capital expenditures and other requirements, and may materially adversely affect our financial condition and liquidity.

Pursuant to the Employee Matters Agreement entered into in connection with the HPES Merger, while HPE retained all U.S. defined benefit pension plan liabilities, DXC retained all liabilities relating to the International Retirement Guarantee (“IRG”) programs for all HPES employees. The IRG is a non-qualified retirement plan for employees who transfer internationally at the request of the HPE Group. The IRG determines the country of guarantee, which is generally the country in which an employee has spent the longest portion of his or her career with the HPE Group, and the present value of a full career benefit for the employee under the HPE defined benefit pension plan and social security or social insurance system in the country of guarantee. The IRG then offsets the present value of the retirement benefits from plans and social insurance systems in the countries in which the employee earned retirement benefits for his or her total period of HPE Group employment. The net benefit value is payable as a single sum as soon as practicable after termination or retirement. This liability could restrict cash available for our operations, capital expenditures and other requirements, and may materially affect our financial condition and liquidity.

In addition, pursuant to the Employee Matters Agreement, DXC assumed certain other defined benefit pension liabilities in a number of non-U.S. countries (including the United Kingdom, Germany and Switzerland). Unless otherwise agreed or required by local law, where a defined benefit pension plan was maintained solely by a member of the HPES business, DXC assumed all assets and liabilities arising out of those non-U.S. defined benefit pension plans, and where a defined benefit pension plan was not maintained solely by a member of the HPES business, DXC assumed all assets and liabilities for those eligible HPES employees in connection with the HPES Merger. These liabilities and the related future payment obligations could restrict cash available for our operations, capital expenditures and other requirements, and may materially affect our financial condition and liquidity.

Risks Related to the Luxoft Acquisition

The Luxoft Acquisition may result in disruptions to relationships with customers and other business partners.

This transaction could cause disruptions in our business and the Luxoft business, including by disrupting operations or causing customers to delay or to defer decisions or to end their relationships, or otherwise limiting the ability to compete for or perform certain contracts or services. If we and Luxoft face difficulties in integrating our businesses, or the Luxoft business faces difficulties in its business generally, the Luxoft Acquisition may not achieve the intended results.

Further, it is possible that current or prospective employees of our business and the Luxoft business could experience uncertainty about their future roles with the combined company, which could harm our ability to attract and retain key personnel. Any of the foregoing could adversely affect our business, financial condition and results of operations.

The actions required to implement the Luxoft Acquisition will take management time and attention and may require us to incur additional costs.

The Luxoft Acquisition will require management's time and resources, which will be in addition to, and may divert from, management's time and attention to the operation of our existing businesses and the execution of our other strategic initiatives. Additionally, we may incur additional costs in connection with the Luxoft Acquisition beyond those that are currently anticipated.

Risks Related to Previous Spin-Offs

The USPS Separation and Mergers and NPS Separation could result in substantial tax liability to DXC and our stockholders.

Among the closing conditions to completing the USPS Separation and Mergers, we received a legal opinion of tax counsel substantially to the effect that, for U.S. federal income tax purposes: (i) the USPS Separation qualifies as a “reorganization” within the meaning of Section 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended (the “Code”); (ii) each of DXC and Perspecta is a “party to a reorganization” within the meaning of Section 368(b) of the Code with respect to the USPS Separation; (iii) the Distribution qualifies as (1) a tax-free spin-off, resulting in nonrecognition under Sections 355(a), 361 and 368(a) of the Code, and (2) a transaction in which the stock distributed thereby should constitute “qualified property” for purposes of Sections 355(d), 355(e) and 361(c) of the Code; and (iv) none of the Mergers causes Section 355(e) of the Code to apply to the Distribution. If, notwithstanding the conclusions expressed in these opinions, the USPS Separation and Mergers were determined to be taxable, DXC and its stockholders could incur significant tax liabilities.

In addition, prior to the HPES Merger, CSC spun off its North American Public Sector business ("NPS") on November 27, 2015 (the "NPS Separation"). In connection with the NPS Separation, CSC received an opinion of counsel substantially to the effect that, for U.S. federal income tax purposes, the NPS Separation qualified as a tax-free transaction to CSC and holders of CSC common stock under Section 355 and related provisions of the Code. The completion of the HPES Merger was conditioned upon the receipt of CSC of an opinion of counsel to the effect that the HPES Merger should not cause Section 355(e) of the Code to apply to the NPS Separation or otherwise affect the qualification of the NPS Separation as a tax-free distribution under Section 355 of the Code. If, notwithstanding the conclusions expressed in these opinions, the NPS Separation were determined to be taxable, CSC and CSC stockholders that received CSRA Inc ("CSRA") stock in the NPS Separation could incur significant tax liabilities.

The opinions of counsel we received were based on, among other things, various factual representations and assumptions, as well as certain undertakings made by DXC, Perspecta and CSRA. If any of those representations or assumptions is untrue or incomplete in any material respect or any of those undertakings is not complied with, the conclusions reached in the opinion could be adversely affected and the USPS Separation or the NPS Separation may not qualify for tax-free treatment. Furthermore, an opinion of counsel is not binding on the IRS or the courts. Accordingly, no assurance can be given that the IRS will not challenge the conclusions set forth in the opinions or that a court would not sustain such a challenge. If, notwithstanding our receipt of the opinions, the USPS Separation or NPS Separation is determined to be taxable, we would recognize taxable gain as if we had sold the shares of Perspecta or CSRA in a taxable sale for its fair market value, which could result in a substantial tax liability. In addition, if the USPS Separation or NPS Separation is determined to be taxable, each holder of our common stock who received shares of Perspecta or CSRA would generally be treated as receiving a taxable distribution in an amount equal to the fair market value of the shares received, which could materially increase such holder’s tax liability.

Additionally, even if the USPS Separation otherwise qualifies as a tax-free transaction, the Distribution could be taxable to us (but not to our shareholders) in certain circumstances if future significant acquisitions of our stock or the stock of Perspecta are deemed to be part of a plan or series of related transactions that includes the Distribution. In this event, the resulting tax liability could be substantial. In connection with the USPS Separation, we entered into a tax matters agreement with Perspecta, under which it agreed not to undertake any transaction without our consent that could reasonably be expected to cause the USPS Separation to be taxable to us and to indemnify us for any tax liabilities resulting from such transactions. These obligations and potential tax liabilities could be substantial.

Risks Related to the proposed sale of the U.S. State and Local Health and Human Services Business to Veritas Capital

The HHS Sale is contingent upon the satisfaction of a number of conditions, and the transaction may not be consummated on the terms or timeline currently contemplated, or at all.

On March 9, 2020, we entered into a Purchase Agreement with Milano Acquisition Corp. (“Milano”), a corporation affiliated with Veritas Capital Fund Management, L.L.C. We currently expect that the transaction, if completed, will occur by the December 31, 2020. Pursuant to the Purchase Agreement, Milano will acquire DXC’s U.S. State and Local Health and Human Services Business for total cash consideration of $5.0 billion (the “HHS Sale”). We expect to use the after-tax proceeds from the HHS Sale to repay outstanding indebtedness.

The consummation of the HHS Sale is subject to certain conditions, including (i) expiration or termination of any required waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, (ii) the absence of any injunction or other order from a governmental authority that prevents the closing of the HHS Sale, and (iii) subject to certain exceptions, the accuracy of the representations and warranties of, and compliance with covenants by, the other party. In addition, the closing of the HHS Sale is subject to certain conditions for the benefit of Milano, including (a) the absence of a material adverse effect on the HHS Business or the ability of DXC to consummate the HHS Sale and (b) HHS customer contracts that generated 87.5% or more of the aggregate revenue for all HHS customer contracts for the nine month period ending December 31, 2019 are able to be conveyed at the closing of the HHS Sale without receipt of additional customer consents. For these and other reasons, the HHS Sale may not be completed by the end of December 31, 2020 or otherwise on the terms or timeline contemplated, if at all. In the event that the HHS Sale is not completed, we will not be able to use the after-tax sale proceeds to repay outstanding indebtedness, which would have an adverse effect on our business, financial condition, results of operations and/or cash flows.

The proposed transaction may result in disruptions to relationships with customers and other business partners or may not achieve the intended results.

If we complete the proposed HHS Sale, there can be no assurance that we will be able to realize the intended benefits of the transaction. Specifically, the proposed HHS Sale could cause disruptions in our remaining businesses, including by disrupting operations or causing customers to delay or to defer decisions or to end their relationships, or otherwise limiting the ability to compete for or perform certain contracts or services. Any of the foregoing could adversely affect our remaining businesses, the financial condition of such businesses and their results of operations and prospects. The HHS business is accounted for as part of the GBS segment.

The actions required to implement the HHS Sale will take significant management time and attention and will require us to incur significant costs.

The HHS Sale will require significant amounts of management’s time and resources, which will be in addition to and may divert management’s time and attention from the operation of our remaining businesses and the execution of our other strategic initiatives. Additionally, we will incur costs in connection with the HHS Sale. These costs must be paid regardless of whether the HHS Sale is consummated.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our corporate headquarters are located at a leased facility in Tysons, VA. We own or lease numerous general office facilities, global security operations centers, strategic delivery centers and data centers around the world. We do not identify properties by segment, as they are interchangeable in nature and used by multiple segments.

During fiscal 2020, fiscal 2019, and fiscal 2018, we initiated facilities rationalization programs to reduce our space capacity at low utilization and sub-scale locations, increase co-location, align locations by skill type and optimize our data center footprint. At a number of the locations described below, we are not currently occupying all of the space under our control. Where commercially reasonable and to the extent it is not needed for future expansion, we seek to sell, lease or sublease this excess space.

The following tables provide a summary of properties we own and lease as of March 31, 2020:

		Approximate Square Footage (in thousands)		
Geographic Area	**Number of Locations**	**Owned**	**Leased**	**Total**
United States	126	4,714	3,064	7,778
India	26	760	3,748	4,508
United Kingdom	71	1,357	1,756	3,113
France	31	921	195	1,116
Germany	45	170	835	1,005
Malaysia	7	194	640	834
Brazil	8	227	175	402
Spain	14	—	532	532
Canada	12	217	255	472
Philippines	5	—	413	413
China	12	5	374	379
Australia & other Pacific Rim locations	37	—	1,025	1,025
Other Europe locations	130	385	4,086	4,471
Rest of World	60	213	1,280	1,493
Total	584	9,163	18,378	27,541

We believe that the facilities described above are well-maintained, suitable and adequate to meet our current and anticipated requirements. See Note 9 - "Property and Equipment", which provides additional information related to our land, buildings and leasehold improvements, and Note 6 - "Leases" which provides additional information related to our real estate lease commitments.

ITEM 3. LEGAL PROCEEDINGS

See Note 22 - "Commitments and Contingencies" under the caption “Contingencies” for information regarding legal proceedings in which we are involved.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common stock trades on the New York Stock Exchange under the symbol "DXC".

Number of Holders

As of May 26, 2020, there were 44,356 holders of record of our common stock.

Dividends

Cash dividends declared on DXC common stock for each quarter of fiscal 2020 are included in Selected Quarterly Financial Data (Unaudited) in Part II, Item 8 of this Annual Report.

The Board of Directors (the “Board”) has suspended the Company’s cash dividend payment beginning in the first quarter to preserve cash and provide additional flexibility in the current environment as a result of the economic impact of COVID-19. Furthermore, the Board has suspended future quarterly dividends until the significant uncertainty of the current public health crisis and global economic climate has passed and the Board determines that resumption of dividend payments is in the best interest of the Company and its stockholders.

Issuer Purchases of Equity Securities

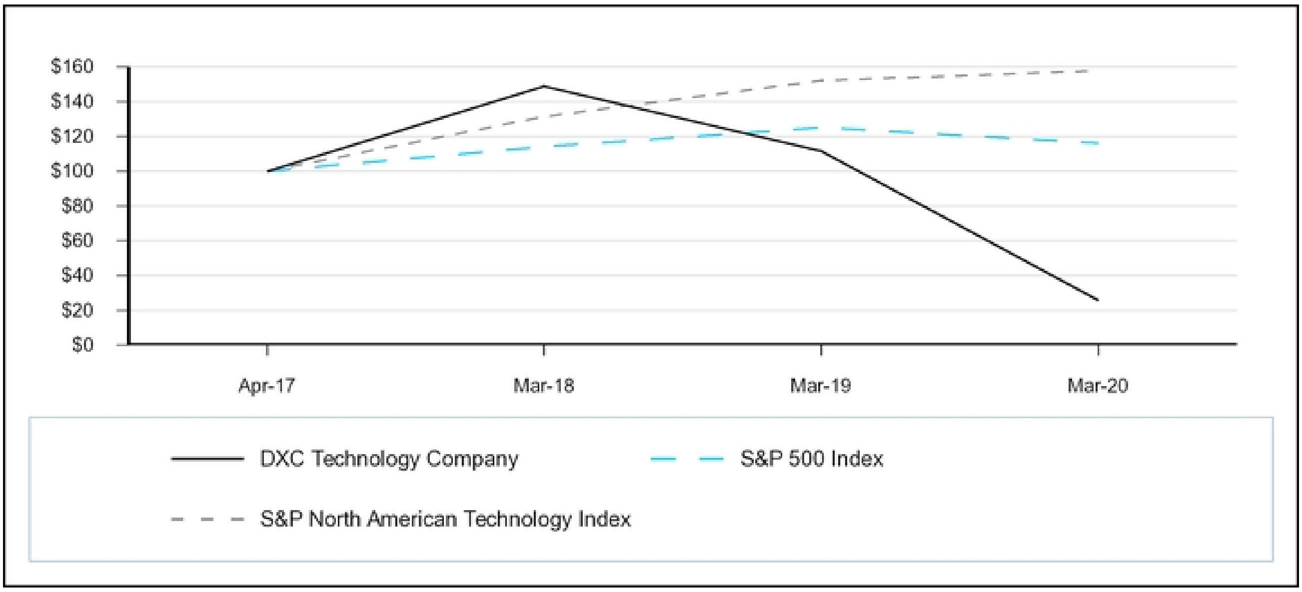
On April 3, 2017, we announced the establishment of a share repurchase plan approved by the Board of Directors with an initial authorization of $2.0 billion for future repurchases of outstanding shares of our common stock. On November 8, 2018, our Board of Directors approved an incremental $2.0 billion share repurchase authorization. An expiration date has not been established for this repurchase plan. Share repurchases may be made from time to time through various means, including in open market purchases, 10b5-1 plans, privately-negotiated transactions, accelerated stock repurchases, block trades and other transactions, in compliance with Rule 10b-18 under the Exchange Act as well as, to the extent applicable, other federal and state securities laws and other legal requirements. The timing, volume, and nature of share repurchases pursuant to the share repurchase plan are at the discretion of management and may be suspended or discontinued at any time. See Note 15 - "Stockholders' Equity" for further discussion regarding share repurchases.

There was no share repurchase activity during the three months ended March 31, 2020.

Performance Graph

The following graph shows a comparison from April 3, 2017 (the date our common stock commenced trading on the NYSE) through March 31, 2020 of the cumulative total return for our common stock, the Standard & Poor's 500 Stock Index ("S&P 500 Index") and the Standard & Poor's North American Technology Index ("S&P North American Technology Index"). The graph assumes that $100 was invested at the market close on April 3, 2017 in our common stock, the S&P 500 Index, and the S&P North American Technology Index and that dividends have been reinvested. The stock price performance of the following graph is not necessarily indicative of future stock price performance.

Comparison of Cumulative Total Return



The following table provides indexed returns assuming $100 was invested on April 3, 2017, with annual returns using our fiscal year-end date.

Indexed Return

	Return 2018	Return 2019	Return 2020
DXC Technology Company	48.9%	(25.0)%	(76.9)%
S&P 500 Index	14.2%	9.5 %	(7.0)%
S&P North American Technology Index	31.4%	15.7 %	3.8 %

Equity Compensation Plans

See Item 12 contained in Part III of this Annual Report for information regarding our equity compensation plans.

ITEM 6. SELECTED FINANCIAL DATA (UNAUDITED)

The following table sets forth our selected consolidated historical financial data as of the dates and for the periods indicated and should be read in conjunction with the financial statements and notes and “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” which are included elsewhere in this Annual Report on Form 10-K.

Our selected consolidated financial data set forth below, as of March 31, 2020 and March 31, 2019, and for the fiscal years ended March 31, 2020, March 31, 2019, and March 31, 2018, have been derived from the audited consolidated financial statements included elsewhere herein. Our selected consolidated financial data set forth below, as of March 31, 2018, March 31, 2017, and April 1, 2016 and for the fiscal years ended March 31, 2017, and April 1, 2016, are derived from our consolidated financial statements not included elsewhere herein.

Selected consolidated financial data as of and for the fiscal years ended March 31, 2020, March 31, 2019 and March 31, 2018 are not directly comparable to prior periods which reflect CSC's financial results before the HPES Merger. Additionally, as a result of the USPS Separation, the statement of operations, balance sheets, and related financial information reflect USPS's operations, assets and liabilities as discontinued operations. See Note 1 - "Summary of Significant Accounting Policies".

Statement of Operations Data:

	Fiscal Years Ended				
(in millions, except per-share amounts)	March 31, 2020[1]	March 31, 2019[2]	March 31, 2018[3]	March 31, 2017[4]	April 1, 2016[5]
Revenues	$ 19,577	$ 20,753	$ 21,733	$ 7,607	$ 7,106
(Loss) income from continuing operations	(5,358)	1,227	1,546	(100)	72
Income from discontinued operations, net of taxes	—	35	236	—	191
Net (loss) income attributable to DXC common stockholders	(5,369)	1,257	1,751	(123)	251
Diluted EPS	$ (20.76)	$ 4.35	$ 5.23	$ (0.88)	$ 0.50
Cash dividend per common share	$ 0.84	$ 0.76	$ 0.72	$ 0.56	$ 2.99

Balance Sheet Data:

(in millions)	As of March 31, 2020	As of March 31, 2019	As of March 31, 2018	As of March 31, 2017	As of April 1, 2016
Cash and cash equivalents	$ 3,679	$ 2,899	$ 2,593	$ 1,268	$ 1,181
Total assets	26,006	29,574	33,921	8,663	7,736
Debt					
Long-term debt, net of current maturities	$ 8,672	$ 5,470	$ 6,092	$ 2,225	$ 1,934
Short-term debt and current maturities of long-term debt	1,276	1,942	1,918	738	710
Total Debt	$ 9,948	$ 7,412	$ 8,010	$ 2,963	$ 2,644
Total equity	$ 5,129	$ 11,725	$ 13,837	$ 2,166	$ 2,032
Net debt-to-total capitalization (6)	41.6%	23.6%	24.8%	33.0%	31.3%

(1) Fiscal 2020 included $6,794 million of goodwill impairment losses and $252 million of restructuring costs.
(2) Fiscal 2019 included $465 million of restructuring costs.
(3) Fiscal 2018 net income attributable to DXC common stockholders and earnings per common share were impacted by the Tax Cuts and Jobs Act. Fiscal 2018 included $789 million of restructuring costs.
(4) Fiscal 2017 included $238 million of restructuring costs.
(5) Fiscal 2016 included $95 million of debt extinguishment costs.
(6) Net debt-to-total capitalization is a non-GAAP measure used by management to assess our ability to service our debts using only our cash and cash equivalents. See Part II, Item 7 of this Annual Report on Form 10-K under the heading "Liquidity and Capital Resources" for additional information.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

The purpose of the MD&A is to present information that management believes is relevant to an assessment and understanding of our results of operations and cash flows for the fiscal year ended March 31, 2020, and our financial condition as of March 31, 2020. The MD&A is provided as a supplement to, and should be read in conjunction with, our financial statements and notes.

The MD&A is organized in the following sections:

- Background
- Results of Operations
- Liquidity and Capital Resources
- Off-Balance Sheet Arrangements
- Contractual Obligations
- Critical Accounting Policies and Estimates

The following discussion includes a comparison of our results of operations and liquidity and capital resources for fiscal 2020 and fiscal 2019. A discussion of changes in our results of operations from fiscal 2018 to fiscal 2019 may be found in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” on Form 10-K filed with the Securities and Exchange Commission on June 13, 2019.

Background

DXC Technology helps global companies run their mission critical systems and operations while modernizing IT, optimizing data architectures, and ensuring security and scalability across public, private and hybrid clouds. With decades of driving innovation, the world’s largest companies trust DXC to deploy our enterprise technology stack to deliver new levels of performance, competitiveness and customer experiences.

We generate revenue by offering a wide range of information technology services and solutions primarily in North America, Europe, Asia and Australia. We operate through two segments: GBS and GIS. We market and sell our services directly to customers through our direct sales force operating out of sales offices around the world. Our customers include commercial businesses of many sizes and in many industries and public sector enterprises.

Results of Operations

The following table sets forth certain financial data for fiscal 2020 and 2019:

(In millions, except per-share amounts)	Fiscal Years Ended March 31, 2020	Fiscal Years Ended March 31, 2019
Revenues	$ 19,577	$ 20,753
(Loss) income from continuing operations, before taxes	(5,228)	1,515
Income tax expense	130	288
(Loss) income from continuing operations	(5,358)	1,227
Income from discontinued operations, net of taxes	—	35
Net (loss) income	$ (5,358)	$ 1,262
Diluted (loss) earnings per share:		
Continuing operations	$ (20.76)	$ 4.35
Discontinued operations	—	0.12
	$ (20.76)	$ 4.47

Fiscal 2020 Highlights

Fiscal 2020 financial highlights include the following:

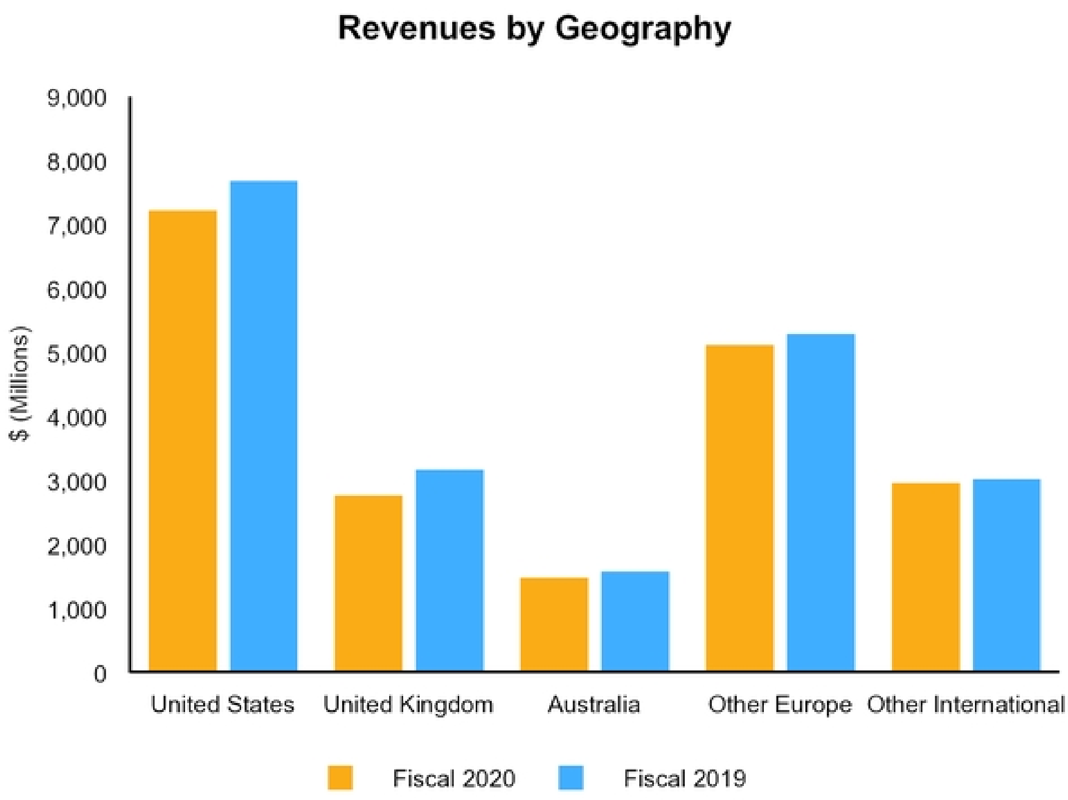
- Fiscal 2020 revenues were $19,577 million.
- Fiscal 2020 loss from continuing operations and diluted EPS from continuing operations were $5,358 million and $(20.76), respectively, including the cumulative impact of certain items of $6,820 million, or $26.34 per share, reflecting restructuring costs, transaction, separation and integration-related costs, amortization of acquired intangible assets, goodwill impairment losses, gain on arbitration award, pension and other post-retirement benefit ("OPEB") actuarial and settlement gains, and a tax adjustment related to U.S. tax reform.
- Our cash and cash equivalents were $3,679 million at March 31, 2020.
- We generated $2,350 million of cash from operations during fiscal 2020.
- We returned $950 million to shareholders in the form of common stock dividends and share repurchases during fiscal 2020.

Revenues

	Fiscal Years Ended			
(in millions)	March 31, 2020	March 31, 2019	Change	Percent Change
GBS	$ 9,111	$ 8,684	$ 427	4.9 %
GIS	10,466	12,069	(1,603)	(13.3)%
Total Revenues	$ 19,577	$ 20,753	$ (1,176)	(5.7)%

The decrease in revenues for fiscal 2020 compared with fiscal 2019 reflects the impact of price-downs, run-off, and termination of certain accounts offset by increase in revenue in fiscal 2020 due to contributions from the Luxoft acquisition. Fiscal 2020 revenues included an unfavorable foreign currency exchange rate impact of 2.2%, primarily driven by the strengthening of the U.S. dollar against the Australian Dollar, Euro, and British Pound.

During fiscal 2020 and fiscal 2019, the distribution of our revenues across geographies was as follows:



For a discussion of risks associated with our foreign operations, see Part I, Item 1A "Risk Factors" of this Annual Report.

As a global company, over 63% of our fiscal 2020 revenues were earned internationally. As a result, the comparison of revenues denominated in currencies other than the U.S. dollar from period to period is impacted, and we expect will continue to be impacted, by fluctuations in foreign currency exchange rates. Constant currency revenues are a non-GAAP measure calculated by translating current period activity into U.S. dollars using the comparable prior period's currency conversion rates. This information is consistent with how management views our revenues and evaluates our operating performance and trends. The table below summarizes our constant currency revenues:

	Fiscal Years Ended			
(in millions)	**Constant Currency March 31, 2020**	**March 31, 2019**	**Change**	**Percentage Change**
GBS	$ 9,292	$ 8,684	$ 608	7.0%
GIS	10,731	12,069	(1,338)	(11.1)%
Total Revenues	$ 20,023	$ 20,753	$ (730)	(3.5)%

Global Business Services

Our GBS segment revenues were $9.1 billion for fiscal 2020, representing an increase of $0.4 billion, or 4.9%, compared to fiscal 2019. The revenue increase included an unfavorable foreign currency exchange rate impact of $0.2 billion, or 2.1%. GBS revenues in constant currency were $9.3 billion for fiscal 2020, representing an increase of $0.6 billion, or 7.0%. The increase in GBS revenue in fiscal 2020 is due to contributions from the Luxoft acquisition which closed in June 2019.

Global Infrastructure Services

Our GIS segment revenues were $10.5 billion for fiscal 2020, representing a decrease of $1.6 billion, or 13.3%, compared to fiscal 2019. The revenue decline included an unfavorable foreign currency exchange rate impact of $0.3 billion, or 2.2%. GIS revenues in constant currency were $10.7 billion for fiscal 2020, representing a decrease of $1.3 billion, or 11.1%. The decrease in GIS revenue in fiscal 2020 reflects the impact of price-downs, run-off, and termination of certain accounts.

During fiscal 2020, GBS and GIS had contract awards of $9.0 billion and $8.7 billion, respectively, compared with $9.3 billion and $11.4 billion, respectively, during fiscal 2019.

Costs and Expenses

Our total costs and expenses were as follows:

	Fiscal Years Ended		Percentage of Revenues	
(in millions)	March 31, 2020	March 31, 2019	2020	2019
Costs of services (excludes depreciation and amortization and restructuring costs)	$ 14,901	$ 14,946	76.0 %	72.1 %
Selling, general and administrative (excludes depreciation and amortization and restructuring costs)	2,050	1,959	10.5	9.4
Depreciation and amortization	1,942	1,968	9.9	9.5
Goodwill impairment losses	6,794	—	34.7	—
Restructuring costs	252	465	1.3	2.2
Interest expense	383	334	2.0	1.6
Interest income	(165)	(128)	(0.8)	(0.6)
Gain on arbitration award	(632)	—	(3.2)	—
Other income, net	(720)	(306)	(3.7)	(1.5)
Total costs and expenses	$ 24,805	$ 19,238	126.7 %	92.7 %

The 34.0 point increase in costs and expenses as a percentage of revenue for fiscal 2020 primarily reflects our goodwill impairment losses, which were partially offset by the gain on arbitration award and other income.

Costs of Services

Cost of services, excluding depreciation and amortization and restructuring costs ("COS"), was $14.9 billion for fiscal 2020, including Luxoft, which was flat compared to fiscal 2019. COS as percentage of revenue increased 3.9 points, compared to fiscal 2019. This increase was driven by the ongoing investments we are making to secure our customers and higher cost take-out activities in the prior year.

Selling, General and Administrative

Selling, general and administrative expense, excluding depreciation and amortization and restructuring costs ("SG&A"), was $2.1 billion for fiscal 2020, as compared to $2.0 billion for fiscal 2019. SG&A increased $0.1 billion, and as a percentage of revenue increased 1.1 points, compared to fiscal 2019. The increase includes SG&A related to the Luxoft Acquisition, which we acquired during the first quarter of fiscal 2020.

Integration, separation and transaction-related costs, included in SG&A, were $318 million during fiscal 2020, as compared to $401 million during fiscal 2019.

Depreciation and Amortization

Depreciation and amortization expense ("D&A") was $1.9 billion for fiscal 2020, compared to $2.0 billion for fiscal 2019. The decrease in D&A was primarily due to a $225 million benefit, respectively, from a change in estimated useful lives of certain equipment described in Note 1 - "Summary of Significant Accounting Policies", offset by an increase in depreciation on assets placed into service, as well as increases in software amortization and amortization related to accelerated transition and transformation contract costs.

Goodwill Impairment Losses

DXC recognized goodwill impairment charges totaling $6,794 million during fiscal 2020. The impairment charges were primarily the result of a sustained decline in market capitalization during the fiscal 2020. See Note 11, "Goodwill" for additional information.

Restructuring Costs

Restructuring costs represent severance related to workforce optimization programs and expense associated with facilities and data center rationalization.

During fiscal 2020, management approved global cost savings initiatives designed to reduce operating costs by re-balancing our workforce and facilities structures. The fiscal 2020 global cost savings initiatives were designed to better align our organizational structure with our strategic initiatives and continue the integration of HPES and other acquisitions.

Total restructuring costs recorded, net of reversals, during fiscal 2020 and 2019 were $252 million and $465 million, respectively. The net amounts recorded included $10 million and $2 million of pension benefit augmentations for fiscal 2020 and 2019, respectively, owed to certain employees under legal or contractual obligations. These augmentations will be paid as part of normal pension distributions over several years.

See Note 21 - "Restructuring Costs" for additional information about our restructuring actions.

Interest Expense and Interest Income

Interest expense for fiscal 2020 was $383 million as compared to $334 million in fiscal 2019. The increase in interest expense was primarily due to an increase in borrowings and asset financing activities. See the "Capital Resources" caption below and Note 13 - “Debt” for additional information.

Interest income for fiscal 2020 was $165 million, as compared to $128 million in fiscal 2019. The year-over-year increase in interest income includes pre-award interest of $34 million and post-award interest of $2 million related to arbitration discussed below under the caption “Gain on Arbitration Award.”

Gain on Arbitration Award

During the second quarter of fiscal 2020, DXC received final arbitration award proceeds of $666 million related to the HPE Enterprise Services merger completed in fiscal 2018. The arbitration award included $632 million in damages that were recorded as a gain. The remaining $34 million of the award related to pre-award interest. Dispute details are subject to confidentiality obligations.

Other Income, Net

Other income, net includes non-service cost components of net periodic pension income, movement in foreign currency exchange rates on our foreign currency denominated assets and liabilities and the related economic hedges, equity earnings of unconsolidated affiliates, gain on sale of non-operating assets and other miscellaneous gains and losses.

The components of other income, net for fiscal 2020 and 2019 are as follows:

	Fiscal Years Ended	
(in millions)	**March 31, 2020**	**March 31, 2019**
Non-service cost components of net periodic pension income	$ (658)	$ (182)
Foreign currency (gain) loss	(25)	31
Other gain	(37)	(155)
Total	$ (720)	$ (306)

The $414 million increase in other income for fiscal 2020, as compared to the prior fiscal year, was due to a year-over-year increase of $476 million in non-service components of net periodic pension income and a year-over-year favorable foreign currency impact of $56 million. These increases were offset by a $118 million decrease in other gains related to sales of non-operating assets.

Taxes

Our effective tax rate ("ETR") on income (loss) from continuing operations, before taxes, for fiscal 2020 and 2019 was 2.5% and 19.0% respectively. A reconciliation of the differences between the U.S. federal statutory rate and the ETR, as well as other information about our income tax provision, is provided in Note 12 - "Income Taxes."

In fiscal 2020, the ETR was primarily impacted by:

- Non-deductible goodwill impairment charge, which increased income tax expense and increased the ETR by $1,482 million and 28.3%, respectively.
- Non-taxable gain on the arbitration award, which decreased income tax expense and decreased the ETR by $186 million and 3.6%, respectively
- A change in the net valuation allowance on certain deferred tax assets, primarily in Australia, Brazil, China, Luxembourg, and Singapore, which increased income tax expense and increased the ETR by $631 million and 12.1% respectively.
- An increase in Income Tax and Foreign Tax Credits, primarily relating to research and development credits recognized for prior years, which decreased income tax expense and decreased the ETR by $135 million and 2.6%, respectively.
- Local losses on investments in Luxembourg that increased the foreign rate differential and decreased the ETR by $637 million and 12.2%, respectively, with an offsetting increase in the ETR due to an increase in the valuation allowance of the same amount.

In fiscal 2019, the ETR was primarily impacted by:

- Local tax losses on investments in Luxembourg that decreased the foreign tax rate differential and decreased the ETR by $360 million and 23.7%, respectively, with an offsetting increase in the ETR due to an increase in the valuation allowance of the same amount.
- A change in the net valuation allowance on certain deferred tax assets, primarily in Luxembourg, Germany, Spain, UK, and Switzerland, which increased income tax expense and increased the ETR by $256 million and 16.9%, respectively.
- A decrease in the transition tax liability and a change in tax accounting method for deferred revenue, which decreased income tax expense and decreased the ETR by $66 million and 4.3%, respectively.

In fiscal 2018, the ETR was primarily impacted by:

- Due to the Company's change in repatriation policy, the reversal of a deferred tax liability relating to the outside basis difference of foreign subsidiaries which increased the income tax benefit and decreased the ETR by $554 million and 42.5%, respectively.
- The accrual of the one-time transition tax on estimated unremitted foreign earnings, which decreased the income tax benefit and increased the ETR by $361 million and 27.7%, respectively.
- The remeasurement of deferred tax assets and liabilities, which increased the income tax benefit and decreased the ETR by $338 million and 25.9%, respectively.

The IRS is examining CSC's federal income tax returns for fiscal 2008 through 2017. With respect to CSC's fiscal 2008 through 2010 federal tax returns, we previously entered into negotiations for a resolution through settlement with the IRS Office of Appeals. The IRS examined several issues for this audit that resulted in various audit adjustments. We have an agreement in principle with the IRS Office of Appeals as to some but not all of these adjustments. We have agreed to extend the statute of limitations associated with this audit through September 30, 2020.

In the first quarter of fiscal 2020, we filed for competent authority relief relating to certain legacy CSC foreign restructuring expenses deducted for the U. S. federal tax return for tax year March 31, 2013. The Company has agreed to extend the statute of limitations associated with the fiscal years 2011 through 2013 through December 31, 2020. In the second quarter of fiscal 2020, the Company received a Revenue Agent's Report with proposed adjustments to CSC's fiscal 2014 through 2017 federal returns. The Company has filed a protest for certain of these adjustments with the IRS Office of Appeals. The Company has agreed to extend the statute of limitations for the fiscal 2014 through fiscal 2016 through December 31, 2020 and for the employment tax audit of fiscal years 2015 and 2016 until January 31, 2021. The Company expects to reach a resolution for all years no earlier than the first quarter of fiscal 2022 except agreed issues related to fiscal 2008 through 2010 and fiscal 2011 through 2013 federal tax returns, which are expected to be resolved within twelve months.

In addition, we may settle certain other tax examinations, have lapses in statutes of limitations, or voluntarily settle income tax positions in negotiated settlements for different amounts than we have accrued as uncertain tax positions. We may need to accrue and ultimately pay additional amounts for tax positions that previously met a more likely than not standard if such positions are not upheld. Conversely, we could settle positions by payment with the tax authorities for amounts lower than those that have been accrued or extinguish a position through payment. We believe the outcomes that are reasonably possible within the next twelve months may result in a reduction in liability for uncertain tax positions of $25 million to $27 million, excluding interest, penalties, and tax carryforwards.

Income from Discontinued Operations

The $35 million of income from discontinued operations for the fiscal year 2019 reflects the net income generated by USPS during the first quarter of fiscal 2019.

Earnings Per Share

Diluted EPS from continuing operations for fiscal 2020 was $20.76, a decrease of $25.11 per share compared with the prior fiscal year. The EPS decrease was due to a decrease of $6,585 million in income from continuing operations.

Diluted EPS for fiscal 2020 includes $0.80 per share of restructuring costs, $0.98 per share of transaction, separation and integration-related costs, $1.73 per share of amortization of acquired intangible assets, $25.78 per share of goodwill impairment losses, $(2.43) per share of arbitration award gains, $(0.74) per share of pension and OPEB actuarial and settlement gains, and $0.13 per share of tax adjustment relating to prior restructuring charges.

Non-GAAP Financial Measures

We present non-GAAP financial measures of performance which are derived from the 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. Non-GAAP financial measures exclude certain items from GAAP results which DXC management believes are not indicative of core operating performance. 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 core 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 targets.

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 exclude amortization of certain acquired intangibles 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.

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.

Non-GAAP financial measures and the respective most directly comparable financial measures calculated and presented in accordance with GAAP include:

	Fiscal Years Ended			
(in millions)	March 31, 2020	March 31, 2019	Change	Percentage Change
(Loss) income from continuing operations	$ (5,228)	$ 1,515	$ (6,743)	(445.1)%
Non-GAAP income from continuing operations	$ 1,843	$ 3,063	$ (1,220)	(39.8)%
Net (loss) income	$ (5,358)	$ 1,262	$ (6,620)	(524.6)%
Adjusted EBIT	$ 2,061	$ 3,269	$ (1,208)	(37.0)%

Reconciliation of Non-GAAP Financial Measures

Our non-GAAP adjustments include:

- Restructuring - reflects costs, net of reversals, related to workforce optimization and real estate charges.
- Transaction, separation and integration-related costs - reflects costs related to integration planning, financing and advisory fees associated with the HPES Merger and other acquisitions and costs related to the separation of USPS and costs to execute on strategic alternatives.
- Amortization of acquired intangible assets - reflects amortization of intangible assets acquired through business combinations.
- Goodwill impairment losses - reflects impairment losses on goodwill.
- Gain on arbitration award - reflects a gain related to the HPES merger arbitration award.
- Pension and OPEB actuarial and settlement gains and losses - reflects pension and OPEB actuarial and settlement gains and losses.
- Tax adjustment - Fiscal 2020 includes the impact of an adjustment to the Transition Tax and tax liabilities related to prior restructuring charges. Fiscal 2019 reflects the estimated non-recurring benefit of the Tax Cuts and Jobs Act of 2017. Fiscal 2018 reflects the application of an approximate 28% tax rate, which is within the targeted effective tax rate range for fiscal year 2018. Income tax expense of other non-GAAP adjustments is computed by applying the jurisdictional tax rate to the pre-tax adjustments on a jurisdictional basis.

A reconciliation of reported results to non-GAAP results is as follows:

	Fiscal Year Ended March 31, 2020								
(in millions, except per-share amounts)	As Reported	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
Costs 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 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 non-controlling 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	$ (20.76)	$ 0.80	$ 0.99	$ 1.74	$ 25.91	$ (2.44)	$ (0.75)	$ 0.13	$ 5.61
Diluted EPS from continuing operations	$ (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

(in millions, except per-share amounts)	Fiscal Year Ended March 31, 2019 As Reported	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
Costs 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 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 taxes	35	—	—	—	—	—	35
Net income	1,262	353	299	401	116	(44)	2,387
Less: net income attributable to non-controlling 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	$ 4.40	$ 1.27	$ 1.08	$ 1.44	$ 0.42	$ (0.16)	$ 8.46
Diluted EPS from continuing operations	$ 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

* *The net periodic pension cost within income from continuing operations includes $700 million of actual return on plan assets, whereas the net periodic pension cost within non-GAAP income from continuing operations includes $570 million of expected long-term return on pension assets of defined benefit plans subject to interim remeasurement.*

Reconciliations of net income to adjusted EBIT are as follows:

(in millions)	Fiscal Years Ended March 31, 2020	Fiscal Years Ended March 31, 2019
Net (loss) income	$ (5,358)	$ 1,262
Income from discontinued operations, net of taxes	—	(35)
Income tax expense	130	288
Interest income	(165)	(128)
Interest expense	383	334
EBIT	(5,010)	1,721
Restructuring costs	252	465
Transaction, separation and integration-related costs	318	401
Amortization of acquired intangible assets	583	539
Goodwill impairment losses	6,794	—
Gain on arbitration award	(632)	—
Pension and OPEB actuarial and settlement (gains) losses	(244)	143
Adjusted EBIT	$ 2,061	$ 3,269

Liquidity and Capital Resources

Cash and Cash Equivalents and Cash Flows

As of March 31, 2020, our cash and cash equivalents ("cash") were $3.7 billion, of which $1.2 billion was held outside of the United States. A substantial portion of funds can be returned to the U.S. from funds advanced previously to finance our foreign acquisition initiatives. As a result of the Tax Cuts and Jobs Act of 2017, and after the mandatory one-time income inclusion (deemed repatriation) of the historically untaxed earnings of our foreign subsidiaries and current income inclusions for global intangible low taxed income, we expect a significant portion of the cash held by our foreign subsidiaries will no longer be subject to U.S. federal income tax consequences upon subsequent repatriation to the U.S. However, a portion of this cash may still be subject to foreign income tax consequences upon future remittance. Therefore, if additional funds held outside the U.S. are needed for our operations in the U.S. we plan to repatriate these funds.

Cash was $3.7 billion and $2.9 billion as of March 31, 2020 and March 31, 2019, respectively. The following table summarizes our cash flow activity:

	Fiscal Year Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Net cash provided by operating activities	$ 2,350	$ 1,783	$ 2,567
Net cash (used in) provided by investing activities	(2,137)	69	719
Net cash provided by (used in) financing activities	657	(1,663)	(1,890)
Effect of exchange rate changes on cash and cash equivalents	(90)	(19)	65
Net increase in cash and cash equivalents	780	170	1,461
Cash and cash equivalents at beginning of year	2,899	2,729	1,268
Cash and cash equivalents at the end of period	$ 3,679	$ 2,899	$ 2,729

Operating cash flow

Net cash provided by operating activities during fiscal 2020 was $2,350 million as compared to $1,783 million during fiscal 2019. The increase of $567 million was due to an increase in net income, net of adjustments of $458 million, which includes an increase in working capital movements of $109 million. Net income, net of adjustments includes cash received on arbitration award of $668 million.

Investing cash flow

Net cash (used in) provided by investing activities during fiscal 2020 was $(2,137) million as compared to $69 million during fiscal 2019. The increase of $2,206 million was primarily due to an increase in cash paid for acquisitions of $1,632 million, a decrease in cash collections related to deferred purchase price receivable of $413 million, a decrease in proceeds from sale of assets of $284 million, and net short-term investing of $37 million. The increase is partially offset by a decrease in payments for transition and transformation costs of $113 million and cash paid for business dispositions of $65 million in fiscal 2019.

Financing cash flow

Net cash provided by (used in) financing activities during fiscal 2020 was $657 million, as compared to $(1,663) million during fiscal 2019. The $2,320 million increase was primarily due to borrowings under lines of credit in fiscal 2020 of $1.5 billion, additional borrowings on long-term debt of $552 million, a decrease in payments on long-term debt of $1,586 million, and lower repurchases of common stock and advance payment for accelerated share repurchase of $608 million. This was partially offset by an increase in repayments of commercial paper of $44 million, borrowings for the USPS spin transaction of $1,114 million in fiscal 2019, and proceeds from bond issuance of $753 million in fiscal 2019.

Capital Resources

See Note 22 - "Commitments and Contingencies" for a discussion of the general purpose of guarantees and commitments. The anticipated sources of funds to fulfill such commitments are listed below and under the subheading "Liquidity."

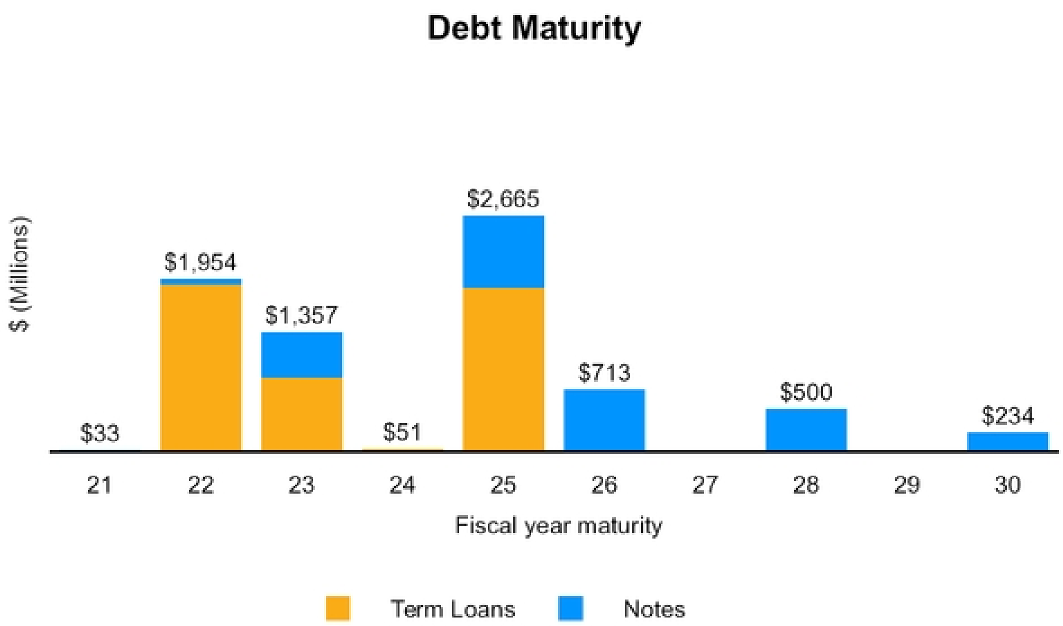
The following table summarizes our total debt:

	As of	
(in millions)	**March 31, 2020**	**March 31, 2019**
Short-term debt and current maturities of long-term debt	$ 1,276	$ 1,942
Long-term debt, net of current maturities	8,672	5,470
Total debt	$ 9,948	$ 7,412

The $2.5 billion increase in total debt during fiscal 2020 was primarily attributed to the $1.5 billion borrowing from the credit facility agreement and the new term loan credit agreement in an aggregate principal of $2.2 billion, consisting of three tranches: (i) $500 million maturing on fiscal 2025; (ii) €750 million maturing on fiscal 2022; and (iii) €750 million maturing on fiscal 2023. The proceeds from the new term loan credit agreement was used to finance the Luxoft Acquisition. Additionally, we repaid the $500 million Senior Notes due 2020 and $500 million Senior Notes due 2021 during fiscal 2020. See Note 13 - "Debt" for more information.

We were in compliance with all financial covenants associated with our borrowings as of March 31, 2020 and March 31, 2019.

The debt maturity chart below summarizes the future maturities of long-term debt principal for fiscal years subsequent to March 31, 2020 and excludes maturities of borrowings for assets acquired under long-term financing and capitalized lease liabilities. See Note 13 - "Debt" for more information.



The following table summarizes our capitalization ratios:

	As of	
(in millions)	March 31, 2020	March 31, 2019
Total debt	$ 9,948	$ 7,412
Cash and cash equivalents	3,679	2,899
Net debt[1]	$ 6,269	$ 4,513
Total debt	$ 9,948	$ 7,412
Equity	5,129	11,725
Total capitalization	$ 15,077	$ 19,137
Debt-to-total capitalization	66.0%	38.7%
Net debt-to-total capitalization[1]	41.6%	23.6%

[1] Net debt and Net debt-to-total capitalization are non-GAAP measures used by management to assess our ability to service our debts using only our cash and cash equivalents. We present these non-GAAP measures to assist investors in analyzing our capital structure in a more comprehensive way compared to gross debt based ratios alone.

Net debt-to-total capitalization as of March 31, 2020 increased as compared to March 31, 2019, primarily due to the increase in total debt attributed to the Luxoft Acquisition, borrowing from the credit facility agreement, the decrease in cash and cash equivalents used to pay down Senior Notes, and the decrease in equity resulting from goodwill impairment charges reported during fiscal 2020.

As of March 31, 2020, our credit ratings were as follows:

Rating Agency	Long Term Ratings	Short Term Ratings	Outlook
Fitch	BBB+	F-2	Negative
Moody's	Baa2	P-2	Negative
S&P	BBB	-	Negative

For information on the risks of ratings downgrades, see Item 1A - Risk Factors "Our credit rating and ability to manage working capital, refinance and raise additional capital for future needs, could adversely affect our liquidity, capital position, borrowing, cost and access to capital markets."

See Note 22 - "Commitments and Contingencies" for a discussion of the general purpose of guarantees and commitments. The anticipated sources of funds to fulfill such commitments are listed below.

Liquidity

We expect our existing cash and cash equivalents, together with cash generated from operations, will be sufficient to meet our normal operating requirements for the next 12 months. We expect to continue using cash generated by operations as a primary source of liquidity; however, should we require funds greater than that generated from our operations to fund discretionary investment activities, such as business acquisitions, we have the ability to raise capital through the issuance of capital market debt instruments such as commercial paper, term loans, and bonds. In addition, we currently utilize, and will further utilize, our cross currency cash pool for liquidity needs. However, there is no guarantee that we will be able to obtain debt financing, if required, on terms and conditions acceptable to us, if at all, in the future.

Our exposure to operational liquidity risk is primarily from long-term contracts which require significant investment of cash during the initial phases of the contracts. The recovery of these investments is over the life of the contract and is dependent upon our performance as well as customer acceptance.

The following table summarizes our total liquidity:

(in millions)		As of March 31, 2020
Cash and cash equivalents	$	3,679
Available borrowings under our revolving credit facility		2,500
Total liquidity	$	6,179

During March 2020 as the evolving global COVID-19 pandemic crisis resulted in increasing government actions to shut down economic activity and enforce stay-at-home orders, global capital markets were disrupted and became tumultuous, including the near shut down of commercial paper markets for issuers such as the Company as short-term fixed income investors prepared for potential redemptions. On March 24, 2020, the Company announced the draw-down of $1.5 billion from its Revolving Credit Facility due 2025 in order to increase cash on hand and eliminate the reliance on commercial paper markets along with the suspension of the Company's Euro and USD commercial paper program until the Company deems such capital markets stabilized and reliable. As a result, the Company's commercial paper outstanding was reduced to $542 million as of March 31, 2020, and another $318 million is scheduled to mature during the quarter ending June 30, 2020, which the Company currently expects to fund such maturing Euro commercial paper from its cash on hand. While central bank actions have improved liquidity in commercial paper markets overall, there is no assurance that the Company, at its commercial program ratings of P2/F2, will have reliable access in the future or if accessible, at reasonable costs.

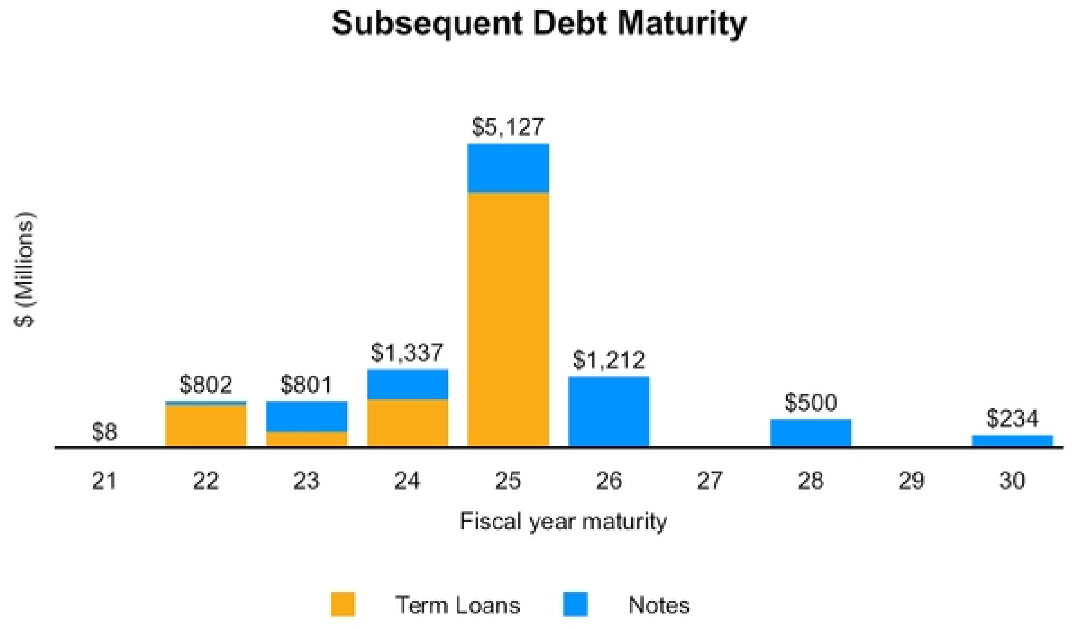
On April 6, 2020 subsequent to the fiscal period end, the Company drew the entire $2.5 billion remaining availability under its Revolving Credit Facilities, in order to secure liquidity as additional cash on hand to support the Company's liquidity resources during the COVID pandemic crisis and to mitigate the uncertainties caused by volatile capital markets, changing governmental policies, and evolving impact on world economies.

Subsequent to the end of the fiscal period, the Company issued $1.0 billion in principal amount of Senior Notes in the form of $500 million principal amount of 4.0% Senior Notes due 2023 and $500 million principal amount of 4.125% Senior Notes due 2025. All the net proceeds from the Notes offerings were applied towards the early prepayment of the Company's term loan facilities, including prepayment of €500 million of Euro Term Loan due fiscal 2022, £150 million of GBP Term Loan due fiscal 2022, A$300 million of AUD Term Loan due fiscal 2022, and $100 million of USD Term Loan due fiscal 2025.

On May 15, 2020, the Company agreed with its lenders and modified the definition of Leverage Ratio to be measured on a "net of cash" basis across all of the Company's bank credit and term loan facilities, and for such newly defined Leverage Ratio limitation of Total Consolidated Net Indebtedness to Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization, as defined in such credit and term loan facilities, currently at 3.0x, to be reduced to 2.25x thereafter beginning the fiscal year ending March 31, 2022 (with the first quarterly measurement date as of June 30, 2021). The net effect of such adjustment to the Leverage Ratio definition in the Company's credit and term loan facilities is to allow the Company the flexibility to maintain elevated cash balances going forward both during current circumstances and thereafter, without constraining the Company's strategy of maintaining strong access to liquidity during the COVID pandemic crisis. The Company's credit and term loan facilities that were modified include: $4.0 billion Revolving Credit Facilities due fiscal year 2025 (including a $70 million sub-tranche due fiscal 2024), €250 million Euro Term Loan due fiscal year 2022 (a substantial portion was extended to mature in fiscal year 2023 pursuant to the Euro Term Loan Extension, see below), €750 million Euro Term Loan due fiscal year 2023 (a substantial portion was extended to mature in fiscal year 2024 pursuant to the Euro Term Loan Extension, see below), £300 million in GBP Term Loan due fiscal year 2022, A$500 million in AUD Term Loan due fiscal year 2022, and approximately $382 million in outstanding USD Term Loan due fiscal year 2025.

On May 15, 2020, the Company initiated elective extension amendments in accordance with the terms of the aggregate €1.0 billion principal amount of Euro Term Loans outstanding. Accordingly, €216.7 million out of €250 million Euro Term Loan due fiscal year 2022 agreed to extend maturity 12-months to mature fiscal year 2023, and €700 million out of total €750 million Euro Term Loan due fiscal year 2023 agreed to extend maturity 12-months to mature fiscal year 2024. Margin would increase during the 12-month extension terms to Euribor + 125bps and Euribor + 175bps respectively, for the Euro Term Loans originally due fiscal years 2022 and 2023, which would be an increase from the current applicable margin of Euribor + 65bps, and Euribor + 80 bps, respectively. There is no change to current margin or terms through the original maturity term of the Euro Term Loans.

The debt maturity chart below summarizes the future maturities of long-term debt principal taking into effect borrowings and prepayments as mentioned above, for fiscal years subsequent to May 15, 2020, and excludes maturities of borrowings for assets acquired under long-term financing and capitalized lease liabilities.



Share Repurchases

During fiscal 2018, our Board of Directors authorized the repurchase of up to $2.0 billion of our common stock and during fiscal 2019, we announced that our Board of Directors had approved an incremental $2.0 billion share repurchase authorization. An expiration date has not been established for this repurchase plan. During fiscal 2020, we repurchased 15,933,651 shares of our common stock at an aggregate cost of $736 million. See Note 15 - "Stockholders' Equity" for more information.

Dividends

During fiscal 2020, our Board of Directors declared aggregate cash dividends to our stockholders of $0.84 per share, or approximately $219 million. To enhance our financial flexibility under current uncertain market conditions, we have elected to suspend payment of a quarterly dividend. This decision will be reevaluated by the Board of DXC Technology as market conditions stabilize.

Off-Balance Sheet Arrangements

In the normal course of business, we are a party to arrangements that include guarantees, the receivables securitization facility and certain other financial instruments with off-balance sheet risk, such as letters of credit and surety bonds. We also use performance letters of credit to support various risk management insurance policies. No liabilities related to these arrangements are reflected in balance sheets. See Note 5 - "Receivables" and Note 22 - "Commitments and Contingencies" for additional information regarding these off-balance sheet arrangements.

Contractual Obligations

Our contractual obligations as of March 31, 2020, were as follows:

(in millions)	Less than 1 year	2-3 years	4-5 years	More than 5 years	Total
Debt[1]	$ 290	$ 3,698	$ 2,870	$ 1,458	$ 8,316
Capitalized lease liabilities	444	510	92	—	1,046
Operating Leases[2]	508	645	325	221	1,699
Purchase Obligations[3]	1,911	1,180	286	—	3,377
U.S. Tax Reform - Transition Tax[4]	24	46	102	73	245
Interest and preferred dividend payments[5]	253	441	325	159	1,178
Total[6]	$ 3,430	$ 6,520	$ 4,000	$ 1,911	$ 15,861

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[1] *Amounts represent scheduled principal payments of long-term debt and mandatory redemption of preferred stock of a consolidated subsidiary.*

[2] *Amounts represent present value of operating leases including imputed interests. See Note* 6 *- "Leases" for more information.*

[3] *Includes long-term purchase agreements with certain software, hardware, telecommunication and other service providers and exclude agreements that are cancelable without penalty. If we do not meet the specified service minimums, we may have an obligation to pay the service provider a portion of or the entire shortfall.*

[4] *The transition tax resulted in recording a total transition tax obligation of $288 million, of which $290 million was recorded as income tax liability and $2 million recorded as a reduction in our unrecognized tax benefits, which has been omitted from this table. The transition tax is payable over eight years; 8% of net tax liability in each of years 1-5, 15% in year 6, 20% in year 7, and 25% in year 8. We have made our first two payments. See Note 12 - "Income Taxes" for additional information about the transition tax. See Note 12 - "Income Taxes" for additional information about the estimated liability related to unrecognized tax benefits, which has been omitted from this table.*

[5] *Amounts represent scheduled interest payments on long-term debt and scheduled dividend payments associated with the mandatorily redeemable preferred stock of a consolidated subsidiary excluding contingent dividends associated with the participation and variable appreciation premium features. Also included are scheduled interest payments of $246 million on new borrowings from our credit facility agreement subsequent to period end. See Note 23 - "Subsequent Events" for more information.*

[6] *See Note 14 - "Pension and Other Benefit Plans" for the estimated liability related to estimated future benefit payments under our Pension and OPEB plans that have been omitted from this table.*

Critical Accounting Policies and Estimates

The preparation of financial statements, in accordance with GAAP, requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities. These estimates may change in the future if underlying assumptions or factors change. Accordingly, actual results could differ materially from our estimates under different assumptions, judgments or conditions. We consider the following policies to be critical because of their complexity and the high degree of judgment involved in implementing them: revenue recognition, income taxes, business combinations, defined benefit plans and valuation of assets. We have discussed the selection of our critical accounting policies and the effect of estimates with the audit committee of our board of directors.

Revenue Recognition

Most of our revenues are recognized based on objective criteria and do not require significant estimates that may change over time. However, some arrangements may require significant estimates, including contracts which include multiple performance obligations.

Contracts with Multiple performance obligations

Many of our contracts require us to provide a range of services or performance obligations to our customers, which may include a combination of services, products or both. As a result, significant judgment may be required to determine the appropriate accounting, including whether the elements specified in contracts with multiple performance obligations should be treated as separate performance obligations for revenue recognition purposes, and, when considered appropriate, how the total transaction price should be allocated among the performance obligations and the timing of revenue recognition for each. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation based on the relative standalone selling price of each distinct good or service in the contract. Other than software sales involving multiple performance obligations, the primary method used to estimate standalone selling price is the expected cost plus a margin approach, under which we forecast our expected costs of satisfying a performance obligation and then add an appropriate margin for that distinct good or service. Certain of our contracts involve the sale of DXC proprietary software, post contract customer support and other software-related services. The standalone selling price generally is determined for each performance obligation using an adjusted market assessment approach based on the price charged where each deliverable is sold separately. In certain limited cases (typically for software licenses) when the historical selling price is highly variable, the residual approach is used. This approach allocates revenue to the performance obligation equal to the difference between the total transaction price and the observable standalone selling prices for the other performance obligations. These methods involve significant judgments and estimates that we assess periodically by considering market and entity-specific factors, such as type of customer, features of the products or services and market conditions.

Once the total revenues have been allocated to the various performance obligations, revenues for each are recognized based on the relevant revenue recognition method for each. Estimates of total revenues at contract inception often differ materially from actual revenues due to volume differences, changes in technology or other factors which may not be foreseen at inception.

Costs to obtain contracts with customers

Accounting for the costs to obtain contracts with customers requires significant judgments and estimates with regards to the determination of sales commission payments that qualify for deferral of costs and the related amortization period. Most of our sales commission plans are quota-based and payments are made by achieving targets related to a large number of new and renewed contracts. Certain sales commissions earned by our sales force are considered incremental and recoverable costs of obtaining a contract with a customer. We defer and amortize these costs on a straight-line basis over an average period of benefit of five years, which is determined and regularly assessed by considering the length of our customer contracts, our technology and other factors. Significant changes in these estimates or impairment may result if material contracts terminate earlier than the expected benefit period, or if there are material changes in the average contract period.

Income Taxes

We are subject to income taxes in the United States (federal and state) and numerous foreign jurisdictions. Significant judgment is required in determining our provision for income taxes, analyzing our income tax reserves, the determination of the likelihood of recoverability of deferred tax assets and any corresponding adjustment of valuation allowances. In addition, our tax returns are routinely audited, and settlements of issues raised in these audits sometimes affect our tax provisions.

As a global enterprise, our ETR is affected by many factors, including our global mix of earnings among countries with differing statutory tax rates, the extent to which our non-U.S. earnings are indefinitely reinvested outside the U.S., changes in the valuation allowance for deferred tax assets, changes in tax regulations, acquisitions, dispositions and the tax characteristics of our income. We cannot predict what our ETR will be in the future because there is uncertainty regarding these factors.

The majority of unremitted earnings has been taxed in the U.S. through the transition tax and global intangible low tax income tax in connection with 2017 U.S. tax reform. The Company was not permanently reinvested in all jurisdictions with the exception of India as of March 31, 2019. As a result of the issuance of new U.S. Treasury regulations in the first quarter of fiscal 2020, the Company changed its permanent reinvestment assertion in the first quarter of fiscal 2020 with respect to certain foreign corporations, reducing the amount that will ultimately be repatriated to the U.S. by approximately $492 million. However, as of March 31, 2020, the Company anticipates that future earnings in India will not be indefinitely reinvested. This change resulted from the Company's determination that it is now efficient to repatriate earnings in India as a result of the enactment of India Finance Act, 2020 on March 27, 2020 and change in cash needs resulting from the economic consequences of the COVID-19 pandemic. We expect a significant portion of the cash held by our foreign subsidiaries will no longer be subject to U.S. federal income tax upon repatriation to the U.S., however, a portion of this cash may still be subject to foreign and U.S. state tax consequences when remitted.

Considerations impacting the recoverability of deferred tax assets include the period of expiration of the tax asset, planned use of the tax asset and historical and projected taxable income as well as tax liabilities for the tax jurisdiction to which the tax asset relates. In determining whether the deferred tax assets are realizable, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, taxable income in prior carryback years, projected future taxable income, tax planning strategies and recent financial operations. We recorded a valuation allowance against deferred tax assets of approximately $2.2 billion as of March 31, 2020 due to uncertainties related to the ability to utilize these assets. However, valuation allowances are subject to change in future reporting periods due to changes in various factors.

Recent enactment of the CARES Act or changes in tax laws resulting from the Organization for Economic Co-operation and Development's multi-jurisdictional plan of action to address "base erosion and profit shifting" could impact our effective tax rate. The calculation of our tax liabilities involves uncertainties in the application of complex changing tax regulations. The Company is currently evaluating the impact of the CARES Act. The CARES Act makes a technical correction to the 2017 U.S. tax reform to provide a 15-year recovery period for qualified improvement property ("QIP"). This correction makes QIP eligible for bonus depreciation and is effective as if enacted as part of the 2017 U.S. tax reform. Accordingly, the Company has applied bonus depreciation on certain QIP. CARES also includes provisions relating to refundable payroll tax credits, the ability to utilize and carryback certain net operating losses, alternative minimum tax refunds, and modifications to rules regarding the deductibility of net interest expense.

Business Combinations

We account for the acquisition of a business using the acquisition method of accounting, which requires us to estimate the fair values of the assets acquired and liabilities assumed. This includes acquired intangible assets such as customer-related intangibles, the liabilities assumed and contingent consideration, if any. Liabilities assumed may include litigation and other contingency reserves existing at the time of acquisition and require judgment in ascertaining the related fair values. Independent appraisals may be used to assist in the determination of the fair value of certain assets and liabilities. Such appraisals are based on significant estimates provided by us, such as forecasted revenues or profits utilized in determining the fair value of contract-related acquired intangible assets or liabilities. Significant changes in assumptions and estimates subsequent to completing the allocation of the purchase price to the assets and liabilities acquired, as well as differences in actual and estimated results, could result in material impacts to our financial results. Adjustments to the fair value of contingent consideration are recorded in earnings. Additional information related to the acquisition date fair value of acquired assets and liabilities obtained during the allocation period, not to exceed one year, may result in changes to the recorded values of acquired assets and liabilities, resulting in an offsetting adjustment to the goodwill associated with the business acquired.

Defined Benefit Plans

The computation of our pension and other post-retirement benefit costs and obligations is dependent on various assumptions. Inherent in the application of the actuarial methods are key assumptions, including discount rates, expected long-term rates of return on plan assets, mortality rates, rates of compensation increases and medical cost trend rates. Our management evaluates these assumptions annually and updates assumptions as necessary. The fair value of assets is determined based on observable inputs for similar assets or on significant unobservable inputs if not available. Two of the most significant assumptions are the expected long-term rate of return on plan assets and the discount rate.

Our weighted average rates used were:

	March 31, 2020	March 31, 2019	March 31, 2018
Discount rates	2.4 %	2.5 %	2.5 %
Expected long-term rates of return on assets	5.8 %	5.3 %	4.9 %

The assumption for the expected long-term rate of return on plan assets is impacted by the expected asset mix of the plan; judgments regarding the correlation between historical excess returns and future excess returns and expected investment expenses. The discount rate assumption is based on current market rates for high-quality, fixed income debt instruments with maturities similar to the expected duration of the benefit payment period. The following table provides the impact changes in the weighted-average assumptions would have had on our net periodic pension benefits and settlement and contractual termination charges for fiscal 2020:

(in millions)	Change	Approximate Change in Net Periodic Pension Expense	Approximate Change in Settlement, Contractual Termination, and Mark-to-Market Charges
Expected long-term return on plan assets	0.5%	$ (55)	$ 54
Expected long-term return on plan assets	(0.5)%	$ 55	$ (54)
Discount rate	0.5%	$ 25	$ (793)

Discount rate	(0.5)%	$ (29)	$ 994

Valuation of Assets

We review long-lived ("assets, intangible assets, and goodwill") for impairment in accordance with our accounting policy disclosed in Note 1 - Summary of Significant Accounting Policies. Assessing the fair value of assets involves significant estimates and assumptions including estimation of future cash flows, the timing of such cash flows, and discount rates reflecting the risk inherent in projecting future cash flows. The valuation of long-lived and intangible assets involves management estimates about future values and remaining useful lives of assets, particularly purchased intangible assets. These estimates are subjective and can be affected by a variety of factors, including external factors such as industry and economic trends, and internal factors such as changes in our business strategy and forecasts.

Evaluation of goodwill for impairment requires judgment, including the identification of reporting units, assignment of assets, liabilities, and goodwill to reporting units and determination of the fair value of each reporting unit. The identification of reporting units involves consideration of components of the operating segments and whether or not there is discrete financial information available that is regularly reviewed by management. Additionally, we consider whether or not it is reasonable to aggregate any of the identified components that have similar economic characteristics. The estimates used to calculate the fair value of a reporting unit change from year to year based on operating results, market conditions, and other factors. Changes in these estimates and assumptions include a significant change in the business climate, established business plans, operating performance indicators or competition which could materially affect the determination of fair value for each reporting unit.

We estimate the fair value of our reporting units using a combination of an income approach, utilizing a discounted cash flow analysis, and a market approach, using performance-metric market multiples. The discount rate used in an income approach is based on our weighted-average cost of capital and may be adjusted for the relevant risks associated with business-specific characteristics and any uncertainty related to a reporting unit's ability to execute on the projected future cash flows.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a multinational company, we are exposed to certain market risks such as changes in foreign currency exchange rates and interest rates. Changes in foreign currency exchange rates can impact our foreign currency denominated monetary assets and liabilities and forecasted transactions in foreign currency, whereas changes in benchmark interest rates can impact interest expense associated with our floating interest rate debt and the fair value of our fixed interest rate debt. A variety of practices are employed to manage these risks, including operating and financing activities and the use of derivative instruments. We do not use derivatives for trading or speculative purposes.

Presented below is a description of our risks together with a sensitivity analysis of each of these risks based on selected changes in market rates. The foreign currency model incorporates the impact of diversification from holding multiple currencies and the correlation of revenues, costs and any related short-term contract financing in the same currency. In order to determine the impact of changes in interest rates on our future results of operations and cash flows, we calculated the increase or decrease in the index underlying these rates. We estimate the fair value of our long-term debt primarily using an expected present value technique using interest rates offered to us for instruments with similar terms and remaining maturities. These analyses reflect management's view of changes that are reasonably possible to occur over a one-year period.

Foreign Currency Risk

We are exposed to both favorable and unfavorable movements in foreign currency exchange rates. In the ordinary course of business, we enter into contracts denominated in foreign currencies. Exposure to fluctuations in foreign currency exchange rates arising from these contracts is analyzed during the contract bidding process. We generally manage these contracts by incurring costs in the same currency in which revenues are received and any related short-term contract financing requirements are met by borrowing in the same currency. Thus, by generally matching revenues, costs and borrowings to the same currency, we are able to mitigate a portion of the foreign currency risk to earnings. However, due to our increased use of offshore labor centers, we have become more exposed to fluctuations in foreign currency exchange rates. We experienced significant foreign currency fluctuations during fiscal 2020 due primarily to the volatility of the Australian dollar, British pound and Euro in relation to the U.S. dollar. Significant foreign currency fluctuations during fiscal 2019 was due primarily to the volatility of British pound and Euro in relation to the U.S. dollar.

We have policies and procedures to manage exposure to fluctuations in foreign currency by using short-term foreign currency forward contracts to economically hedge certain foreign currency denominated assets and liabilities, including intercompany accounts and loans. For accounting purposes, these foreign currency forward contracts are not designated as hedges and changes in their fair value are reported in current period earnings within other (income) expense, net in the statements of operations. We also use foreign currency forward contracts to reduce foreign currency exchange rate risk related to certain Indian rupee denominated intercompany obligations and forecasted transactions. For accounting purposes these foreign currency forward contracts are designated as cash flow hedges with critical terms that match the hedged items. Therefore, the changes in fair value of these forward contracts are recorded in accumulated other comprehensive income, net of taxes in the statements of comprehensive income and subsequently classified into net income in the period during which the hedged transactions are recognized in net income.
We have foreign currency risks related to our revenue and operating expenses denominated in currencies other than U.S. dollar, see Note 19 - "Segment and Geographic Information". During fiscal 2020, approximately 63% of our revenues were generated outside of the United States. For the year ended March 31, 2020, a hypothetical 10% change in the value of the U.S. dollar against all currencies would have changed revenues by approximately 6.3%, or $1.2 billion. The majority of this fluctuation would be offset by expenses incurred in local currency; and as a result, there would not be a material change to our income from continuing operations before taxes. As such, in the view of management, the resulting impact would not be material to our results of operations or cash flows.

Interest Rate Risk

As of March 31, 2020, we had outstanding debt with varying maturities for an aggregate carrying amount of $9.9 billion, of which $5.2 billion was floating interest rate debt. Most of our floating interest rate debt is based upon varying terms of adjusted LIBOR rates; consequently, changes in LIBOR result in the most volatility to our interest expense. As of March 31, 2020, an assumed 10% unfavorable change in interest rates would not be material to our consolidated results of operations or cash flows. A change in interest rates related to our long-term debt would not have a material impact on our financial statements as we do not record our debt at fair value.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Index to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
DXC Technology Company
Tysons, Virginia

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of DXC Technology Company and subsidiaries (the "Company") as of March 31, 2020 and 2019, the related consolidated statements of operations, comprehensive (loss) income, cash flows, and changes in equity for each of the three years in the period ended March 31, 2020, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of March 31, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated June 1, 2020, expressed an adverse opinion on the Company's internal control over financial reporting because of a material weakness.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill - GBS and GIS reporting units - Refer to Note 1 and Note 11 to the financial statements

Critical Audit Matter description

The Company's evaluation of goodwill for impairment involves the determination of reporting units and comparison of the fair value of each reporting unit to its carrying value. The Company identified two reporting units, Global Business Services ("GBS") and Global Infrastructure Services ("GIS"). The identification of reporting units involves consideration of components of the operating segments and whether or not there is discrete financial information available that is regularly reviewed by management. Additionally, the Company considers whether or not it is reasonable to aggregate any of the identified components that have similar economic characteristics. The Company estimates the fair value of its reporting units using a combination of an income approach, utilizing a discounted cash flow analysis, and a market approach, using market multiples. The estimation of the fair value using the discounted cash flow model requires management to make significant estimates and assumptions related to forecasts of future revenue growth rates, operating margins, and discount rates. GBS and GIS's revenue growth rates and operating margins are sensitive to changes in customer demand. The determination of the fair value using the market approach requires management to make significant judgments related to performance-metric market multiples applied to the reporting unit's prior and expected operating performance.

The Company performed their annual impairment test as of July 1, 2019, and, due to a subsequent sustained decline in the Company's stock price and market capitalization, updated impairment tests were completed during the second and fourth quarters of fiscal 2020. The Company concluded that the carrying values of GBS and GIS reporting units exceeded their fair values and, therefore, an impairment was recognized in the amount of $3,789 million and $3,005 million, respectively, during fiscal 2020. As of March 31, 2020, after recording the impairments, goodwill for the GBS and GIS reporting units was $2,017 million and $0, respectively.

We identified the Company's determination of reporting units and evaluation of goodwill impairment for the GBS and GIS reporting units as a critical audit matter because of the significant judgments made by management to identify and aggregate reporting units and estimate the fair value of each reporting unit. A high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists, was required when performing audit procedures to evaluate the reasonableness of management's estimates and assumptions related to the identification of reporting units; revenue growth rates and operating margins; the selection of reporting unit performance-metric market multiples and discount rates; and the reconciliation of the reporting units estimated fair value to the Company's market capitalization.

How the Critical Accounting Matter Was Addressed in the Audit

Our audit procedures related to the determination of reporting units, revenue growth rates, selection of reporting unit performance-metric market multiples and discount rates, and reconciliation of market capitalization for the GBS and GIS reporting units included the following, among others:

- We tested the effectiveness of controls over management's determination of reporting units and goodwill impairment evaluation, including those over the determination of the fair value of GBS and GIS, such as controls related to management's revenue forecasts, selection of the discount rates, selection of performance-metric market multiples, and market capitalization reconciliation.

- We evaluated management's identification of reporting units, including consideration of components of its operating segments, the availability of discrete financial information for each that is regularly reviewed by management, and the suitability of aggregation of components.

- We evaluated the reasonableness of management's forecasts by comparing the forecasts to (1) historical results, including management's forecasting accuracy, (2) internal communications to management and the Board of Directors, (3) forecasted information included in Company press releases as well as in analyst and industry reports of the Company and companies in its peer group, and (4) analyzing and comparing forecasts to the Company's revenue backlog and sales pipeline.

- We evaluated the impact of changes in management's forecasts on each of the impairment test dates during the fiscal year ended March 31, 2020.

- With the assistance of our fair value specialists, we evaluated the reasonableness of:

  - Discount rates, including testing the underlying source information and the mathematical accuracy of the calculations, and developing a range of independent estimates and comparing those to the discount rates selected by management.

  - Performance-metric multiples, including testing the underlying source information and mathematical accuracy of the calculations, and comparing the multiples selected by management to its peer group.

  - Reconciliation and comparison of the fair value of the GBS and GIS reporting units to the Company’s market capitalization.

/s/ DELOITTE & TOUCHE LLP

McLean, Virginia
June 1, 2020

We have served as the Company's auditor since at least 1965; however, an earlier year could not be reliably determined.

DXC TECHNOLOGY COMPANY
CONSOLIDATED BALANCE SHEETS

(in millions, except per share and share amounts)	As of March 31, 2020	As of March 31, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	$ 3,679	$ 2,899
Receivables and contract assets, net of allowance for doubtful accounts of $74 and $60	4,392	5,181
Prepaid expenses	646	627
Other current assets	270	359
Total current assets	8,987	9,066
Intangible assets, net of accumulated amortization of $4,347 and $3,399	5,731	5,939
Operating right-of-use assets, net	1,428	—
Goodwill	2,017	7,606
Deferred income taxes, net	265	355
Property and equipment, net of accumulated depreciation of $3,818 and $3,958	3,547	3,179
Other assets	4,031	3,429
Total Assets	$ 26,006	$ 29,574
LIABILITIES and EQUITY		
Current liabilities:		
Short-term debt and current maturities of long-term debt	$ 1,276	$ 1,942
Accounts payable	1,598	1,666
Accrued payroll and related costs	630	652
Current operating lease liabilities	482	—
Accrued expenses and other current liabilities	2,801	3,355
Deferred revenue and advance contract payments	1,021	1,630
Income taxes payable	87	208
Total current liabilities	7,895	9,453
Long-term debt, net of current maturities	8,672	5,470
Non-current deferred revenue	735	256
Non-current operating lease liabilities	1,063	—
Non-current pension obligations	761	790
Non-current income tax liabilities and deferred tax liabilities	1,157	1,184
Other long-term liabilities	594	696
Total Liabilities	20,877	17,849
Commitments and contingencies		
DXC stockholders' equity:		
Preferred stock, par value $0.01 per share; authorized 1,000,000 shares; none issued as of March 31, 2020 and March 31, 2019	—	—
Common stock, par value $0.01 per share; authorized 750,000,000 shares; issued 255,674,040 as of March 31, 2020 and 270,213,891 as of March 31, 2019	3	3
Additional paid-in capital	10,714	11,301
(Accumulated deficit) retained earnings	(5,177)	478
Accumulated other comprehensive loss	(603)	(244)
Treasury stock, at cost, 2,148,708 and 1,788,658 shares as of March 31, 2020 and March 31, 2019	(152)	(136)
Total DXC stockholders' equity	4,785	11,402
Non-controlling interest in subsidiaries	344	323
Total Equity	5,129	11,725
Total Liabilities and Equity	$ 26,006	$ 29,574

The accompanying notes are an integral part of these consolidated financial statements.

DXC TECHNOLOGY COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS

	Fiscal Years Ended		
(in millions, except per-share amounts)	March 31, 2020	March 31, 2019	March 31, 2018
Revenues	$ 19,577	$ 20,753	$ 21,733
Costs of services (excludes depreciation and amortization and restructuring costs)	14,901	14,946	16,317
Selling, general and administrative (excludes depreciation and amortization and restructuring costs)	2,050	1,959	1,890
Depreciation and amortization	1,942	1,968	1,795
Goodwill impairment losses	6,794	—	—
Restructuring costs	252	465	789
Interest expense	383	334	320
Interest income	(165)	(128)	(89)
Gain on arbitration award	(632)	—	—
Other income, net	(720)	(306)	(593)
Total costs and expenses	24,805	19,238	20,429
(Loss) income from continuing operations, before taxes	(5,228)	1,515	1,304
Income tax expense (benefit)	130	288	(242)
(Loss) income from continuing operations	(5,358)	1,227	1,546
Income from discontinued operations, net of taxes	—	35	236
Net (loss) income	(5,358)	1,262	1,782
Less: net income attributable to non-controlling interest, net of tax	11	5	31
Net (loss) income attributable to DXC common stockholders	$ (5,369)	$ 1,257	$ 1,751
(Loss) Income per common share			
Basic:			
Continuing operations	$ (20.76)	$ 4.40	$ 5.32
Discontinued operations	—	0.13	0.83
	$ (20.76)	$ 4.53	$ 6.15
Diluted:			
Continuing operations	$ (20.76)	$ 4.35	$ 5.23
Discontinued operations	—	0.12	0.81
	$ (20.76)	$ 4.47	$ 6.04

The accompanying notes are an integral part of these consolidated financial statements.

DXC TECHNOLOGY COMPANY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME

	Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Net (loss) income	$ (5,358)	$ 1,262	$ 1,782
Other comprehensive (loss) income, net of taxes:			
Foreign currency translation adjustments, net of tax (1)	(323)	(259)	197
Cash flow hedges adjustments, net of tax (2)	(17)	(12)	(11)
Available-for-sale securities, net of tax (3)	—	—	9
Pension and other post-retirement benefit plans, net of tax:			
Prior service cost, net of tax (4)	—	(21)	38
Amortization of transition obligation, net of tax (5)	—	—	1
Amortization of prior service cost, net of tax (6)	(8)	(13)	(14)
Pension and other post-retirement benefit plans, net of tax	(8)	(34)	25
Other comprehensive (loss) income, net of taxes	(348)	(305)	220
Comprehensive (loss) income	(5,706)	957	2,002
Less: comprehensive income attributable to non-controlling interest	22	2	31
Comprehensive (loss) income attributable to DXC common stockholders	$ (5,728)	$ 955	$ 1,971

(1) Tax (benefit) expense related to foreign currency translation adjustments was $(2), $(1), and $75 for the fiscal years ended March 31, 2020, March 31, 2019, March 31, 2018, respectively.
(2) Tax benefit related to cash flow hedge adjustments was $5, $3, and $3 for the fiscal years ended March 31, 2020, March 31, 2019, March 31, 2018, respectively.
(3) Tax expense related to available-for-sale securities was $0, $0, and $2 for the fiscal years ended March 31, 2020, March 31, 2019, March 31, 2018, respectively.
(4) Tax (benefit) expense related to prior service costs was $0, $(5), and $8 for the fiscal years ended March 31, 2020, March 31, 2019, March 31, 2018, respectively.
(5) There was no tax benefit related to transition obligation.
(6) Tax benefit related to amortization of prior service costs was $1, $2, and $4 for the fiscal years ended March 31, 2020, March 31, 2019, March 31, 2018, respectively.

The accompanying notes are an integral part of these consolidated financial statements.

DXC TECHNOLOGY COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Fiscal Years Ended March 31, 2020	March 31, 2019	March 31, 2018 [1]
Cash flows from operating activities:			
Net (loss) income	$ (5,358)	$ 1,262	$ 1,782
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	1,960	2,023	2,014
Goodwill impairment losses	6,794	—	—
Operating right-of-use expense	698	—	—
Pension & other post-employment benefits, actuarial & settlement (gains) losses	(244)	143	(220)
Share-based compensation	68	74	93
Deferred taxes	(56)	97	(842)
Loss (gain) on dispositions	1	(163)	4
Provision for losses on accounts receivable	3	(10)	45
Unrealized foreign currency exchange losses	24	30	22
Impairment losses and contract write-offs	30	—	41
Amortization of debt issuance costs and (premium) discount	(4)	(10)	(4)
Cash surrender value in excess of premiums paid	(12)	(11)	(11)
Other non-cash charges, net	—	11	4
Changes in assets and liabilities, net of effects of acquisitions and dispositions:			
Decrease (increase) in receivables	269	(947)	(464)
Increase in prepaid expenses and other current assets	(229)	(632)	(196)
Decrease in accounts payable and accruals	(565)	(52)	(96)
(Decrease) increase in income taxes payable and income tax liability	(197)	(107)	303
Decrease in operating lease liability	(698)	—	—
(Decrease) increase in advance contract payments and deferred revenue	(146)	(74)	130
Other operating activities, net	12	149	(38)
Net cash provided by operating activities	2,350	1,783	2,567
Cash flows from investing activities:			
Purchases of property and equipment	(350)	(297)	(224)
Payments for transition and transformation contract costs	(281)	(394)	(328)
Software purchased and developed	(235)	(261)	(211)
Cash acquired through HPES Merger	—	—	938
Payments for acquisitions, net of cash acquired	(1,997)	(365)	(203)
Business dispositions	—	(65)	—
Cash collections related to deferred purchase price receivable	671	1,084	685
Proceeds from sale of assets	73	357	58
Short-term investing	(75)	—	—
Proceeds from short-term investing	38	—	—
Other investing activities, net	19	10	4
Net cash (used in) provided by investing activities	(2,137)	69	719
Cash flows from financing activities:			
Borrowings of commercial paper	4,939	2,747	2,413
Repayments of commercial paper	(5,076)	(2,840)	(2,297)
Borrowings under lines of credit	1,500	—	—
Repayment of borrowings under lines of credit	—	—	(737)

Borrowings on long-term debt, net of discount	2,198	1,646	621
Principal payments on long-term debt	(1,039)	(2,625)	(1,547)
Payments on finance leases and borrowings for asset financing	(865)	(944)	(1,060)
Borrowings for USPS spin transaction	—	1,114	—
Proceeds from bond issuance	—	753	989
Proceeds from stock options and other common stock transactions	11	47	138
Taxes paid related to net share settlements of share-based compensation awards	(16)	(54)	(76)
Repurchase of common stock and advance payment for accelerated share repurchase	(736)	(1,344)	(132)
Dividend payments	(214)	(210)	(174)
Other financing activities, net	(45)	47	(28)
Net cash provided by (used in) financing activities	657	(1,663)	(1,890)
Effect of exchange rate changes on cash and cash equivalents	(90)	(19)	65
Net increase in cash and cash equivalents	780	170	1,461
Cash and cash equivalents at beginning of year	2,899	2,729	1,268
Cash and cash equivalents at end of year	$ 3,679	$ 2,899	$ 2,729

[(1)] *As a result of the USPS Separation, the Consolidated Statements of Operations, Consolidated Balance Sheets, and related financial information reflect USPS's operations and assets and liabilities as discontinued operations for all periods presented. The cash flows of USPS have not been segregated and are included in the Consolidated Statement of Cash flows for the fiscal year ended March 31, 2018 and through the separation date of May 31, 2018 in the Consolidated Statement of Cash Flows for the fiscal year ended March 31, 2019.*

The accompanying notes are an integral part of these consolidated financial statements.

DXC TECHNOLOGY COMPANY
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions, except shares in thousands)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	(Accumulated Deficit) Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Treasury Stock	Total DXC Equity	Non-Controlling Interest	Total Equity
Balance at March 31, 2017	151,932	$ 152	$ 2,565	$ (170)	$ (162)	$ (497)	$ 1,888	$ 278	$ 2,166
Recapitalization adjustment[1]	(10,633)	(151)	(346)			497	—	—	—
Recast balance at March 31, 2017	141,299	$ 1	$ 2,219	$ (170)	$ (162)	$ —	$ 1,888	$ 278	$ 2,166
Business acquired in purchase, net of issuance costs[2]	141,741	2	9,848				9,850	50	9,900
Net income				1,751			1,751	31	1,782
Other comprehensive income					220		220		220
Share-based compensation expense			92				92		92
Acquisition of treasury stock						(85)	(85)		(85)
Share repurchase program	(1,538)		(66)	(71)			(137)		(137)
Stock option exercises and other common stock transactions	4,891		117				117		117
Dividends declared ($0.72 per share)				(209)			(209)		(209)
Non-controlling interest distributions and other							—	(9)	(9)
Balance at March 31, 2018	286,393	$ 3	$ 12,210	$ 1,301	$ 58	$ (85)	$ 13,487	$ 350	$ 13,837

(1) Certain prior year amounts were adjusted to retroactively reflect the legal capital of DXC.

(2) See Note 2 - "Acquisitions"

(in millions, except shares in thousands)	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock[1]	Total DXC Equity	Non-Controlling Interest	Total Equity
Balance at March 31, 2018	286,393	$ 3	$ 12,210	$ 1,301	$ 58	$ (85)	$ 13,487	$ 350	$ 13,837
Cumulative effect of adopting the new revenue standard				114			114		114
Net income				1,257			1,257	5	1,262
Other comprehensive loss					(302)		(302)	(3)	(305)
Share-based compensation expense			74				74		74
Acquisition of treasury stock						(51)	(51)		(51)
Share repurchase program	(19,343)		(845)	(494)			(1,339)		(1,339)
Stock option exercises and other common stock transactions	3,164		37				37		37
Dividends declared ($0.76 per share)				(209)			(209)		(209)
Non-controlling interest distributions and other							—	(29)	(29)
Divestiture of USPS			(175)	(1,491)			(1,666)		(1,666)
Balance at March 31, 2019	270,214	$ 3	$ 11,301	$ 478	$ (244)	$ (136)	$ 11,402	$ 323	$ 11,725

(1) 1,788,658 treasury shares as of March 31, 2019

The accompanying notes are an integral part of these consolidated financial statements.

(in millions, except shares in thousands)	Common Stock Shares	Amount	Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Loss	Treasury Stock [(1)]	Total DXC Equity	Non-Controlling Interest	Total Equity
Balance at March 31, 2019	270,214	$ 3	$ 11,301	$ 478	$ (244)	$ (136)	$ 11,402	$ 323	$ 11,725
Net loss				(5,369)			(5,369)	11	(5,358)
Other comprehensive loss					(359)		(359)	11	(348)
Share-based compensation expense			70				70		70
Acquisition of treasury stock						(16)	(16)		(16)
Share repurchase program	(15,934)		(669)	(67)			(736)		(736)
Stock option exercises and other common stock transactions	1,394		12				12		12
Dividends declared ($0.84 per share)				(219)			(219)		(219)
Non-controlling interest distributions and other							—	(1)	(1)
Balance at March 31, 2020	255,674	$ 3	$ 10,714	$ (5,177)	$ (603)	$ (152)	$ 4,785	$ 344	$ 5,129

[(1)] *2,148,708 treasury shares as of March 31, 2020*

The accompanying notes are an integral part of these consolidated financial statements.

Note 1 - Summary of Significant Accounting Policies

Business

DXC Technology Company ("DXC" or the "Company") helps global companies run their mission critical systems and operations while modernizing IT, optimizing data architectures, and ensuring security and scalability across public, private and hybrid clouds. With decades of driving innovation, the world's largest companies trust DXC to deploy its enterprise technology stack to deliver new levels of performance, competitiveness and customer experiences.

Luxoft Acquisition

On June 14, 2019, DXC completed its acquisition of Luxoft Holding, Inc. ("Luxoft"), a global digital strategy and software engineering firm (the "Luxoft Acquisition"). The acquisition builds on DXC's unique value proposition as an end-to-end, mainstream IT and digital services market leader, and strengthens the Company's ability to design and deploy transformative digital solutions for clients at scale. See Note 2 - "Acquisitions" for further information.

Separation of USPS

On May 31, 2018, DXC completed the separation of its U.S. Public Sector business ("USPS") (the "Separation"), and combination of USPS with Vencore Holding Corp. ("Vencore") and KeyPoint Government Solutions ("Keypoint") (the "Mergers") to form Perspecta Inc. ("Perspecta"), an independent public company (collectively, the "USPS Separation and Mergers"). Under the terms of the separation agreements, on May 31, 2018, stockholders who held DXC common stock at the close of business on May 25, 2018 (the "Record Date"), received a distribution of one share of Perspecta common stock for every two shares of DXC common stock held as of the Record Date (the "Distribution"). See Note 3 - "Divestitures" for more information.

As a result of the Separation, the Consolidated Statements of Operations, Consolidated Balance Sheets, and related financial information reflect USPS's operations, assets and liabilities as discontinued operations for all periods presented. The cash flows of USPS have not been segregated and are included in the Consolidated Statement of Cash flows for the fiscal year ended March 31, 2018 and through the separation date of May 31, 2018 in the Consolidated Statement of Cash Flows for the fiscal year ended March 31, 2019. In addition, USPS is no longer a reportable segment. DXC's reportable segments are Global Business Services ("GBS") and Global Infrastructure Services ("GIS").

Basis of Presentation

In order to make this report easier to read, DXC refers throughout to (i) the Consolidated Financial Statements as the "financial statements," (ii) the Consolidated Statements of Operations as the "statements of operations," (iii) the Consolidated Statement of Comprehensive (Loss) Income as the "statements of comprehensive income," (iv) the Consolidated Balance Sheets as the "balance sheets," and (v) the Consolidated Statements of Cash Flows as the "statements of cash flows." In addition, references throughout to numbered "Notes" refer to the numbered Notes in these Notes to Consolidated Financial Statements, unless otherwise noted.

The accompanying financial statements have been prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission for annual reports and accounting principles generally accepted in the United States ("GAAP"). The financial statements include the accounts of DXC, its consolidated subsidiaries, and those business entities in which DXC maintains a controlling interest. Investments in business entities in which the Company does not have control, but has the ability to exercise significant influence over operating and financial policies, are accounted for by the equity method. Other investments are accounted for by the cost method. Non-controlling interests are presented as a separate component within equity in the balance sheets. Net earnings attributable to the non-controlling interests are presented separately in the statements of operations, and comprehensive income attributable to non-controlling interests are presented separately in the statements of comprehensive income. All intercompany transactions and balances have been eliminated. Certain amounts reported in the previous year have been reclassified to conform to the current year presentation. DXC corrected an immaterial classification error related to the presentation of deferred revenue and advance contract payments and non-current deferred revenue that first occurred during fiscal 2018.

Use of Estimates

The preparation of the financial statements, in accordance with GAAP, requires the Company's management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company bases its estimates on assumptions regarding historical experience, currently available information and anticipated developments that it believes are reasonable and appropriate. However, because the use of estimates involves an inherent degree of uncertainty, actual results could differ from those estimates. The severity, magnitude and duration, as well as the economic consequences of the COVID-19 pandemic, are uncertain, rapidly changing and difficult to predict. Therefore, accounting estimates and assumptions may change over time in response to COVID-19 and may change materially in future periods. Estimates are used for, but not limited to, contracts accounted for using the percentage-of-completion method, cash flows used in the evaluation of impairment of goodwill and other long-lived assets, reserves for uncertain tax positions, valuation allowances on deferred tax assets, loss accruals for litigation and obligations related to our pension plans. In the opinion of the Company's management, the accompanying financial statements contain all adjustments necessary, including those of a normal recurring nature, to fairly present the financial statements.

Leases

Effective April 1, 2019, the Company adopted ASU 2016-02, "Leases, Topic ASC 842" using the modified retrospective method. Refer to the Recently Adopted Accounting Pronouncements section of this Note and Note 6 - "Leases" for further discussion of the impact of adoption and other required disclosures. The Company determines if an arrangement is a lease at inception by evaluating whether the arrangement conveys the right to use an identified asset and whether DXC obtains substantially all economic benefits from and has the ability to direct the use of the asset. Operating leases are included in operating right-of-use ("ROU") assets, net, current operating lease liabilities and non-current operating lease liabilities in DXC's balance sheets. Finance leases are included in property and equipment, net, short-term debt and current maturities of long-term debt and long-term debt, net of current maturities in DXC's balance sheets.

ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating ROU assets and operating lease liabilities are recognized at commencement based on the present value of lease payments over the lease term.

As most of the Company's leases do not provide an implicit rate, DXC uses its incremental borrowing rate based on the information available at commencement to determine the present value of lease payments. The incremental borrowing rate is the rate of interest that DXC would have to pay to borrow, on a collateralized basis, an amount equal to the lease payments, in a similar economic environment and over a similar term. The rate is dependent on several factors, including the lease term, currency of the lease payments and the Company's credit ratings.

Operating ROU assets also includes any lease payments made and excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease. Operating ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. Lease arrangements generally do not contain any residual value guarantees or material restrictive covenants.

Lease expense for lease payments is recognized on a straight-line basis over the lease term. Variable lease expense is related to the Company's leased real estate for offices and primarily includes labor and operational costs. DXC subleases certain leased office space to third parties when it determines there is excess leased capacity. Sublease income was not material for all periods presented. The Company combines lease and non-lease components under its lease agreements.

Revenue Recognition

Effective April 1, 2018, the Company adopted ASU 2014-09, “Revenue from Contracts with Customers (ASC 606),” using the modified retrospective method. Refer to New Accounting Standards below and Note 20 - “Revenue” for further discussion of the impact of adoption and other required disclosures. The Company’s accounting policy related to the new revenue standard is summarized below.

The Company's primary service offerings are information technology outsourcing, other professional services, or a combination thereof. Revenues are recognized when control of the promised goods or services is transferred to DXC's customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services.

DXC determines revenue recognition through the five-step model as follows:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the Company satisfies a performance obligation

DXC's IT outsourcing ("ITO") arrangements typically reflect a single performance obligation that comprises a series of distinct services which are substantially the same and provided over a period of time using the same measure of progress. Revenue derived from these arrangements is recognized over time based upon the level of services delivered in the distinct periods in which they are provided based on time increments. When other parties are involved in providing goods or services as part of our customer arrangements, DXC recognizes revenue on a gross basis as a principal when it controls goods or services before they are transferred to the customer. DXC's contracts often include upfront fees billed for activities to familiarize DXC with the client's operations, take control over their administration and operation, and adapt them to DXC's solutions. Upfront fees are generally recognized ratably over the contract period, which approximates the manner in which the services are provided. These activities typically do not qualify as performance obligations, and the related revenues are allocated to the relevant performance obligations and recognized ratably over time as the performance obligation is satisfied during the period in which DXC provides the related service, which is typically the life of the contract. Software transactions that include multiple performance obligations are described below.

For contracts with multiple performance obligations, DXC allocates the contract’s transaction price to each performance obligation based on the relative standalone selling price of each distinct good or service in the contract. Other than software sales involving multiple performance obligations, the primary method used to estimate standalone selling price is the expected cost plus a margin approach, under which the Company forecasts its expected costs of satisfying a performance obligation and then adds an appropriate margin for that distinct good or service.

DXC's ITO arrangements may also contain embedded leases for equipment used to fulfill services. A contract with a customer includes an embedded lease when DXC grants the customer a right to control the use of an identified asset for a period of time in exchange for consideration. Embedded leases with customers are typically recognized either as a sales type lease in which Revenue and Cost of Sales is recognized upon lease commencement; or they may be recognized as operating leases in which revenue is recognized over the usage period.

The transaction price of a contract is determined based on fixed and variable consideration. Variable consideration related to the Company’s ITO offerings often include volume-based pricing that are allocated to the distinct days of the services to which the variable consideration pertains. However, in certain cases, estimates of variable consideration, including penalties, contingent milestone payments and rebates are necessary. The Company only includes estimates of variable consideration in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur. These judgments involve consideration of historical and expected experience with the customer and other similar customers, and the facts and circumstances specific to the arrangement.

The Company generally provides its services under time and materials contracts, unit price contracts, fixed-price contracts, and software contracts for which revenue is recognized in the following manner:

Time and materials contracts. Revenue is recognized over time at agreed-upon billing rates when services are provided.

Unit-price contracts. Revenue is recognized over time based on unit metrics multiplied by the agreed upon contract unit price or when services are delivered.

Fixed-price contracts. For certain fixed-price contracts, revenue is recognized over time using a method that measures the extent of progress towards completion of a performance obligation, generally using a cost-input method (referred to as the percentage-of-completion cost-to-cost method). Under the percentage-of-completion cost-to-cost method, revenue is recognized based on the proportion of total cost incurred to estimated total costs at completion. A performance obligation's estimate at completion includes all direct costs such as materials, labor, subcontractor costs, overhead, and a ratable portion of general and administrative costs. If output or input measures are not available or cannot be reasonably estimated, revenue is deferred until progress can be measured and costs are not deferred unless they meet the criteria for capitalization. Under the percentage-of-completion cost-to-cost method, progress towards completion is measured based on either achievement of specified contract milestones, costs incurred as a proportion of estimated total costs, or other measures of progress when appropriate. Profit in a given period is reported at the estimated profit margin to be achieved on the overall contract.

Software contracts. Certain of DXC's arrangements involve the sale of DXC proprietary software, post contract customer support, and other software-related services. The standalone selling price generally is determined for each performance obligation using an adjusted market assessment approach based on the price charged where each deliverable is sold separately. In certain limited cases (typically for software licenses) when the historical selling price is highly variable, the residual approach is used. This approach allocates revenue to the performance obligation equal to the difference between the total transaction price and the observable standalone selling prices for the other performance obligations. Revenue from distinct software licenses is recognized at a point in time when the customer can first use the software license. If significant customization is required, software revenue is recognized as the related software customization services are performed in accordance with the percentage-of-completion method described above. Revenue for post contract customer support and other software services is recognized over time as those services are provided.

<u>*Practical Expedients and Exemptions*</u>

DXC does not adjust the promised amount of consideration for the effects of a significant financing component when the period between when DXC transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less. In addition, the Company reports revenue net of any revenue-based taxes assessed by a governmental authority that are imposed on and concurrent with specific revenue-producing transactions, such as sales taxes and value-added taxes.

<u>*Contract Balances*</u>

The timing of revenue recognition, billings and cash collections results in accounts receivable (billed receivables, unbilled receivables and contract assets) and deferred revenue and advance contract payments (contract liabilities) on the Company's balance sheets. In arrangements that contain an element of customized software solutions, amounts are generally billed as work progresses in accordance with agreed-upon contractual terms, either at periodic intervals (e.g. monthly) or upon achievement of certain contractual milestones. Generally, billing occurs subsequent to revenue recognition, sometimes resulting in contract assets if the related billing is conditional upon more than just the passage of time. However, the Company sometimes receives advances or deposits from customers, before revenue is recognized, which results in the generation of contract liabilities. Payment terms vary by type of product or service being provided as well as by customer, although the term between invoicing and when payment is due is generally an insignificant period of time.

<u>*Costs to Obtain a Contract*</u>

Certain sales commissions earned by the Company's sales force are considered incremental and recoverable costs of obtaining a contract with a customer. The majority of sales commissions are paid based on the achievement of quota-based targets. These costs are deferred and amortized on a straight-line basis over an average period of benefit determined to be five years. The Company determined the period of benefit considering the length of its customer contracts, its technology and other factors. The period of benefit approximates the average stated contract terms, excluding expected future renewals, because sales commissions are paid upon contract renewal in a manner commensurate with the initial commissions. Some commission payments are not capitalized because they are expensed during the fiscal year as the related revenue is recognized. Capitalized sales commissions costs are classified within other assets and amortized in selling, general and administrative expenses.

Costs to Fulfill a Contract

Certain contract setup costs incurred upon initiation or renewal of an outsourcing contract that generate or enhance resources to be used in satisfying future performance obligations are capitalized when they are deemed recoverable. Judgment is applied to assess whether contract setup costs are capitalizable. Costs that generate or enhance resources often pertain to activities that enhance the capabilities of the services, improve customer experience and establish a more effective and efficient IT environment. The Company recognizes these transition and transformation contract costs as other assets, which are amortized over the respective contract life.

Pension and Other Benefit Plans

The Company accounts for its pension, other post-retirement benefit ("OPEB"), defined contribution and deferred compensation plans using the guidance of ASC 710 "Compensation - General" and ASC 715 "Compensation - Retirement Benefits". The Company recognizes actuarial gains and losses and changes in fair value of plan assets in earnings at the time of plan remeasurement as a component of net periodic benefit expense. Typically plan remeasurement occurs annually during the fourth quarter of each fiscal year. The remaining components of pension and OPEB expense, primarily current period service and interest costs and expected return on plan assets, are recorded on a quarterly basis.

Inherent in the application of the actuarial methods are key assumptions, including, but not limited to, discount rates, expected long-term rates of return on plan assets, mortality rates, rates of compensation increases, and medical cost trend rates. Company management evaluates these assumptions annually and updates assumptions as necessary. The fair value of assets is determined based on the prevailing market prices or estimated fair value of investments when quoted prices are not available.

Software Development Costs

After establishing technological feasibility, and until such time as the software products are available for general release to customers, the Company capitalizes costs incurred to develop commercial software products to be sold, leased or otherwise marketed. Costs incurred to establish technological feasibility are charged to expense as incurred. Enhancements to software products are capitalized where such enhancements extend the life or significantly expand the marketability of the products. Amortization of capitalized software development costs is determined separately for each software product. Annual amortization expense is calculated based on the greater of the ratio of current gross revenues for each product to the total of current and anticipated future gross revenues for the product or the straight-line amortization method over the estimated useful life of the product.

Unamortized capitalized software costs associated with commercial software products are periodically evaluated for impairment on a product-by-product basis by comparing the unamortized balance to the product’s net realizable value. The net realizable value is the estimated future gross revenues from that product reduced by the related estimated future costs. When the unamortized balance exceeds the net realizable value, the unamortized balance is written down to the net realizable value and an impairment charge is recorded.

The Company capitalizes costs incurred to develop internal-use computer software during the application development stage. Costs related to preliminary project activities and post-implementation activities are expensed as incurred. Internal and external costs incurred in connection with development of upgrades or enhancements that result in additional functionality are also capitalized. Capitalized costs associated with internal-use software are amortized on a straight-line basis over the estimated useful life of the software. Purchased software is capitalized and amortized over the estimated useful life of the software. Internal-use software assets are evaluated for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets.

Share-Based Compensation

Share-based awards are accounted for under the fair value method. The Company provides different forms of share-based compensation to its employees and non-employee directors. This includes stock options and restricted stock units ("RSUs"), including performance-based restricted stock units ("PSUs"). The fair value of the awards is determined on the grant date, based on the Company's closing stock price. For awards settled in shares, the Company recognizes compensation expense based on the grant-date fair value net of estimated forfeitures over the vesting period. For awards settled in cash, the Company recognizes compensation expense based on the fair value at each reporting date net of estimated forfeitures.

The Company uses the Black-Scholes-Merton model to compute the estimated fair value of options granted. This model includes assumptions regarding expected term, risk-free interest rates, expected volatility and dividend yields which are periodically evaluated. The expected term is calculated based on the Company's historical experience with respect to its stock plan activity and an estimate of when vested and unexercised option shares will be exercised. The expected term of options is based on job tier classifications, which have different historical exercise behavior. The risk-free interest rate is based on the zero-coupon interest rate of U.S. government issued treasury STRIPS with a period commensurate with the expected term of the options.

Expected volatility is based on a blended approach, which uses a two-thirds weighting for historical volatility and one-third weighting for implied volatility. The Company's historical volatility calculation is based on employee class and historical closing prices of the Company's peer group, in order to better align this factor with the expected terms of the stock options. DXC's implied stock price volatility is derived from the price of exchange traded options on DXC's stock with the longest remaining contractual term. Implied volatility is a prospective, forward looking measure representing market participants' expectations of DXC's future stock price volatility. The dividend yield assumption is based on the respective fiscal year dividend payouts. Forfeitures are estimated based on historical experience.

Business Combinations

Companies acquired during each reporting period are reflected in the results of the Company effective from their respective dates of acquisition through the end of the reporting period. The Company allocates the fair value of purchase consideration to the assets acquired and liabilities assumed based on their fair values at the acquisition date. The excess of the fair value of purchase consideration over the fair value of the assets acquired and liabilities assumed in the acquired entity is recorded as goodwill. If the Company obtains new information about facts and circumstances that existed as of the acquisition date during the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the Company's statements of operations. For contingent consideration recorded as a liability, the Company initially measures the amount at fair value as of the acquisition date and adjusts the liability, if needed, to fair value each reporting period. Changes in the fair value of contingent consideration, other than measurement period adjustments, are recognized as income or expense. Acquisition-related expenses and post-acquisition integration costs are recognized separately from the business combination and are expensed as incurred.

Goodwill Impairment Analysis

Effective July 1, 2019, the Company adopted ASU 2017-04, "Intangibles-Goodwill and Other (Topic 350), Simplifying the Test for Goodwill Impairment" using the prospective method. Refer to the Recently Adopted Accounting Pronouncements section of this Note and Note 11 - "Goodwill" for further discussion of impact of adoption and other required disclosures.

The Company tests goodwill for impairment on an annual basis, as of the first day of the second fiscal quarter, and between annual tests if circumstances change, or if an event occurs that would more likely than not reduce the fair value of a reporting unit below its carrying amount. The Company has defined its reporting units as its reportable segments. A significant amount of judgment is involved in determining whether an event indicating impairment has occurred between annual testing dates. Such indicators include: a significant decline in the Company's stock price, a significant decline in expected future cash flows, a significant adverse change in legal factors or in the business climate, unanticipated competition, the disposal of a significant component of a reporting unit and the testing for recoverability of a significant asset group within a reporting unit.

The Company initially assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. This qualitative assessment considers all relevant factors specific to the reporting units, including macroeconomic conditions; industry and market considerations; overall financial performance and relevant entity-specific events.

If the Company determines that it is not more likely that the carrying amount for a reporting unit is less than its fair value, then subsequent quantitative goodwill impairment testing is not required. If the Company determines that it is more likely than not that the carrying amount for a reporting unit is greater than its fair value, then it proceeds with a subsequent quantitative goodwill impairment test.

The Company has the option to bypass the initial qualitative assessment stage and proceed directly to the quantitative goodwill impairment test. The quantitative goodwill impairment test compares each reporting unit’s fair value to its carrying value. If the reporting unit’s fair value exceeds its carrying value, no further procedures are required. However, if a reporting unit’s fair value is less than its carrying value, then an impairment charge is recorded in the amount of the excess.

When the Company performs the quantitative goodwill impairment test for a reporting unit, it estimates the fair value of the reporting unit using both the income approach and the market approach. The income approach uses a discounted cash flow method in which the estimated future cash flows and terminal values for each reporting unit are discounted to present value using a discount rate. Cash flow projections are based on management's estimates of economic and market conditions, which drive key assumptions of revenue growth rates, operating margins, capital expenditures and working capital requirements. The discount rate is based on the specific risk characteristics of each reporting unit, the weighted-average cost of capital and its underlying forecasts. The market approach estimates fair value by applying performance-metric multiples to the reporting unit's prior and expected operating performance. The multiples are derived from comparable publicly traded companies that have operating and investment characteristics similar to those of the reporting unit. If the fair value of the reporting unit derived using one approach is significantly different from the fair value estimate using the other approach, the Company reevaluates its assumptions used in the two models. Assumptions are modified as considered appropriate under the circumstances until the two models yield similar and reasonable results. The fair values determined by the market approach and income approach, as described above, are weighted to determine the fair value for each reporting unit. The weighting ascribed to the market approach fair value assigned to each reporting unit is influenced by two primary factors: 1) the number of comparable publicly traded companies used in the market approach, and 2) the similarity of the operating and investment characteristics of the reporting units to the comparable publicly traded companies used in the market approach.

If DXC performs a quantitative goodwill impairment test for all of its reporting units in conjunction with its annual goodwill testing, it also compares the sum of all of its reporting units’ fair values to the Company's market capitalization (per-share stock price multiplied by the number of shares outstanding) and calculates an implied control premium representing the excess of the sum of the reporting units’ fair values over the market capitalization. The Company evaluates the reasonableness of the control premium by comparing it to control premiums derived from recent comparable business combinations. If the implied control premium is not supported by market data, the Company reconciles its fair value estimates of the reporting units to a market capitalization supported by relevant market data. As a result, when DXC’s stock price and thus market capitalization is low relative to the sum of the estimated fair value of its reporting units, this reconciliation can result in reductions to the estimated fair values for the reporting units.

Fair Value

The Company applies fair value accounting for its financial assets and liabilities and non-financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. The objective of a fair value measurement is to estimate the price to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. Such transactions to sell an asset or transfer a liability are assumed to occur in the principal market for that asset or liability, or in the absence of the principal market, the most advantageous market.

Assets and liabilities subject to fair value measurement disclosures are required to be classified according to a three-level fair value hierarchy with respect to the inputs used to determine fair value. The level in which an asset or liability is disclosed within the fair value hierarchy is based on the lowest level input that is significant to the related fair value measurement in its entirety. The levels of input are defined as follows:

Level 1: Quoted prices unadjusted for identical assets or liabilities in an active market.

Level 2: Quoted prices for similar assets or liabilities in an active market, quoted prices for identical similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable and market-corroborated inputs which are derived principally from or corroborated by observable market data.

Level 3: Unobservable inputs that reflect the entity's own assumptions which market participants would use in pricing the asset or liability.

Receivables

The Company records receivables at their face amounts less an allowance for doubtful accounts. Receivables consist of amounts billed and currently due from customers, amounts earned but unbilled (including contracts measured under the percentage-of-completion cost-to-cost method of accounting), amounts retained by the customer until the completion of a specified contract, negotiation of contract modification and claims. Unbilled recoverable amounts under contracts in progress generally become billable upon achievement of project milestones or upon acceptance by the customer.

Allowances for uncollectible billed trade receivables are estimated based on a combination of write-off history, aging analysis and any known collectability issues. Unbilled amounts under contracts in progress that are recoverable do not have an allowance for credit losses. Adjustments to unbilled amounts under contracts in progress related to credit quality, should they occur, would be recorded as a reduction of revenues.

DXC uses receivables securitization facilities or receivables sales facilities in the normal course of business as part of managing its cash flows. The Company accounts for receivables sold under these facilities as a sale of financial assets pursuant to ASC 860 “Transfers and Servicing” and derecognizes these receivables, as well as the related allowances, from its balance sheets. Generally, the fair value of the sold receivables approximates the book value due to the short-term nature and, as a result, no gain or loss on sale of receivables is recorded. Under the receivables securitization facility, the deferred purchase price receivable is recorded at fair value, which is determined by calculating the expected amount of cash to be received based on unobservable inputs consisting of the face amount of the receivables adjusted for anticipated credit losses.

The Company reflects cash flows related to its beneficial interests in securitization transactions, which is the deferred purchase price (the “DPP”) recorded in connection with the Company's Receivables Securitization Facility, within investing activities in its statements of cash flows.

Property and Equipment

Property and equipment, which includes assets under capital leases, are stated at cost less accumulated depreciation. Depreciation is computed predominantly on a straight-line basis over the estimated useful lives of the assets or the remaining lease term, whichever is shorter. The estimated useful lives of DXC's property and equipment are as follows:

Buildings	Up to 40 years
Computers and related equipment	4 to 7 years
Furniture and other equipment	3 to 15 years
Leasehold improvements	Shorter of lease term or useful life up to 20 years

In accordance with its policy, the Company reviews the estimated useful lives of its property and equipment on an ongoing basis. As a result, effective fiscal year 2020, the Company changed its estimate of the useful lives of its computers and related equipment from an average of four to five years to an average of four to seven years , which better reflects the estimated periods during which these assets will remain in service. This change resulted in a $225 million decrease to depreciation expense for the fiscal year ended March 31, 2020.

Intangible Assets

The Company's estimated useful lives for finite-lived intangibles are shown in the table below:

Software	2 to 10 years
Customer related intangibles	Expected customer service life
Acquired contract related intangibles	Contract life and first contract renewal, where applicable

Software is amortized using predominately the straight-line method. Acquired contract related and customer related intangible assets are amortized in proportion to the estimated undiscounted cash flows projected over the estimated life of the asset or on a straight-line basis if such cash flows cannot be reliably estimated.

Impairment of Long-Lived Assets and Finite-Lived Intangible Assets

Long-lived assets such as property and equipment and finite-lived intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. Recoverability of long-lived assets or groups of assets is assessed based on a comparison of the carrying amount of such assets to the estimated future net cash flows. If estimated future net cash flows are less than the carrying amount of such assets, an expense is recorded in the amount required to reduce the carrying amount of such assets to fair value. Fair value is determined based on a discounted cash flow approach or, when available and appropriate, comparable market values. Long-lived assets to be disposed of are reported at the lower of their carrying amount or their fair value less costs to sell.

Income Taxes

The Company uses the liability method in accounting for income taxes. Deferred tax assets and liabilities are recorded for the expected future tax consequences of temporary differences between financial statement carrying amounts of assets and liabilities and their respective tax bases, using statutory tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the results of operations in the period that includes the related enactment date.

A valuation allowance is established when it is more likely than not that all or a portion of a deferred tax asset will not be realized. Changes in valuation allowances from period to period are included in the Company’s tax provision during the period in which the change occurred. In determining whether a valuation allowance is warranted, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, taxable income in prior carryback years, projected future taxable income, tax planning strategies and recent financial operations. The Company recognizes uncertain tax positions when it is more likely than not that the tax position will be sustained upon examination. Uncertain tax positions are measured based on the probabilities that the uncertain tax position will be realized upon final settlement.

All tax-related cash flows resulting from excess tax benefits related to the settlement of share-based awards are classified as cash flows from operating activities and cash paid by directly withholding shares for tax withholding purposes is classified as a financing activity in the statements of cash flows.

Cash and Cash Equivalents

The Company considers investments with an original maturity of three months or less to be cash equivalents. The Company’s cash equivalents consist of time deposits, money market funds and money market deposit accounts with a number of institutions that have high credit ratings.

Foreign Currency

The local currency of the Company's foreign affiliates is generally their functional currency. Accordingly, the assets and liabilities of the foreign affiliates are translated from their respective functional currency to U.S. dollars using fiscal year-end exchange rates, income and expense accounts are translated at the average rates in effect during the fiscal year and equity accounts are translated at historical rates. The resulting translation adjustment is reported in the statements of comprehensive income and recorded as part of accumulated other comprehensive income ("AOCI").

Derivative Instruments

The Company designates certain derivative instruments as hedges for purposes of hedge accounting, as defined under ASC 815 “Derivatives and Hedging.” For such derivative instruments, the Company documents its risk management objectives and strategy for undertaking hedging transactions, as well as all relationships between hedging and hedged risks. The Company's derivative instruments designated for hedge accounting include interest rate swaps and foreign currency forward and option contracts. Changes in the fair value measurements of these derivative instruments are reflected as adjustments to other comprehensive income and subsequently reclassified into earnings in the period during which the hedged transactions occurred. Any ineffectiveness or excluded portion of a designated hedge is recognized in earnings.

The Company also has entered into certain net investment hedges. Changes in the fair value of net investment hedges are recorded in the currency translation adjustment section of other comprehensive income and subsequently reclassified into earnings in the period the hedged item affects earnings. The Company excludes forward points from the effectiveness assessment of its net investment hedges. Changes in fair value of the excluded component are recognized in earnings.

The derivative instruments not designated as hedges for purposes of hedge accounting include total return swaps and certain short-term foreign currency forward contracts. These instruments are recorded at their respective fair values and the change in their value is reported in current period earnings. The Company does not use derivative instruments for trading or speculative purpose. The Company reports the effective portion of its cash flow hedges in the same financial statement line item as changes in the fair value of the hedged item. All cash flows associated with the Company's derivative instruments are classified as operating activities in the statements of cash flows.

Recently Adopted Accounting Pronouncements

During fiscal 2020, DXC adopted the following Accounting Standards Updates ("ASU") issued by the Financial Accounting Standards Board:

Date Issued and ASU	Date Adopted and Method	Description	Impact
February 2016 ASU 2016-02 "Leases (Topic 842)"	April 1, 2019 Modified retrospective	This update is intended to increase transparency and comparability among organizations by recognizing virtually all lease assets and lease liabilities on the balance sheet and disclosing key information about lease arrangements. This update must be adopted using a modified retrospective transition at the beginning of the earliest period presented or at the adoption date recognizing a cumulative adjustment to the opening balance of retained earnings in the period of adoption and provides for certain practical expedients.	The Company adopted this update utilizing the simplified transition method allowing the Company to not restate comparative periods and apply Topic 842 beginning on April 1, 2019. During adoption, the Company implemented changes in its systems, including the implementation of new lease accounting software, internal controls, business processes, and accounting policies related to both the implementation of, and ongoing compliance with, the new guidance. The adoption resulted in following impacts. The Company recorded increases of $1.7 billion in assets and $1.8 billion in liabilities as of April 1, 2019, due to the recording of operating ROU assets and operating lease liabilities for lease obligations that were historically classified as operating leases. The Company's cumulative adjustment to the opening balance of retained earnings was not material. Additionally, the update did not have a material impact on the statements of operations or statements of cash flows. DXC elected the practical expedient package permitted under Topic 842, which among other things, permits the Company not to reassess historical conclusions related to contracts that contain leases, lease classification and initial direct costs for leases that commenced prior to the adoption date. DXC applied the lessee component election, allowing the Company to account for lease and non-lease components as a single lease component. In addition, DXC made an accounting policy election to not capitalize leases with an initial term of 12 months or less that do not contain a ‘reasonably certain’ purchase option. Refer to Note 6 - "Leases" for additional information.
February 2018 ASU 2018-02 - "Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income"	April 1, 2019 Retrospective	This update provides an option to reclassify stranded tax effects within accumulated other comprehensive income ("AOCI") to retained earnings in each period in which the effect (or portion thereof) of the change in the U.S. federal corporate income tax rate in the Tax Cuts and Jobs Act is recorded.	The Company adopted this update and opted to not elect to reclassify any stranded tax effects within AOCI to retained earnings, and as such, the adoption of ASU 2018-02 did not have an effect on its condensed consolidated financial statements. In accordance with its accounting policy, the Company uses the portfolio approach and will release income tax effects from AOCI once the reason the tax effects were established cease to exist (e.g., when available-for-sale debt securities are sold or if a pension plan is liquidated).
January 2017 ASU 2017-04, "Intangibles - Goodwill and Other (Topic 350): Simplifying the test for Goodwill Impairment"	July 1, 2019 Prospective	This update is intended to simplify goodwill impairment testing by eliminating Step 2 from the goodwill impairment test. Under the new guidance, if a reporting unit’s carrying amount exceeds its fair value, the entity will record an impairment loss based on that difference. The impairment loss will be limited to the amount of goodwill allocated to that reporting unit. Previously, if the fair value of a reporting unit was lower than its carrying amount (Step 1), an entity was required to calculate any impairment loss by comparing the implied fair value of goodwill with its carrying amount (Step 2). Additionally, under the new standard, companies that have reporting units with zero or negative carrying amounts will no longer be required to perform the qualitative assessment to determine whether to perform Step 2 of the goodwill impairment test. As a result, reporting units with zero or negative carrying amounts will generally be expected to pass the simplified impairment test; however, additional disclosure will be required of those companies.	DXC early adopted this guidance on a prospective basis as of July 1, 2019. As a result of adopting this ASU, the Company no longer performs Step 2 while completing its goodwill impairment testing, beginning with its annual goodwill impairment testing performed during the second quarter of fiscal 2020. DXC's impairment testing resulted in non-cash impairment charges of $6,794 million, consisting of $3,789 million and $3,005 million in its GBS and GIS reporting units, respectively. See Note 11 - "Goodwill" for additional information.

New Accounting Pronouncements:

The following ASUs were recently issued but have not yet been adopted by DXC:

Date Issued and ASU	DXC Effective Date	Description	Impact
June 2016 ASU 2016-13, “Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments”	Fiscal 2021	This update is intended to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. To achieve this objective, the amendments in this update replace the existing incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. This update must be adopted using a prospective transition approach for debt securities for which an other-than-temporary impairment has been recognized before the effective date.	DXC has evaluated its trade receivables and financial arrangements and determined that the adoption of ASU 2016-13 will be immaterial to the consolidated financial statements.
August 2018 ASU 2018-15, "Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract"	Fiscal 2021	This update helps entities evaluate the accounting for fees paid by a customer in a cloud computing arrangement (hosting arrangement) by providing guidance for determining when the arrangement includes a software license. Entities have the option to apply this standard prospectively to all implementation costs incurred after the date of adoption or retrospectively.	DXC has evaluated the impact of adopting ASU 2018-15 and determined that the adoption will be immaterial to the consolidated financial statements.
August 2018 ASU 2018-13 – "Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement"	Fiscal 2021	This update is to improve the effectiveness of fair value measurement disclosures. The amendments in this ASU modify the disclosure requirements on fair value measurements based on the concepts in FASB Concepts Statement, Conceptual Framework for Financial Reporting-Chapter 8: Notes to Financial Statements, including the consideration of costs and benefits.	DXC is currently evaluating to determine what updates may be required and disclosed.

Other recently issued ASUs effective after March 31, 2020 are not expected to have a material effect on DXC's consolidated financial statements.

Note 2 - Acquisitions

Fiscal 2020 Acquisitions

Luxoft Acquisition

On June 14, 2019, DXC completed the acquisition of Luxoft, a digital service provider whose offerings encompass strategic consulting, custom software development services, and digital solution engineering for total consideration of $2.0 billion. The acquisition will combine Luxoft’s digital engineering capabilities with DXC’s expertise in IT modernization and integration. The purchase agreement (“Merger Agreement”) was entered into by DXC and Luxoft on January 6, 2019 and the transaction was closed on June 14, 2019.

The transaction between DXC and Luxoft is an acquisition, with DXC as the acquirer and Luxoft as the acquiree, based on the fact that DXC acquired 100% of the equity interests and voting rights in Luxoft, and that DXC is the entity that transferred the cash consideration.

The purchase price allocation was finalized during the fourth quarter of fiscal 2020. The Company's allocation of the purchase price to the assets acquired and liabilities assumed as of the Luxoft acquisition date is as follows:

(in millions)	Fair Value
Cash and cash equivalents	$ 113
Accounts receivable	233
Other current assets	15
Total current assets	361
Property and equipment	31
Intangible assets	577
Other assets	99
Total assets acquired	1,068
Accounts payable, accrued payroll, accrued expenses, and other current liabilities	(121)
Deferred revenue	(8)
Long-term deferred tax liabilities and income tax payable	(106)
Other liabilities	(72)
Total liabilities assumed	(307)
Net identifiable assets acquired	761
Goodwill	1,262
Total consideration transferred	$ 2,023

Goodwill represents the excess of the purchase price over the fair value of identifiable assets acquired and liabilities assumed at the acquisition date. The goodwill recognized with the acquisition was attributable to the synergies expected to be achieved by combining the businesses of DXC and Luxoft, expected future contracts and the acquired workforce. The cost-saving opportunities are expected to include improved operating efficiencies and asset optimization. The total goodwill arising from the acquisition was allocated to GBS and is not deductible for tax purposes. See Note 11 - "Goodwill."

As of the period March 31, 2020, the Company made a number of refinements to the June 14, 2019 purchase price allocation. These refinements were primarily driven by the Company recording valuation adjustments that increased customer related intangibles by $6 million and historical deferred tax adjustments including $22 million uncertain tax positions which resulted in a decrease in net identifiable assets of $17 million.

Current assets and liabilities

The Company valued current assets and liabilities using existing carrying values as an estimate of the approximate fair value of those items at the acquisition date except for certain contract receivables for which the Company determined fair value based on a cost plus margin approach.

Property and equipment

The acquired property and equipment are summarized in the following table:

(in millions)	Amount
Land, buildings, and leasehold improvements	$ 8
Computers and related equipment	12
Furniture and other equipment	11
Total	$ 31

The company valued acquired property and equipment using the direct capitalization method of the income approach and the cost approach. For all other categories of property and equipment, based on the nature of the assets, the Company determined that the net book value represents the fair value.

Identified intangible assets

The acquired identifiable intangible assets are summarized in the following table:

(in millions)		Amount	Estimated Useful Lives (Years)
Customer related intangibles	$	417	10
Trade names		143	20
Developed technology		6	3
Third-party purchased software		11	3
Total	$	577	

Developed technology and third-party purchased software are included in the software category and trade names are included in the other intangible assets category in Note 10 -"Intangible Assets".

The Company valued customer relationships using the multi-period excess earnings method under the income approach and valued trade names and developed technology using a relief from royalty method under the income approach. The Company determined that the net book value of the purchased software represents the fair value.

Deferred tax liabilities

The Company valued deferred tax liabilities based on statutory tax rates in the jurisdictions of the legal entities where the acquired non-current assets and liabilities are taxed.

Results of Operations

The Company's statement of operations includes the following revenues and net income attributable to Luxoft since the acquisition date:

(in millions)		Twelve Months Ended March 31, 2020[1]
Revenues	$	695
Net income (loss)	$	(25)

[1] *Results for the fiscal year ended March 31, 2020 reflect operations subsequent to the acquisition date of June 14, 2019, not the full twelve months of fiscal 2020.*

Fiscal 2019 Acquisitions

Molina Medicaid Solutions Acquisition

On October 1, 2018, DXC completed its acquisition of Molina Medicaid Solutions ("MMS"), a Medicaid Management Information Systems business, from Molina Healthcare, Inc. for the total consideration of $233 million. The combination of MMS with DXC expands DXC’s ability to provide services to state agencies in the administration of Medicaid programs, including business processing, information technology development and administrative services.

The purchase price for the MMS was allocated to assets acquired and liabilities assumed based upon the current determination of fair values at the date of acquisition as follows: $87 million to current assets, $112 million to intangible assets other than goodwill, $11 million to other assets, $51 million to current liabilities, $18 million to other liabilities and $92 million to goodwill. The goodwill is associated with the Company's GBS segment and is tax deductible. The intangible assets acquired include customer relationships and developed technology which have a 13-year weighted average estimated useful life.

Other Acquisitions

In addition to the MMS acquisition, DXC completed seven acquisitions to complement the Company's Microsoft Dynamics and ServiceNow offerings and to provide opportunities for future growth. The acquired businesses are included in the results for the GBS segment. The purchase consideration of $228 million included cash of $187 million and contingent consideration with an estimated fair value of $41 million. The purchase price was allocated to assets acquired and liabilities assumed based upon determination of fair values at the dates of acquisition as follows: $73 million to current assets, $71 million to intangible assets other than goodwill, $10 million to other non-current assets, $63 million to current liabilities and $137 million to goodwill. The goodwill is associated with the Company's GBS segment some of which is tax deductible.

Fiscal 2018 Acquisitions

HPES Merger

On April 1, 2017, CSC, Hewlett Packard Enterprise Company (“HPE”), Everett SpinCo, Inc. (“Everett”), and New Everett Merger Sub Inc., a wholly-owned subsidiary of Everett (“Merger Sub”), completed the strategic combination of CSC with the Enterprise Services business of HPE to form DXC. The combination was accomplished through a series of transactions that included the transfer by HPE of its Enterprise Services business, HPES, to Everett, and spin-off by HPE of Everett on March 31, 2017, and the merger of Merger Sub with and into CSC on April 1, 2017. At the time of the HPES Merger, Everett was renamed DXC, and as a result of the HPES Merger, CSC became a direct wholly owned subsidiary of DXC. DXC common stock began regular-way trading on the New York Stock Exchange on April 3, 2017. The strategic combination of the two complementary businesses was to create a versatile global technology services business, well positioned to innovate, compete and serve clients in a rapidly changing marketplace.

The transaction involving HPES and CSC is a reverse merger acquisition, in which DXC is considered the legal acquirer of the business and CSC is considered the accounting acquirer. While purchase consideration transferred in a business combination is typically measured by reference to the fair value of equity issued or other assets transferred by the accounting acquirer, CSC did not issue any consideration in the HPES Merger. CSC stockholders received one share of DXC common stock for every one share of CSC common stock held immediately prior to the HPES Merger. DXC issued a total of 141,298,797 shares of DXC common stock to CSC stockholders, representing approximately 49.9% of the outstanding shares of DXC common stock immediately following the HPES Merger.

The reverse merger is deemed a capital transaction and the net assets of CSC (the accounting acquirer) are carried forward to DXC (the legal acquirer and the reporting entity) at their carrying value before the combination. The acquisition process utilizes the capital structure of the Company and the assets and liabilities of CSC, which are recorded at historical cost. The equity of the Company is the historical equity of CSC, retroactively restated to reflect the number of shares issued by DXC in the transaction.

Under the acquisition method of accounting, total consideration exchanged was:

(in millions)		Amount
Fair value of purchase consideration received by HPE stockholders[1]	$	9,782
Fair value of HPES options assumed by CSC[2]		68
Total consideration transferred	$	9,850

[1] Represents the fair value of consideration received by HPE stockholders to give them 50.1% ownership in the combined company. The fair value of the purchase consideration transferred was based on a total of 141,865,656 shares of DXC common stock distributed to HPE stockholders as of the close of business on the record date (141,741,712 after the effect of 123,944 cancelled shares) at CSC's closing price of $69.01 per share on March 31, 2017.
[2] Represents the fair value of certain stock-based awards of HPES employees that were unexercised on March 31, 2017, which were converted to DXC stock-based awards.

The purchase price allocation for the HPES Merger was finalized during the fourth quarter of fiscal 2018. The Company's allocation of the purchase price to the assets acquired and liabilities assumed as of the HPES Merger date is as follows:

(in millions)		Fair Value
Cash and cash equivalents	$	938
Accounts receivable[1]		4,102
Other current assets		530
Total current assets		5,570
Property and equipment		2,581
Intangible assets[2]		6,016
Other assets[2]		1,939
Total assets acquired		16,106
Accounts payable, accrued payroll, accrued expenses, and other current liabilities		(4,605)
Deferred revenue		(1,315)
Long-term debt, net of current maturities		(4,806)
Long-term deferred tax liabilities and income tax payable		(1,550)
Other liabilities		(1,322)
Total liabilities assumed		(13,598)
Net identifiable assets acquired		2,508
Add: Fair value of non-controlling interests		(50)
Goodwill		7,392
Total consideration transferred	$	9,850

[1] Includes aggregate adjustments of $203 million received from HPE in accordance with the provisions of the Separation Agreement.
[2] Previously reported amounts were adjusted to reflect the reclassification of transition and transformation contract costs from intangible assets to other assets to conform to the current year presentation.

Goodwill represents the excess of the purchase price over the fair value of identifiable assets acquired and liabilities assumed at the HPES Merger date. The goodwill recognized with the HPES Merger was attributable to the synergies expected to be achieved by combining the businesses of CSC and HPES, expected future contracts and the acquired workforce. The goodwill arising from the HPES Merger was allocated to the Company's reportable segments as $2.8 billion to the GBS segment, $2.6 billion to the GIS segment and $2.0 billion to the USPS segment. The goodwill is not deductible for tax purposes. See Note 11 - "Goodwill."

The Company valued current assets and liabilities, with the exception of the current portion of deferred revenue and capital leases, using existing carrying values as the fair value of those items as of the HPES Merger date. The Company valued acquired property and equipment using predominately the market method, and in certain specific cases, the cost method. The Company valued deferred tax assets and liabilities based on statutory tax rates in the jurisdictions of the legal entities where the acquired non-current assets and liabilities are taxed. The Company valued intangible assets predominately using the multi-period excess earnings method. Intangible assets include customer relationships which have useful lives of 10-13 years and third-party purchased software which have useful lives of 2-7 years.

Subsequent to the HPES Merger, the Company divested USPS which was acquired in the HPES Merger. See Note 3 - "Divestitures" for additional information about the divestiture of USPS.

Tribridge Acquisition

On July 1, 2017, DXC acquired all of the outstanding capital stock of Tribridge Holdings LLC, an independent integrator of Microsoft Dynamics 365, for total consideration of $152 million. The acquisition includes the Tribridge affiliate company, Concerto Cloud Services LLC. The combination of Tribridge with DXC expands DXC’s Microsoft Dynamics 365 global systems integration business.

The purchase price is allocated to assets acquired and liabilities assumed based upon determination of fair values at the date of acquisition as follows: $32 million to current assets, $4 million to property and equipment, $62 million to intangible assets other than goodwill, $24 million to current liabilities and $78 million to goodwill. The goodwill is primarily associated with the Company's GBS segment and is tax deductible. The intangible assets acquired include customer relationships which have a 12-year estimated useful life.

Note 3 - Divestitures

Fiscal 2019 Separation of USPS

During fiscal 2019, the Company completed the USPS Separation and Mergers to form Perspecta, an independent public company.

Implementation of the Separation and DXC's post-Separation relationship with Perspecta is governed by several agreements, including the following:

- a Separation and Distribution Agreement;
- an Employee Matters Agreement;
- a Tax Matters Agreement;
- an Intellectual Property Matters Agreement;
- a Transition Services Agreement;
- a Real Estate Matters Agreement;
- an IT Services Agreement and,
- a Non-US Agency Agreement.

These agreements provide for the allocation of assets, employees, liabilities and obligations (including property, employee benefits, litigation, and tax-related assets and liabilities) between DXC and Perspecta attributable to periods prior to, at and after the Separation. In addition, DXC and Perspecta have service and commercial contracts that generally extend through fiscal 2023. Results for the twelve months ended March 31, 2020 include $39 million of revenue and income from continuing operations before taxes associated with the IT services agreement.

Pursuant to the Separation and Distribution Agreement, immediately prior to the Separation, Perspecta made a net cash payment of $984 million to DXC, which reflects transaction consideration of $1,050 million less $66 million in principal amount of debt that was outstanding at a subsidiary of Perspecta. Perspecta financed the payment through borrowings under a new senior secured term loan facility.

DXC's Chief Financial Officer, Paul N. Saleh, served as a Director of Perspecta until his term ended on August 13, 2019. Due to Mr. Saleh's leadership position at DXC and former leadership position at Perspecta, Perspecta is considered a related party under ASC 850 "Related Party Disclosures" for fiscal 2020. Transactions with Perspecta were immaterial to the Company's financial statements for the fiscal year ended March 31, 2020 and balances due to and from Perspecta were immaterial to the Company's balance sheet as of March 31, 2020.

The following is a summary of the assets and liabilities distributed as part of the Separation of USPS on May 31, 2018:

(in millions)	As of May 31, 2018
Assets:	
Cash and cash equivalents	$ 95
Receivables, net	458
Prepaid expenses	82
Other current assets	35
Total current assets of discontinued operations	670
Intangible assets, net[(1)]	870
Goodwill	2,029
Property and equipment, net	294
Other assets[(1)]	169
Total non-current assets of discontinued operations	3,362
Total assets	$ 4,032
Liabilities:	
Short-term debt and current maturities of long-term debt	$ 161
Accounts payable	165
Accrued payroll and related costs	17
Accrued expenses and other current liabilities	358
Deferred revenue and advance contract payments	53
Income tax payable	18
Total current liabilities of discontinued operations	772
Long-term debt, net of current maturities	1,320
Non-current deferred revenue	5
Non-current income tax liabilities and deferred tax liabilities	196
Other long-term liabilities	71
Total long-term liabilities of discontinued operations	1,592
Total liabilities	$ 2,364

[(1)] *Previously reported amounts were adjusted to reflect the reclassification of transition and transformation contract costs from intangible assets to other assets to conform to the current year presentation.*

The following is a summary of the operating results of USPS which have been reflected within income from discontinued operations, net of tax:

(in millions)	Fiscal Year Ended March 31, 2019 [(1)]	Fiscal Year Ended March 31, 2018
Revenue	$ 431	$ 2,823
Costs of services	311	2,104
Selling, general and administrative	50	152
Depreciation and amortization	33	169
Restructuring costs	1	14
Interest expense	8	15
Other (income) expense, net	(25)	2
Total costs and expenses	378	2,456
Total income from discontinued operations, before income taxes	53	367
Income tax expense	18	131
Total income from discontinued operations	$ 35	$ 236

[(1)] *Results for the fiscal year ended March 31, 2019 reflect operations through the Separation date of May 31, 2018, not the full twelve-month period as shown for the prior period.*

There was no gain or loss on disposition recognized as a result of the Separation.

The following selected financial information of USPS is included in the statements of cash flows:

(in millions)	Fiscal Year Ended March 31, 2019 [(1)]	Fiscal Year Ended March 31, 2018
Depreciation	$ 16	$ 70
Amortization	$ 17	$ 99
Capital expenditures	$ —	$ (18)
Significant operating non-cash items:		
Gain on dispositions	$ 24	$ —

[(1)] *Results for the fiscal year ended March 31, 2019 reflect operations through the Separation date of May 31, 2018, not the full twelve-month period as shown for the prior period.*

Note 4 - Earnings (Loss) Per Share

Basic EPS are computed using the weighted average number of common shares outstanding during the period. Diluted EPS reflect the incremental shares issuable upon the assumed exercise of stock options and equity awards. The following table reflects the calculation of basic and diluted EPS:

	Fiscal Years Ended		
(in millions, except per-share amounts)	March 31, 2020	March 31, 2019	March 31, 2018
Net (loss) income attributable to DXC common shareholders:			
From continuing operations	$ (5,369)	$ 1,222	$ 1,515
From discontinued operations	—	35	236
	$ (5,369)	$ 1,257	$ 1,751
Common share information:			
Weighted average common shares outstanding for basic EPS	258.57	277.54	284.93
Dilutive effect of stock options and equity awards	—	3.89	4.84
Weighted average common shares outstanding for diluted EPS	258.57	281.43	289.77
EPS:			
Basic			
Continuing operations	$ (20.76)	$ 4.40	$ 5.32
Discontinued operations	—	0.13	0.83
Total	$ (20.76)	$ 4.53	$ 6.15
Diluted			
Continuing operations	$ (20.76)	$ 4.35	$ 5.23
Discontinued operations	—	0.12	0.81
Total	$ (20.76)	$ 4.47	$ 6.04

Certain share based equity awards were excluded from the computation of dilutive EPS because inclusion of these awards would have had an anti-dilutive effect. The following table reflects awards excluded:

	Fiscal Years Ended		
	March 31, 2020[(1)]	March 31, 2019	March 31, 2018
Stock Options	1,075,901	—	—
RSUs	2,029,567	46,051	54,637
PSUs	289,972	25,086	96,029

[(1)] *Due to the Company's net loss during fiscal 2020, stock options, RSUs and PSUs were excluded from the computation of dilutive EPS because they would have had an anti-dilutive effect.*

Note 5 - Receivables

Receivables, net of allowance for doubtful accounts consist of the following:

	As of	
(in millions)	March 31, 2020	March 31, 2019
Billed trade receivables	$ 2,094	$ 2,508
Unbilled receivables	1,419	1,114
Other receivables	879	1,559
Total	$ 4,392	$ 5,181

The following table summarizes activity for the allowance for doubtful accounts:

	As of and for Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Beginning balance	$ 60	$ 40	$ 26
Additions charged to costs and expenses	23	19	45
Deductions[1]	(4)	(4)	(37)
Other[2]	(5)	5	6
Ending balance	$ 74	$ 60	$ 40

[1] *Represents write-offs and recoveries of prior year charges.*
[2] *Includes changes in foreign currency exchange rates.*

Receivables Facility

The Company has an accounts receivable sales facility (as amended, restated, supplemented or otherwise modified as of March 31, 2020, the "Receivables Facility") with certain unaffiliated financial institutions (the "Purchasers") for the sale of commercial accounts receivable in the United States. Under the Receivables Facility, the Company and certain of its subsidiaries (the "Sellers") sell accounts receivable to DXC Receivables LLC ("Receivables SPV"), a wholly-owned bankruptcy-remote entity, in a true sale. Receivables SPV subsequently sells certain of the receivables in their entirety to the Purchasers pursuant to a receivables purchase agreement. The financial obligations of Receivables SPV to the Purchasers under the Receivables Facility are limited to the assets it owns and non-recourse to the Company. Sales of receivables by Receivables SPV occur continuously and are settled on a monthly basis. During the second quarter of fiscal 2020, Receivables SPV amended the Receivables Facility (the "Amendment") to increase the investment limit from $600 million to $750 million and extend the termination date to August 19, 2020. Under the terms of the amended Receivables Facility, there are no longer deferred purchase prices ("DPP") for receivables as the entire purchase price is paid in cash when the receivables are sold to the Purchasers. Prior to the Amendment, DPP's were realized by Receivables SPV upon the ultimate collection of the underlying receivables sold to the Purchasers. Cash receipts on the DPP were classified as cash flows from investing activities. The DPP was $525 million before the Amendment was executed. Upon execution of the Amendment, the Purchasers extinguished the DPP and returned title to the applicable underlying receivables titles to Receivables SPV. The DPP extinguishment was classified as a non-cash investing activity, please refer to Note 17 - "Cash Flows."

The amount available under the Receivables Facility fluctuates over time based on the total amount of eligible receivables generated during the normal course of business after deducting excess concentrations. As of March 31, 2020, the total availability under the Receivables Facility was $750 million and the amount sold to the Purchasers was $750 million, which was derecognized from the Company's balance sheet. The Receivables Facility is scheduled to terminate on August 19, 2020, but provides for one or more optional one-year extensions, if agreed to by the Purchasers. The Company uses the proceeds from Receivables SPV's sale of receivables under the Receivables Facility for general corporate purposes.

The fair value of the sold receivables approximated book value due to the short-term nature, and as a result, no gain or loss on sale of receivables was recorded.

While the Company guarantees certain non-financial performance obligations of the Sellers, the Purchasers bear customer credit risk associated with the receivables sold under the Receivables Facility and have recourse in the event of credit-related customer non-payment solely to the assets of the Receivables SPV.

The following table is a reconciliation of the beginning and ending balances of the DPP:

	As of and for the Fiscal Year Ended	
(in millions)	March 31, 2020	March 31, 2019
Beginning balance	$ 574	$ 233
Transfers of receivables	1,214	5,435
Collections	(1,265)	(4,393)
Change in funding availability	2	(246)
Facility amendments	(525)	(457)
Fair value adjustment	—	2
Ending balance	$ —	$ 574

German Receivables Facility

On October 1, 2019, DXC executed an accounts receivable securitization facility (as amended, restated, supplemented or otherwise modified as of March 31, 2020, the "DE Receivables Facility") with certain unaffiliated financial institutions (the "DE Purchasers") for the sale of commercial accounts receivable in Germany. The facility has an investment limit of €200 million (approximately $225 million as of March 31, 2020). Under the DE Receivables Facility, certain DXC subsidiaries located in Germany (the "DE Sellers") sell billed and unbilled accounts receivable to DXC ARFacility Designated Activity Company ("DE Receivables"), a trust owned bankruptcy-remote entity, in a true sale. Pursuant to a receivables purchase agreement, DE Receivables subsequently sells the receivables to the DE Purchasers in return for payments of capital. Sales of receivables by DE Receivables SPV occur continuously and are settled on a monthly basis. The proceeds from the sale of these receivables comprise a combination of cash and DPP. The DPP is realized by the Company upon the ultimate collection of the underlying receivables sold to the DE Purchasers. Cash receipts on the DPP are classified as cash flows from investing activities.

The amount available under the DE Receivables Facility fluctuates over time based on the total amount of eligible receivables generated during the normal course of business after deducting excess concentrations. As of March 31, 2020, the total availability under the DE Receivables Facility was approximately $116 million and the drawn amount was $105 million. As of March 31, 2020, the Company recorded a $11 million receivable within receivables, net because the amount of cash proceeds received by the Company under the DE Receivables Facility was less than the total availability. The DE Receivables Facility is scheduled to terminate on September 30, 2020, but provides for one or more optional one-year extensions, if agreed to by the DE Purchasers. The Company uses the proceeds from DE Receivables SPV's sale of receivables under the DE Receivables Facility for general corporate purposes.

The fair value of the sold receivables approximated book value due to the short-term nature, and as a result, no gain or loss on sale of receivables was recorded.

The Company’s risk of loss following the transfer of accounts receivable under the DE Receivables Facility is limited to the DPP outstanding and any short-falls in collections for specified non-credit related reasons after sale. Payment of the DPP is not subject to significant risks other than delinquencies and credit losses on accounts receivable sold under the DE Receivables Facility.

Certain obligations of DE Sellers under the DE Receivables Facility and certain DXC subsidiaries located in Germany, as initial servicers, are guaranteed by the Company under a performance guaranty, made in favor of an administrative agent on behalf of the DE Purchasers. However, the performance guaranty does not cover DE Receivables SPV's obligations to pay yield, fees or invested amounts to the administrative agent or any of the DE Purchasers.

The following table is a reconciliation of the beginning and ending balances of the DPP:

(in millions)	As of March 31, 2020
Beginning balance	$ —
Transfers of receivables	996
Collections	(879)
Change in funding availability	(14)
Ending balance	$ 103

Federal Receivables Sales Facility

Since July 14, 2017, the Company has given a parent guaranty in connection with a federal receivables sales facility with certain financial institutions, under which certain subsidiaries of the Company previously sold eligible federal government obligor receivables, including billed and certain unbilled receivables. In connection with the Separation, the sellers and servicers of the receivables sold under the Federal Receivables Sales Facility were divested and, effective May 31, 2018, the parent guaranty was terminated.

The following table reflects activity of the Federal Receivables Sales Facility, prior to the Separation:

(in millions)	As of the Fiscal Year Ended March 31, 2019[(1)]
Transfers of receivables	$ 464
Collections	$ 521
Operating cash flow effect	$ (57)

[(1)] *Results for the fiscal year ended March 31, 2019 reflect operations through the Separation date of May 31, 2018, not the full twelve month period.*

Note 6 - Leases

The Company has operating and finance leases for data centers, corporate offices, retail stores and certain equipment. Our leases have remaining lease terms of 1 to 13 years, some of which include options to extend the leases for up to 10 years, and some of which include options to terminate the leases within 1 to 3 years.

The components of lease expense were as follows:

(in millions)	Fiscal Years Ended March 31, 2020
Operating lease cost	$ 698
Short-term lease cost	49
Variable lease cost	46
Sublease income	(45)
Total operating costs	$ 748
Finance lease cost:	
Amortization of right-of-use assets	$ 405
Interest on lease liabilities	65
Total finance lease cost	$ 470

Cash payments made from variable lease costs and short-term leases are not included in the measurement of operating and finance lease liabilities, and as such, are excluded from the supplemental cash flow information stated below. In addition, for the supplemental non-cash information on operating and finance leases, please refer to Note 17 - "Cash Flows."

(in millions)	Fiscal Years Ended March 31, 2020
Cash paid for amounts included in the measurement of:	
Operating cash flows from operating leases	$ 698
Operating cash flows from finance leases	$ 65
Financing cash flows from finance leases	$ 576

Supplemental Balance Sheet information related to leases was as follows:

(in millions)	Balance Sheet Line Item	As of March 31, 2020
Assets:		
ROU operating lease assets	Operating right-of-use assets, net	$ 1,428
ROU finance lease assets	Property and Equipment, net	1,220
Total		$ 2,648
Liabilities:		
Current		
Operating lease	Current operating lease liabilities	$ 482
Finance lease	Short-term debt and current maturities of long-term debt	444
Total		$ 926
Non-current		
Operating lease	Non-current operating lease liabilities	$ 1,063
Finance lease	Long-term debt, net of current maturities	602
Total		$ 1,665

The following table provides information on the weighted average remaining lease term and weighted average discount rate for operating and finance leases:

Weighted average remaining lease term:	Years
Operating leases	4.8
Finance leases	2.7

Weighted average remaining discount rate:	Rate
Operating leases	4.0%
Finance leases	6.4%

The following maturity analysis presents expected undiscounted cash payments for operating and finance leases on an annual basis as of March 31, 2020:

Fiscal year	**Operating Leases**		
(in millions)	**Real Estate**	**Equipment**	**Finance Leases**
2021	$ 429	$ 79	$ 464
2022	330	41	339
2023	255	19	195
2024	189	11	81
2025	121	4	16
Thereafter	211	10	—
Total lease payments	1,535	164	1,095
Less: imputed interest	145	9	49
Total payments	$ 1,390	$ 155	$ 1,046

Prior to fiscal 2020, required disclosure under ASC 840 for minimum fixed rentals under operating leases that have initial or remaining terms in excess of one year at March 31, 2019, was as follows:

Fiscal year	**Operating Leases**	
(in millions)	**Real Estate**	**Equipment**
2020	$ 409	$ 248
2021	288	119
2022	203	27
2023	159	4
2024	124	1
Thereafter	274	—
Minimum fixed rentals	1,457	399
Less: sublease rental income	(149)	—
Total rental payments	$ 1,308	$ 399

Prior to fiscal 2020, required disclosure under ASC 840 for future minimum lease payments to be made under finance leases as of March 31, 2019, was as follows:

Fiscal year	
(in millions)	**Finance Leases**
2020	$ 509
2021	310
2022	212
2023	128
2024	36
Thereafter	—
Total minimum lease payments	1,195
Less: interest and executory costs	(68)
Present value of net minimum lease payments	$ 1,127

Note 7 - Fair Value

Fair Value Measurements on a Recurring Basis

The following table presents the Company's assets and liabilities that are measured at fair value on a recurring basis, excluding pension assets and derivative assets and liabilities. See Note 14 - "Pension and Other Benefit Plans" and Note 8 - "Derivative Instruments" for information about the fair value of our pension assets and derivative assets and liabilities, respectively. There were no transfers between any of the levels during the periods presented.

(in millions)	Fair Value Hierarchy			
	As of March 31, 2020			
Assets:	Fair Value	Level 1	Level 2	Level 3
Money market funds and money market deposit accounts	$ 156	$ 156	$ —	$ —
Time deposits[1]	595	595	—	—
Other debt securities[2]	51	—	48	3
Deferred purchase price receivable	103	—	—	103
Total assets	$ 905	$ 751	$ 48	$ 106
Liabilities:				
Contingent consideration	$ 46	$ —	$ —	$ 46
Total liabilities	$ 46	$ —	$ —	$ 46

	As of March 31, 2019			
Assets:	Fair Value	Level 1	Level 2	Level 3
Money market funds and money market deposit accounts	$ 6	$ 6	$ —	$ —
Time deposits[1]	194	194	—	—
Other debt securities[2]	53	—	49	4
Deferred purchase price receivable	574	—	—	574
Total assets	$ 827	$ 200	$ 49	$ 578
Liabilities:				
Contingent consideration	$ 41	$ —	$ —	$ 41
Total Liabilities	$ 41	$ —	$ —	$ 41

[1] Cost basis approximated fair value due to the short period of time to maturity.
[2] Other debt securities include available-for-sale investments with Level 2 inputs that have a cost basis of $37 million and $38 million, and unrealized gains of $11 million and $11 million, as of March 31, 2020 and March 31, 2019, respectively.

The fair value of money market funds and money market deposit accounts, and time deposits, included in cash and cash equivalents, are based on quoted market prices. The fair value of other debt securities, included in other long-term assets, is based on actual market prices. The fair value of the DPP, included in receivables, net of allowance for doubtful accounts, is determined by calculating the expected amount of cash to be received and is principally based on unobservable inputs consisting primarily of the face amount of the receivables adjusted for anticipated credit losses. The fair value of contingent consideration, included in other liabilities, is based on contractually defined targets of financial performance and other considerations.

Other Fair Value Disclosures

The carrying amounts of the Company’s financial instruments with short-term maturities, primarily accounts receivable, accounts payable, short-term debt, and financial liabilities included in other accrued liabilities, are deemed to approximate their market values due to their short-term nature. If measured at fair value, these financial instruments would be classified in Level 2 or Level 3 of the fair value hierarchy.

The Company estimates the fair value of its long-term debt, primarily by using quoted prices obtained from third party providers such as Bloomberg, and by using an expected present value technique that is based on observable market inputs for instruments with similar terms currently available to the Company. The estimated fair value of the Company's long-term debt, excluding capitalized lease liabilities, was $8.2 billion and $5.6 billion as of March 31, 2020 and March 31, 2019, respectively, as compared with carrying value of $8.4 billion and $5.6 billion as of March 31, 2020 and March 31, 2019, respectively. If measured at fair value, long-term debt, excluding capitalized lease liabilities would be classified in Level 1 or Level 2 of the fair value hierarchy.

Non-financial assets such as goodwill, tangible assets, intangible assets and other contract related long-lived assets are recorded at fair value in the period they are initially recognized, and such fair value may be adjusted in subsequent periods if an event occurs or circumstances change that indicate that the asset may be impaired. The fair value measurements, in such instances, would be classified in Level 3 of the fair value hierarchy. Other than the goodwill impairment losses discussed in Note 11 - "Goodwill," there were no significant impairments recorded during the fiscal periods covered by this report.

Note 8 - Derivative Instruments

In the normal course of business, the Company is exposed to interest rate and foreign exchange rate fluctuations. As part of its risk management strategy, the Company uses derivative instruments, primarily foreign currency forward contracts and interest rate swaps, to hedge certain foreign currency and interest rate exposures. The Company’s objective is to reduce earnings volatility by offsetting gains and losses resulting from these exposures with losses and gains on the derivative contracts used to hedge them. The Company does not use derivative instruments for trading or any speculative purpose.

Derivatives Designated for Hedge Accounting

Cash flow hedges

The Company has designated certain foreign currency forward contracts as cash flow hedges to reduce foreign currency risk related to certain Indian Rupee, Euro and British Pound-denominated intercompany obligations and forecasted transactions. The notional amounts of foreign currency forward contracts designated as cash flow hedges as of March 31, 2020 and March 31, 2019 was $455 million and $277 million, respectively. As of March 31, 2020, the related forecasted transactions extend through September 2021.

For the fiscal years ended March 31, 2020 and March 31, 2019, the Company performed an assessment at the inception of the cash flow hedge transactions and determined all critical terms of the hedging instruments and hedged items matched. The Company performs an assessment of critical terms on an on-going basis throughout the hedging period. During the fiscal years ended March 31, 2020 and March 31, 2019, the Company had no cash flow hedges for which it was probable that the hedged transaction would not occur. As of March 31, 2020, $17 million of the existing gain related to the cash flow hedge reported in AOCI is expected to be reclassified into earnings within the next 12 months.

Net investment hedges

The Company has designated certain foreign currency forward contracts as net investment hedges to protect its investment in certain foreign operations against adverse changes in exchange rates between the EUR and USD. These contracts were de-designated and settled during the fiscal year ended March 31, 2020, and as of March 31, 2020, there were none outstanding. As of March 31, 2019, the notional amount of foreign currency forward contracts designated as net investment hedges was $1.7 billion.

The pre-tax gain (loss) on derivatives designated for hedge accounting recognized in other comprehensive loss was $(18) million and in loss from continuing operations was $2 million during the fiscal year ended March 31, 2020.

Derivatives Not Designated For Hedge Accounting

The derivative instruments not designated as hedges for purposes of hedge accounting include certain short-term foreign currency forward contracts. Derivatives that are not designated as hedging instruments are adjusted to fair value through earnings in the financial statement line item to which the derivative relates.

Foreign currency forward contracts

The Company manages the exposure to fluctuations in foreign currencies by using foreign currency forward contracts to hedge certain foreign currency denominated assets and liabilities, including intercompany accounts and forecasted transactions. The notional amount of the foreign currency forward contracts outstanding as of March 31, 2020 and March 31, 2019 was $2.2 billion and $2.5 billion, respectively.

The following table presents the pretax amounts impacting income related to designated and non-designated foreign currency forward contracts:

		Fiscal Years Ended		
(in millions)	**Statement of Operations Line Item**	**March 31, 2020**	**March 31, 2019**	**March 31, 2018**
Foreign currency forward contracts	Other expense (income), net	$ (37)	$ 16	$ 118

Fair Value of Derivative Instruments

All derivative instruments are recorded at fair value. The Company’s accounting treatment for these derivative instruments is based on its hedge designation. The following tables present the fair values of derivative instruments included in the balance sheets:

	Derivative Assets		
		As of	
(in millions)	Balance Sheet Line Item	March 31, 2020	March 31, 2019
Derivatives designated for hedge accounting:			
Foreign currency forward contracts [1]	Other current assets	—	38
Total fair value of derivatives designated for hedge accounting		$ —	$ 38
Derivatives not designated for hedge accounting:			
Foreign currency forward contracts	Other current assets	$ 16	$ 5
Total fair value of derivatives not designated for hedge accounting		$ 16	$ 5

	Derivative Liabilities		
		As of	
(in millions)	Balance Sheet Line Item	March 31, 2020	March 31, 2019
Derivatives designated for hedge accounting:			
Foreign currency forward contracts[1]	Accrued expenses and other current liabilities	$ 20	$ 4
Total fair value of derivatives designated for hedge accounting:		$ 20	$ 4
Derivatives not designated for hedge accounting:			
Foreign currency forward contracts	Accrued expenses and other current liabilities	$ 12	$ 9
Total fair value of derivatives not designated for hedge accounting		$ 12	$ 9

[1] Foreign currency forward contracts designated for hedge accounting includes designated cash flow hedges and net investment hedges.

The fair value of foreign currency forward contracts represents the estimated amount required to settle the contracts using current market exchange rates and is based on the period-end foreign currency exchange rates and forward points which are classified as Level 2 inputs.

Other Risks for Derivative Instruments

The Company is exposed to the risk of losses in the event of non-performance by the counterparties to its derivative contracts. The amount subject to credit risk related to derivative instruments is generally limited to the amount, if any, by which a counterparty's obligations exceed the obligations of the Company with that counterparty. To mitigate counterparty credit risk, the Company regularly reviews its credit exposure and the creditworthiness of the counterparties. With respect to its foreign currency derivatives, as of March 31, 2020, there were no counterparties with concentration of credit risk.

The Company also enters into enforceable master netting arrangements with some of its counterparties. However, for financial reporting purposes, it is the Company's policy not to offset derivative assets and liabilities despite the existence of enforceable master netting arrangements. The potential effect of such netting arrangements on the Company's balance sheets is not material for the periods presented.

Non-Derivative Financial Instruments Designated for Hedge Accounting

The Company applies hedge accounting for foreign currency-denominated debt used to manage foreign currency exposures on its net investments in certain non-U.S. operations. To qualify for hedge accounting, the hedging instrument must be highly effective at reducing the risk from the exposure being hedged.

Net Investment Hedges

DXC seeks to reduce the impact of fluctuations in foreign exchange rates on its net investments in certain non-U.S. operations with foreign currency-denominated debt. For foreign currency denominated debt designated as a hedge, the effectiveness of the hedge is assessed based on changes in spot rates. For qualifying net investment hedges, all gains or losses on the hedging instruments are included in currency translation. Gains or losses on individual net investments in non-U.S. operations are reclassified to earnings from accumulated other comprehensive (loss) income when such net investments are sold or substantially liquidated.

As of March 31, 2020, DXC had $1.9 billion of foreign currency-denominated debt designated as hedges of net investments in non-U.S. subsidiaries. For the fiscal year ended March 31, 2020, the pre-tax impact of gain (loss) on foreign currency-denominated debt designated for hedge accounting recognized in other comprehensive (loss) income was $53 million. As of March 31, 2019, DXC did not have any foreign currency-denominated debt designated as hedges of net investments in non-U.S. subsidiaries.

Note 9 - Property and Equipment

Property and equipment consisted of the following:

	As of	
(in millions)	**March 31, 2020**	**March 31, 2019**
Property and equipment — gross:		
Land, buildings and leasehold improvements	$ 2,233	$ 2,180
Computers and related equipment	4,876	4,719
Furniture and other equipment	226	224
Construction in progress	30	14
	7,365	7,137
Less: accumulated depreciation	3,818	3,958
Property and equipment, net	$ 3,547	$ 3,179

Depreciation expense for fiscal 2020, 2019 and 2018 was $643 million, $820 million and $709 million, respectively.

Note 10 - Intangible Assets

Intangible assets consisted of the following:

	As of March 31, 2020		
(in millions)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Software	$ 4,048	$ 2,614	$ 1,434
Customer related intangible assets	5,795	1,697	4,098
Other intangible assets	235	36	199
Total intangible assets	$ 10,078	$ 4,347	$ 5,731

	As of March 31, 2019		
(in millions)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Software	$ 3,864	$ 2,235	$ 1,629
Customer related intangible assets	5,389	1,139	4,250
Other intangible assets	85	25	60
Total intangible assets	$ 9,338	$ 3,399	$ 5,939

The components of amortization expense were as follows:

	Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Intangible asset amortization	$ 1,019	$ 890	$ 860
Transition and transformation contract cost amortization[1]	280	258	226
Total amortization expense	$ 1,299	$ 1,148	$ 1,086

[1] *Transition and transformation contract costs are included within other assets on the balance sheet.*

Estimated future amortization as of March 31, 2020 is as follows:

Fiscal Year	(in millions)
2021	$ 1,004
2022	$ 915
2023	$ 835
2024	$ 750
2025	$ 662

Note 11 - Goodwill

The following tables summarize the changes in the carrying amounts of goodwill, by segment, for the fiscal years ended March 31, 2020 and March 31, 2019, respectively:

(in millions)	GBS	GIS	Total
Balance as of March 31, 2019, net	4,599	3,007	7,606
Acquisitions	1,288	70	1,358
Impairment Losses	(3,789)	(3,005)	(6,794)
Foreign currency translation	(81)	(72)	(153)
Goodwill, gross	6,507	5,066	11,573
Accumulated impairment losses	(4,490)	(5,066)	(9,556)
Balance as of March 31, 2020, net	$ 2,017	$ —	$ 2,017

(in millions)	GBS	GIS	Total
Balance as of March 31, 2018, net	4,531	3,088	7,619
Acquisitions	228	—	228
Divestitures	(12)	—	(12)
Foreign currency translation	(148)	(81)	(229)
Goodwill, gross	5,300	5,068	10,368
Accumulated impairment losses	(701)	(2,061)	(2,762)
Balance as of March 31, 2019, net	$ 4,599	$ 3,007	$ 7,606

As a result of the USPS Separation on May 31, 2018, as more fully described in Note 3 - "Divestitures", USPS is no longer a reportable segment. The fiscal 2020 and 2019 additions to goodwill were due to the acquisitions described in Note 2 - "Acquisitions", including goodwill of some insignificant acquisitions. The foreign currency translation amount reflects the impact of currency movements on non-U.S. dollar-denominated goodwill balances.

Goodwill Impairment Analyses

Fiscal 2020

The Company performed its annual goodwill impairment assessment as of July 1, 2019. Subsequent to the measurement date, the Company experienced a decline in its stock price and market capitalization that represented an indicator of impairment as the observed declines were substantial and sustained. As a result, the Company performed quantitative goodwill impairment tests during the second and fourth quarters of fiscal 2020. Both quantitative goodwill impairment tests were performed for all of DXC's reporting units, consistent with its policy described in Note 1 - "Summary of Significant Accounting Policies." As part of the reconciliation to the Company's market capitalization, the Company concluded on both instances that the carrying values of its reporting units exceeded their estimated fair values and recognized total non-cash impairment charges of $6,794 million, consisting of $3,789 million and $3,005 million in its GBS and GIS segments, respectively. The goodwill impairment charges do not have an impact on the calculation of the Company's financial covenants under the Company's debt arrangements.

Fiscal 2019

The Company's annual goodwill impairment analysis, which was performed as of July 1, 2018, did not result in an impairment charge. At the end of fiscal 2019, the Company assessed whether there were events or changes in circumstances that would more likely than not reduce the fair value of any of its reporting units below its carrying amount and require goodwill to be tested for impairment. The Company determined that there have been no such indicators and therefore, it was unnecessary to perform an interim goodwill impairment test as of March 31, 2019.

Fiscal 2018

The Company's annual goodwill impairment analysis, which was performed qualitatively as of July 1, 2017, did not result in an impairment charge. At the end of the fiscal 2018, the Company assessed whether there were events or changes in circumstances that would more likely than not reduce the fair value of any of its reporting units below its carrying amount and require goodwill to be tested for impairment. The Company determined that there have been no such indicators, and, therefore, it was unnecessary to perform an interim goodwill impairment test as of March 31, 2018.

Note 12 - Income Taxes

The sources of income (loss) from continuing operations, before income taxes, classified between domestic entities and those entities domiciled outside of the United States, are as follows:

	Fiscal Years Ended		
(in millions)	**March 31, 2020**	**March 31, 2019**	**March 31, 2018**
Domestic entities	$ (2,928)	$ 511	$ 454
Entities outside the United States	(2,300)	1,004	850
Total	$ (5,228)	$ 1,515	$ 1,304

The income tax expense (benefit) on income (loss) from continuing operations is comprised of:

	Fiscal Years Ended		
(in millions)	**March 31, 2020**	**March 31, 2019**	**March 31, 2018**
Current:			
Federal	$ 3	$ (50)	$ 392
State	16	42	16
Foreign	167	218	247
	186	210	655
Deferred:			
Federal	(125)	95	(899)
State	17	23	(59)
Foreign	52	(40)	61
	(56)	78	(897)
Total income tax expense (benefit)	$ 130	$ 288	$ (242)

The current federal (benefit) and tax expense for fiscal years 2020, 2019 and 2018 includes a $(31) million transition tax benefit, $(44) million transition tax benefit and $332 million transition tax expense, respectively. The current expense (benefit) for fiscal 2020, 2019 and 2018, includes interest and penalties of $2 million, $1 million and $2 million, respectively, for uncertain tax positions.

In connection with the HPES Merger, the Company entered into a tax matters agreement with HPE. HPE generally will be responsible for pre-HPES Merger tax liabilities including adjustments made by tax authorities to HPES U.S. and non-U.S. income tax returns. Likewise, DXC is liable to HPE for income tax receivables and refunds which it receives related to pre-HPES Merger periods. Pursuant to the tax matters agreement, the Company recorded a net receivable of $8 million due to $44 million of tax indemnification receivable related to uncertain tax positions net of related deferred tax benefits, $87 million of tax indemnification receivable related to other tax payables and $123 million of tax indemnification payable related to other tax receivables.

In connection with the USPS Separation, the Company entered into a tax matters agreement with Perspecta. Pursuant to the tax matters agreement, the Company generally will be responsible for tax liabilities arising prior to the USPS Separation. Income tax liabilities transferred to Perspecta primarily relate to pre-HPES Merger periods, for which the Company is indemnified by HPE pursuant to the tax matters agreement between the Company and HPE. The Company remains liable to HPE for tax receivables and refunds which it receives from Perspecta related to pre-HPES Merger periods that were transferred to Perspecta. Pursuant to the tax matters agreement, the Company has recorded a tax indemnification receivable from Perspecta of $72 million and a tax indemnification payable to Perspecta of $45 million related to income tax and other tax liabilities.

The major elements contributing to the difference between the U.S. federal statutory tax rate and the effective tax rate ("ETR") for continuing operations is below. Due to the Company's fiscal year, the U.S. federal weighted statutory tax rate for the fiscal years ended March 31, 2020, March 31, 2019, and March 31, 2018 were of 21.0%, 21.0% and 31.5%, respectively.

	Fiscal Years Ended		
	March 31, 2020	**March 31, 2019**	**March 31, 2018**
Statutory rate	(21.0)%	21.0 %	31.5 %
State income tax, net of federal tax	(1.4)	3.2	2.0
Foreign tax rate differential	(11.9)	(18.4)	(5.7)
Goodwill impairment	28.3	—	—
Change in valuation allowances	12.1	16.9	(7.7)
Income Tax and Foreign Tax Credits	(2.6)	(0.6)	(7.6)
Arbitration Award	(3.6)	—	—
Change in uncertain tax positions	1.1	(1.5)	(0.2)
Withholding Taxes	0.9	3.5	2.3
U.S. Tax on Foreign Income	0.4	2.4	2.1
Excess tax benefits for stock compensation	0.1	(1.1)	(3.0)
Capitalized transaction costs	0.1	0.1	1.0
United States Tax Reform	(0.7)	(3.4)	(40.6)
Change in Indefinite Reinvestment Assertion	—	(3.1)	3.3
Loss of attributes due to merger	—	—	5.1
Prepaid tax asset amortization	—	—	0.3
Other items, net	0.7	—	(1.4)
Effective tax rate	2.5 %	19.0 %	(18.6)%

In fiscal 2020, the ETR was primarily impacted by:

- Non-deductible goodwill impairment charge, which increased tax expense and increased the ETR by $1,482 million and 28.3%, respectively.
- Non-taxable gain on the arbitration award, which decreased income tax expense and decreased the ETR by $186 million and 3.6%, respectively.
- A change in the net valuation allowance on certain deferred tax assets, primarily in Australia, Brazil, China, Luxembourg, and Singapore, which increased income tax expense and increased the ETR by $631 million and 12.1%, respectively.
- An increase in Income Tax and Foreign Tax Credits, primarily relating to research and development credits recognized for prior years, which decreased income tax expense and decreased the ETR by $135 million and 2.6%, respectively.
- Local losses on investments in Luxembourg that increased the foreign rate differential and decreased the ETR by $637 million and 12.2%, respectively, with an offsetting increase in the ETR due to an increase in the valuation allowance of the same amount.

In fiscal 2019, the ETR was primarily impacted by:

- Local tax losses on investments in Luxembourg that decreased the foreign tax rate differential and decreased the ETR by $360 million and 23.7%, respectively, with an offsetting increase in the ETR due to an increase in the valuation allowance of the same amount.
- A change in the net valuation allowance on certain deferred tax assets, primarily in Luxembourg, Germany, Spain, UK, and Switzerland, which increased income tax expense and increased the ETR by $256 million and 16.9%, respectively.
- A decrease in the transition tax liability and a change in tax accounting method for deferred revenue, which decreased income tax expense and decreased the ETR by $66 million and 4.3%, respectively.

In fiscal 2018, the ETR was primarily impacted by:

- Due to the Company's change in repatriation policy, the reversal of a deferred tax liability relating to the outside basis difference of foreign subsidiaries which increased the income tax benefit and decreased the ETR by $554 million and 42.5%, respectively.
- The accrual of the one-time transition tax imposed by the Act on estimated unremitted foreign earnings, which decreased the income tax benefit and increased the ETR by $361 million and 27.7%, respectively.
- The remeasurement of deferred tax assets and liabilities as a result of the Act, which increased the income tax benefit and decreased the ETR by $338 million and 25.9%, respectively.

The deferred tax assets (liabilities) were as follows:

	As of	
(in millions)	March 31, 2020	March 31, 2019
Deferred tax assets		
Employee benefits	$ —	$ 79
Tax loss/credit carryforwards	2,516	1,917
Accrued interest	12	16
Operating lease liabilities	370	—
Contract accounting	126	130
Other assets	144	139
Total deferred tax assets	3,168	2,281
Valuation allowance	(2,162)	(1,575)
Net deferred tax assets	1,006	706
Deferred tax liabilities		
Depreciation and amortization	(850)	(994)
Operating right-of-use asset	(343)	—
Investment basis differences	(68)	(61)
Employee benefits	(48)	—
Other liabilities	(150)	(63)
Total deferred tax liabilities	(1,459)	(1,118)
Total net deferred tax assets (liabilities)	$ (453)	$ (412)

Income tax related assets are included in the accompanying balance sheets as follows:

	As of	
(in millions)	March 31, 2020	March 31, 2019
Current:		
Income tax receivables and prepaid taxes	$ 58	$ 113
	$ 58	$ 113
Non-current:		
Income taxes receivable and prepaid taxes	$ 180	$ 137
Deferred tax assets	265	355
	$ 445	$ 492
Total	$ 503	$ 605

Income tax related liabilities are included in the accompanying balance sheet as follows:

	As of	
(in millions)	March 31, 2020	March 31, 2019
Current:		
Liability for uncertain tax positions	$ (12)	$ —
Income taxes payable	(75)	(208)
	$ (87)	$ (208)
Non-current:		
Deferred taxes	(718)	(767)
Income taxes payable	(168)	(201)
Liability for uncertain tax positions	(271)	(216)
	$ (1,157)	$ (1,184)
Total	$ (1,244)	$ (1,392)

Significant management judgment is required in determining the Company's provision for income taxes, deferred tax assets and liabilities and any valuation allowance recorded against deferred tax assets. As of each reporting date, management weighs new evidence, both positive and negative, that could affect its view of the future realization of its net deferred tax assets. Objective verifiable evidence, which is historical in nature, carries more weight than subjective evidence, which is forward looking in nature.

A valuation allowance has been recorded against deferred tax assets of approximately $2.2 billion as of March 31, 2020 due to uncertainties related to the ability to utilize these assets. In assessing whether its deferred tax assets are realizable, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized and adjusts the valuation allowance accordingly. The Company considers all available positive and negative evidence including future reversals of existing taxable temporary differences, taxable income in prior carryback years, projected future taxable income, tax planning strategies and recent financial operations.

As of March 31, 2018, the Company's net deferred tax assets in Singapore were primarily the result of $80 million indefinitely lived net operating loss carryforwards. A partial valuation allowance was recorded against the net operating losses as of the reporting date based upon the negative evidence of a three-year cumulative loss, uncertainty of predicting loss of contracts and an estimated forty-year net operating loss utilization period. For the period ended March 31, 2020, management has determined that the positive evidence of a three-year cumulative profit, ten consecutive quarters of profitability, and expansion of customer contract base outweighs the negative evidence of an estimated seventeen-year net operating loss utilization period. Therefore, as of March 31, 2020 management has had a change in judgment that it is now more likely than not that the net operating loss carryforwards in Singapore will be fully utilized. As a result, we recorded a valuation allowance release of $47.7 million to the income statement as deferred tax benefit in the current period.

The net increase in the valuation allowance of $587 million in fiscal 2020, is primarily due to the local losses in Luxembourg for the write-down on foreign investment carrying value of $637 million, valuation allowance releases of $(6) million, and an adjustment for currency translation of $(44) million.

The following table provides information on the Company's various tax carryforwards:

	As of March 31, 2020				As of March 31, 2019			
(in millions)	Total	With No Expiration	With Expiration	Expiration Dates Through	Total	With No Expiration	With Expiration	Expiration Dates Through
Net operating loss carryforwards								
Federal	$ 15	$ 3	$ 12	2033	$ 25	$ —	$ 25	2037
State	$ 673	$ 6	$ 667	2040	$ 845	$ 9	$ 836	2039
Foreign	$ 10,512	$ 6,471	$ 4,041	2040	$ 7,595	$ 7,292	$ 303	2039
Tax credit carryforwards								
Federal	$ 9	$ —	$ 9	2040	$ —	$ —	$ —	N/A
State	$ 16	$ 7	$ 9	2039	$ 23	$ 7	$ 16	2039
Foreign	$ 16	$ —	$ 16	2020	$ 18	$ —	$ 18	2020
Capital loss carryforwards								
Federal	$ —	$ —	$ —	N/A	$ —	$ —	$ —	N/A
State	$ —	$ —	$ —	N/A	$ —	$ —	$ —	N/A
Foreign	$ 59	$ 40	$ 19	2023	$ 236	$ 211	$ 25	2023

The Company was a beneficiary of tax holiday incentives in India in fiscal 2019 and 2018 and was a beneficiary of Malaysian tax holiday incentives in fiscal 2018. As a result of these tax holiday incentives, the Company recorded an income tax benefit of approximately, $0 million, $2 million and $5 million, during fiscal 2020, 2019 and 2018, respectively. The per share effects were $0.0, $0.01 and $0.02, for fiscal, 2020, 2019 and 2018, respectively.

The majority of unremitted earnings has been taxed in the U.S. through the transition tax and global intangible low tax income tax in connection with 2017 U.S. tax reform. The Company was not permanently reinvested in all jurisdictions with the exception of India as of March 31, 2019. As a result of the issuance of new U.S. Treasury regulations in the first quarter of fiscal 2020, the Company changed its permanent reinvestment assertions with respect to certain foreign corporations, reducing the amount that will ultimately be repatriated to the U.S. by approximately $492 million. However, as of March 31, 2020, the Company anticipates that future earnings in India will not be indefinitely reinvested. This change resulted from the Company's determination that it is now efficient to repatriate earnings in India as a result of the enactment of India Finance Act, 2020 on March 27, 2020 and the change in cash needs resulting from economic consequences of the COVID-19 pandemic. We expect a significant portion of the cash held by our foreign subsidiaries will no longer be subject to U.S. federal income tax upon repatriation to the U.S., however, a portion of this cash may still be subject to foreign and U.S. state tax consequences when remitted.

The Company accounts for income tax uncertainties in accordance with ASC 740 Income Taxes, which prescribes a recognition threshold and measurement criteria for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Benefits from tax positions should be recognized in the financial statements only when it is more likely than not that the tax position will be sustained upon examination by the appropriate taxing authority that would have full knowledge of all relevant information. A tax position that meets the more likely than not recognition threshold is measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement. Tax positions that previously failed to meet the more likely than not recognition threshold should be recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more likely than not recognition threshold should be derecognized in the first subsequent financial reporting period in which that threshold is no longer met. ASC 740 also provides guidance on the accounting for and disclosure of liabilities for uncertain tax positions, interest and penalties.

In accordance with ASC 740, the Company's liability for uncertain tax positions was as follows:

	Fiscal Years Ended	
(in millions)	March 31, 2020	March 31, 2019
Tax	$ 253	$ 165
Interest	45	41
Penalties	21	25
Offset to receivable	(24)	—
Net of tax attributes	(12)	(15)
Total	$ 283	$ 216

The following table summarizes the activity related to the Company's uncertain tax positions (excluding interest and penalties and related tax attributes):

	Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Balance at beginning of fiscal year	$ 165	$ 219	$ 192
Gross increases related to prior year tax positions	74	4	10
Gross decreases related to prior year tax positions	(9)	(27)	(12)
Gross increases related to current year tax positions	15	—	7
Settlements and statute of limitation expirations	(7)	(23)	(19)
Acquisitions	18	—	39
Foreign exchange and others	(3)	(8)	2
Balance at end of fiscal year	$ 253	$ 165	$ 219

The Company's liability for uncertain tax positions at March 31, 2020, March 31, 2019 and March 31, 2018, includes $210 million, $138 million and $170 million, respectively, related to amounts that, if recognized, would affect the effective tax rate (excluding related interest and penalties). The increase relating to the prior year tax positions primarily relate to the Company's increase in research and development credits and reserves relating to certain legacy CSC foreign restructuring expenses deducted on the U.S. tax return for the year ending March 31, 2013.

The Company recognizes interest accrued related to uncertain tax positions and penalties as a component of income tax expense. During the year ended March 31, 2020, the Company had a net increase in interest expense of $5 million ($3 million net of tax) and a net decrease in accrued expense for penalties of $3 million and, as of March 31, 2020, recognized a liability for interest of $45 million ($40 million net of tax) and penalties of $21 million. During the year ended March 31, 2019, the Company had a net increase in interest expense of $2 million ($1 million net of tax) and a net decrease in accrued expense for penalties of $1 million and, as of March 31, 2019, recognized a liability for interest of $41 million ($36 million net of tax) and penalties of $25 million. The following table presents the change in interest and penalties from the previous reported period, as well as the liability at the end of each period presented:

	As of and for the Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
	Increase (Decrease)		
Interest	$ 5	$ 2	$ 2
Interest, net of tax	$ 3	$ 1	$ 2
Accrued penalties	$ (3)	$ (1)	$ —
Liability for interest	$ 45	$ 41	$ 40
Liability for interest, net of tax	$ 40	$ 36	$ 36
Liability for penalties	$ 21	$ 25	$ 25

The Company is currently under examination in several tax jurisdictions. A summary of the tax years that remain subject to examination in certain of the Company's major tax jurisdictions are:

Jurisdiction:	Tax Years that Remain Subject to Examination (Fiscal Year Ending):
United States – Federal	2008 and forward
United States – Various States	2008 and forward
Australia	2012 and forward
Canada	2006 and forward
France	2015 and forward
Germany	2010 and forward
India	1999 and forward
United Kingdom	2011 and forward

The IRS is examining CSC's federal income tax returns for fiscal 2008 through 2017. With respect to CSC's fiscal 2008 through 2010 federal tax returns, the Company previously entered into negotiations for a resolution through settlement with the IRS Office of Appeals. The IRS examined several issues for this audit that resulted in various audit adjustments. The Company and the IRS Office of Appeals have an agreement in principle as to some but not all of these adjustments. The Company has agreed to extend the statute of limitations associated with this audit through September 30, 2020.

In the first quarter of fiscal 2020, we filed for competent authority relief relating to certain legacy CSC foreign restructuring expenses deducted for the U.S. federal tax return for tax year March 31, 2013. The Company has agreed to extend the statute of limitations associated with the fiscal years 2011 through 2013 through December 31, 2020. In the second quarter of fiscal 2020, the Company received a Revenue Agent's Report with proposed adjustments to CSC's fiscal 2014 through 2017 federal returns. The Company has filed a protest for certain of these adjustments with the IRS Office of Appeals. The Company has agreed to extend the statute of limitations for the fiscal 2014 through fiscal 2016 through December 31, 2020 and for the employment tax audit of fiscal years 2015 and 2016 until January 31, 2021. The Company expects to reach a resolution for all years no earlier than the first quarter of fiscal 2022 except agreed issues related to fiscal 2008 through 2010 and fiscal 2011 through 2013 federal tax returns, which are expected to be resolved within twelve months.

In addition, the Company may settle certain other tax examinations, have lapses in statutes of limitations, or voluntarily settle income tax positions in negotiated settlements for different amounts than the Company has accrued as uncertain tax positions. The Company may need to accrue and ultimately pay additional amounts for tax positions that previously met a more likely than not standard if such positions are not upheld. Conversely, the Company could settle positions with the tax authorities for amounts lower than those that have been accrued or extinguish a position though payment. The Company believes the outcomes which are reasonably possible within the next twelve months may result in a reduction in liability for uncertain tax positions of $25 million to $27 million, excluding interest, penalties, and tax carryforwards.

Note 13 - Debt

The following is a summary of the Company's debt:

(in millions)	Interest Rates	Fiscal Year Maturities	As of March 31, 2020	As of March 31, 2019
Short-term debt and current maturities of long-term debt				
Commercial paper[1]	(0.23) - 2.76%	2021	$ 542	$ 694
Current maturities of long-term debt	Various	2021	290	766
Current maturities of capitalized lease liabilities	0.62% - 17.68%	2021	444	482
Short-term debt and current maturities of long-term debt			$ 1,276	$ 1,942
Long-term debt, net of current maturities				
AUD term loan	1.65% - 2.66%[2]	2022	489	567
GBP term loan	1.50 - 1.63%[3]	2022	556	583
EUR term loan	0.65%[4]	2022	822	—
EUR term loan	0.80%[5]	2023	821	—
USD term loan	2.85% - 3.67%[6]	2025	480	—
$500 million Senior notes	2.88%	2020	—	502
$500 million Senior notes	3.08% - 3.69%	2021	—	498
$274 million Senior notes	4.45%	2023	276	277
$171 million Senior notes	4.45%	2023	172	172
$500 million Senior notes	4.25%	2025	505	506
£250 million Senior notes	2.75%	2025	307	322
€650 million Senior notes	1.75%	2026	709	725
$500 million Senior notes	4.75%	2028	507	508
$234 million Senior notes	7.45%	2030	271	273
Revolving credit facility	2.06%	2024 - 2025	1,500	—
Lease credit facility	1.70% - 3.50%	2021 - 2023	11	25
Finance lease liabilities	0.62% - 17.68%	2021 - 2025	1,046	1,127
Borrowings for assets acquired under long-term financing	0.48% - 5.78%	2021 - 2028	802	462
Mandatorily redeemable preferred stock outstanding	6.00%	2023	62	62
Other borrowings[7]	Various	2021 - 2022	70	109
Long-term debt			9,406	6,718
Less: current maturities			734	1,248
Long-term debt, net of current maturities			$ 8,672	$ 5,470

(1) At DXC's option, DXC can borrow up to a maximum of €1 billion or its equivalent in U.S. dollars.
(2) Variable interest rate equal to the bank bill swap bid rate for a one-, two-, three- or six-month interest period plus 0.60% to 0.95% based on the published credit ratings of DXC.
(3) Three-month LIBOR rate plus 0.80%.
(4) At DXC's option, the EUR term loan bears interest at the Eurocurrency Rate for a one-, two-, three-, or six-month interest period, plus a margin of between 0.40% and 0.90%, based on published credit ratings of DXC.
(5) At DXC's option, the EUR term loan bears interest at the Eurocurrency Rate for a one-, two-, three-, or six-month interest period, plus a margin of between 0.55% and 1.05%, based on published credit ratings of DXC.
(6) At DXC's option, the USD term loan bears interest at the Eurocurrency Rate for a one-, two-, three-, or six-month interest period, plus a margin of between 1.00% and 1.50%, based on published credit ratings of DXC or the Base Rate plus a margin of between 0.00% and 0.50%, based on published credit ratings of DXC.
(7) Other borrowings consist mostly of 7.4% USD Senior Note.

Senior Notes and Term Loans

Interest on the Company's term loans is payable monthly or quarterly in arrears at the election of the borrowers. The Company fully and unconditionally guarantees term loans issued by its 100% owned subsidiaries. Interest on the Company's senior notes is payable semi-annually in arrears, except for interest on the £250 million Senior notes due 2025 and €650 million Senior Notes due 2026 which is payable annually in arrears. Generally, the Company's notes are redeemable at the Company's discretion at the then-applicable redemption premium plus accrued interest.

Revolving Credit Facility

During fiscal 2020, the Company borrowed $1.5 billion from its credit facility agreement ("Credit Agreement") in order to eliminate the Company's reliance on commercial paper markets. The Company may repay amounts any time without penalty.

Subsequent Borrowings

See Note 23 - "Subsequent Events" for details.

Future Maturities of Long-term Debt

Expected maturities of long-term debt, including borrowings for asset financing but excluding minimum capital lease payments, for fiscal years subsequent to March 31, 2020, are as follows:

Fiscal Year	(in millions)
2021	$ 290
2022	2,199
2023	1,514
2024	182
2025	2,698
Thereafter	1,477
Total	$ 8,360

Note 14 - Pension and Other Benefit Plans

The Company offers a number of pension and OPEB plans, life insurance benefits, deferred compensation and defined contribution plans. Most of the Company's pension plans are not admitting new participants; therefore, changes to pension liabilities are primarily due to market fluctuations of investments for existing participants and changes in interest rates.

Defined Benefit Plans

The Company sponsors a number of defined benefit and post-retirement medical benefit plans for the benefit of eligible employees. The benefit obligations of the Company's U.S. pension, U.S. OPEB, and non-U.S. OPEB plans represent an insignificant portion of the Company's pension and other post-retirement benefit plans. As a result, the disclosures below include the Company's U.S. and non-U.S. pension plans on a global consolidated basis.

Eligible employees are enrolled in defined benefit pension plans in their country of domicile. The Contributory defined benefit pension plan in the United Kingdom represents the largest plan. In addition, healthcare, dental and life insurance benefits are also provided to certain non-U.S. employees. A significant number of employees outside the United States are covered by government sponsored programs at no direct cost to the Company other than related payroll taxes.

The Company accrued $10 million, $3 million and $13 million, for fiscal 2020, 2019 and 2018, respectively, as additional contractual termination benefits for certain employees are part of the Company's restructuring plans. These amounts are reflected in the projected benefit obligation and in the net periodic pension cost.

Projected Benefit Obligations

	As of	
(in millions)	March 31, 2020	March 31, 2019
Projected benefit obligation at beginning of year	$ 11,016	$ 11,384
Service cost	92	88
Interest cost	237	253
Plan participants’ contributions	30	13
Amendments	—	27
Business/contract acquisitions/divestitures	12	—
Contractual termination benefits	10	3
Settlement/curtailment	(60)	(49)
Actuarial loss (gain)	(362)	286
Benefits paid	(359)	(344)
Foreign currency exchange rate changes	(457)	(818)
Other	(9)	173
Projected benefit obligation at end of year	$ 10,150	$ 11,016

The following table summarizes the weighted average rates used in the determination of the Company’s benefit obligations:

	Fiscal Years Ended	
	March 31, 2020	March 31, 2019
Discount rate	2.4%	2.4%
Rates of increase in compensation levels	1.6%	2.0%

Fair Value of Plan Assets and Funded Status

(in millions)	As of March 31, 2020	As of March 31, 2019
Fair value of plan assets at beginning of year	$ 11,343	$ 11,574
Actual return on plan assets	526	700
Employer contribution	108	78
Plan participants' contributions	30	13
Benefits paid	(359)	(344)
Business/contract acquisitions/divestitures	7	—
Contractual termination benefits	15	17
Plan settlement	(63)	(38)
Foreign currency exchange rate changes	(507)	(837)
Other	(10)	180
Fair value of plan assets at end of year	$ 11,090	$ 11,343
Funded status at end of year	$ 940	$ 327

Selected Information

(in millions)	As of March 31, 2020	As of March 31, 2019
Other assets	$ 1,735	$ 1,157
Accrued expenses and other current liabilities	(16)	(20)
Non-current pension obligations	(761)	(790)
Other long-term liabilities - OPEB	(18)	(20)
Net amount recorded	$ 940	$ 327
Accumulated benefit obligation	$ 10,072	$ 10,893

	Benefit Plans with Projected Benefit Obligation in Excess of Plan Assets		Benefit Plans with Accumulated Benefit Obligation in Excess of Plan Assets	
(in millions)	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Projected benefit obligation	$ 2,191	$ 2,329	$ 2,159	$ 2,070
Accumulated benefit obligation	$ 2,131	$ 2,230	$ 2,108	$ 2,004
Fair value of plan assets	$ 1,397	$ 1,494	$ 1,369	$ 1,255

Net Periodic Pension Cost

	Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Service cost	$ 92	$ 88	$ 121
Interest cost	237	253	249
Expected return on assets	(651)	(570)	(534)
Amortization of transition obligation	—	—	1
Amortization of prior service costs	(9)	(15)	(18)
Contractual termination benefit	10	3	13
Settlement/curtailment gain	7	(10)	(42)
Recognition of actuarial (gain) loss	(252)	153	(178)
Net periodic pension (income) expense	$ (566)	$ (98)	$ (388)

The service cost component of net periodic pension (income) expense is presented in cost of services and selling, general and administrative and the other components of net periodic pension income are presented in other income, net in the Company’s statements of operations. See Note 1 - "Summary of Significant Accounting Policies," for further discussion of the Company's adoption of ASU 2017-07 and its impact on the presentation of net periodic pension costs.

Estimated prior service credit of $8 million will be amortized from AOCI into net periodic pension cost over the next fiscal year. The weighted-average rates used to determine net periodic pension cost were:

	Fiscal Years Ended		
	March 31, 2020	March 31, 2019	March 31, 2018
Discount or settlement rates	2.4 %	2.5 %	2.5 %
Expected long-term rates of return on assets	5.8 %	5.3 %	4.9 %
Rates of increase in compensation levels	2.0 %	2.1 %	2.7 %

The following is a summary of amounts in AOCI, before tax effects:

	Fiscal Years Ended	
(in millions)	March 31, 2020	March 31, 2019
Prior service cost	$ (247)	$ (195)

Estimated Future Contributions and Benefits Payments

(in millions)		
Employer contributions:		
2021	$	74
Benefit Payments:		
2021	$	393
2022		447
2023		392
2024		394
2025		404
2025 and thereafter		2,112
Total	$	4,142

Fair Value of Plan Assets

The tables below set forth the fair value of plan assets by asset category within the fair value hierarchy:

		As of March 31, 2020			
(in millions)		Level 1	Level 2	Level 3	Total
Equity:					
	US Domestic Stocks	$ —	$ 3	$ —	$ 3
	Global Stocks	—	3	—	3
	Global/International Equity commingled funds	315	1,763	—	2,078
	Global equity mutual funds	8	—	—	8
	U.S./North American Equity commingled funds	1	4	—	5
Fixed Income:					
	Non-U.S. Government funds	136	—	—	136
	Fixed income commingled funds	55	71	—	126
	Fixed income mutual funds	3	—	—	3
	Corporate bonds	1	4,807	—	4,808
Alternatives:					
	Other Alternatives (1)	—	2,038	1,297	3,335
	Hedge Funds(2)	2	7	2	11
Other Assets		87	229	59	375
Insurance contracts		—	136	—	136
Cash and cash equivalents		61	2	—	63
Totals		$ 669	$ 9,063	$ 1,358	$ 11,090

(in millions)		As of March 31, 2019 Level 1	Level 2	Level 3	Total
Equity:					
	US Domestic Stocks	$ 1	$ —	$ —	$ 1
	Global Stocks	10	13	—	23
	Global/International Equity commingled funds	399	2,156	—	2,555
	Global equity mutual funds	49	325	—	374
	U.S./North American Equity commingled funds	1	10	—	11
Fixed Income:					
	Non-U.S. Government funds	215	29	—	244
	Fixed income commingled funds	6	4,807	—	4,813
	Fixed income mutual funds	2	1	—	3
	Corporate bonds	—	2	—	2
Alternatives:					
	Other Alternatives [(1)]	6	1,880	982	2,868
	Hedge Funds[(2)]	—	8	—	8
Other Assets		—	—	36	36
Insurance contracts		—	108	14	122
Cash and cash equivalents		99	184	—	283
Totals		$ 788	$ 9,523	$ 1,032	$ 11,343

[(1)] Represents real estate and other commingled funds consisting mainly of equities, bonds, or commodities.
[(2)] Represents investments in diversified fund of hedge funds.

Changes in fair value measurements of level 3 investments for the defined benefit plans were as follows:

(in millions)	
Balance as of April 1, 2018	$ 887
Actual return on plan assets held at the reporting date	(13)
Purchases, sales and settlements	217
Transfers in and / or out of Level 3	5
Changes due to exchange rates	(64)
Balance as of March 31, 2019	1,032
Actual return on plan assets held at the reporting date	83
Purchases, sales and settlements	282
Transfers in and / or out of Level 3	8
Changes due to exchange rates	(47)
Balance as of March 31, 2020	$ 1,358

Domestic and global equity accounts are categorized as Level 1 if the securities trade on national or international exchanges and are valued at their last reported closing price. Equity assets in commingled funds reporting a net asset value are categorized as Level 2 and valued using broker dealer bids or quotes of securities with similar characteristics.

Fixed income accounts are categorized as Level 1 if traded on a publicly quoted exchange or as level 2 if investments in corporate bonds are primarily investment grade bonds, generally priced using model-based pricing methods that use observable market data as inputs. Broker dealer bids or quotes of securities with similar characteristics may also be used.

Alternative investment fund securities are categorized as Level 1 if held in a mutual fund or in a separate account structure and actively traded through a recognized exchange, or as Level 2 if they are held in commingled or collective account structures and are actively traded. Alternative investment fund securities are classified as Level 3 if they are held in Limited Company or Limited Partnership structures or cannot otherwise be classified as Level 1 or Level 2.

Other assets represent property holdings by certain pension plans. As above, the property holdings represent a master lease arrangement entered into by DXC in the United Kingdom and certain U.K. pension plans as a financing transaction.

Insurance contracts purchased to cover benefits payable to retirees are valued using the assumptions used to value the projected benefit obligation.

Cash equivalents that have quoted prices in active markets are classified as Level 1. Short-term money market commingled funds are categorized as Level 2 and valued at cost plus accrued interest which approximates fair value.

Plan Asset Allocations

	As of	
Asset Category	**March 31, 2020**	**March 31, 2019**
Equity securities	19 %	26 %
Debt securities	46 %	45 %
Alternatives	31 %	25 %
Cash and other	4 %	4 %
Total	100 %	100 %

Plan assets are held in a trust that includes commingled funds subject to country specific regulations and invested primarily in commingled funds. For the U.K. pension plans, the Company's largest pension plans by assets and projected liabilities, a target allocation by asset class was developed to achieve their long-term objectives. Asset allocations are monitored closely and investment reviews regarding asset strategy are conducted regularly with internal and external advisors.

The Company’s investment goals and risk management strategy for plan assets evaluates a number of factors, including the time horizon of the plans’ obligations. Plan assets are invested in various asset classes that are expected to produce a sufficient level of diversification in order to reduce risk, yet produces a reasonable amount of return on investment over the long term. Sufficient liquidity is maintained to meet benefit obligations as they become due. Third party investment managers are employed to invest assets in both passively-indexed and actively-managed strategies. Equities are primarily invested broadly in domestic and foreign companies across market capitalizations and industries. Fixed income securities are invested broadly, primarily in government treasury, corporate credit, mortgage backed and asset backed investments. Alternative investment allocations are included in selected plans to achieve greater portfolio diversity intended to reduce the overall volatility risk of the plans.

Plan asset risks include longevity, inflation, and other changes in market conditions that could reduce the value of plan assets. Also, a decline in the yield of high quality corporate bonds may adversely affect discount rates resulting in an increase in DXC's pension and other post-retirement obligations. These risks, among others, could cause the plans’ funded status to deteriorate, resulting in an increased reliance on Company contributions. Derivatives are permitted although their current use is limited within traditional funds and broadly allowed within alternative funds. Derivatives are used for inflation risk management and within the liability driven investing strategy. The Company also has investments in insurance contracts to pay plan benefits in certain countries.

Return on Assets

The Company consults with internal and external advisors regarding the expected long-term rate of return on assets. The Company uses various sources in its approach to compute the expected long-term rate of return of the major asset classes expected in each of the plans. DXC utilizes long-term, asset class return assumptions of typically 30 years, which are provided by external advisors. Consideration is also given to the extent active management is employed in each asset class and also to management expenses. A single expected long-term rate of return is calculated for each plan by assessing the plan's expected asset allocation strategy, the benefits of diversification therefrom, historical excess returns from actively managed traditional investments, expected long-term returns for alternative investments and expected investment expenses. The resulting composite rate of return is reviewed by internal and external parties for reasonableness.

Retirement Plan Discount Rate

The U.K. discount rate is based on the yield curve approach using the U.K. Aon Hewitt GBP Single Agency AA Corporates-Only Curve.

U.K. Pension Equalization Ruling

On October 26, 2018 the High Court of Justice in the United Kingdom (the "High Court") issued a ruling related to the equalization of benefits payable to men and women for the effect of guaranteed minimum pensions under U.K. defined benefit pension plans. As a result of this ruling, the Company estimated the impact of retroactively increasing benefits in its U.K. plans in accordance with the High Court ruling. The Company treated the additional benefits as a prior service cost which resulted in an increase to its projected benefit obligation and accumulated other comprehensive loss of $28 million. The Company will amortize this cost over the average remaining life expectancy of the U.K. participants. Given the immaterial effect on the U.K. plan's projected benefit, an interim remeasurement was not performed.

Defined Contribution Plans

The Company sponsors defined contribution plans for substantially all U.S. employees and certain foreign employees. The plans allow employees to contribute a portion of their earnings in accordance with specified guidelines. Matching contributions are made annually in January to participants employed on December 31 of the prior year and vest in one year. However, if a participant retires from the Company or dies prior to December 31, the participant will be eligible to receive matching contributions approximately 30 days following separation from service. During fiscal 2020, 2019 and 2018, the Company contributed $192 million, $219 million and $245 million, respectively, to its defined contribution plans. As of March 31, 2020, plan assets included 3,393,616 shares of the Company’s common stock.

Deferred Compensation Plans

Effective as of the HPES Merger, DXC assumed sponsorship of the Computer Sciences Corporation Deferred Compensation Plan, which was renamed the “DXC Technology Company Deferred Compensation Plan” (the “DXC DCP”), and adopted the Enterprise Services Executive Deferred Compensation Plan (the “ES DCP”). Both plans are non-qualified deferred compensation plans maintained for a select group of management, highly compensated employees and non-employee directors.

The DXC DCP covers eligible employees who participated in CSC’s Deferred Compensation Plan prior to the HPES Merger. The ES DCP covers eligible employees who participated in the HPE Executive Deferred Compensation Plan prior to the HPES Merger. Both plans allow participating employees to defer the receipt of current compensation to a future distribution date or event above the amounts that may be deferred under DXC’s tax-qualified 401(k) plan, the DXC Technology Matched Asset Plan. Neither plan provides for employer contributions. As of April 3, 2017, the ES DCP does not admit new participants.

Certain management and highly compensated employees are eligible to defer all, or a portion of, their regular salary that exceeds the limitation set forth in Internal Revenue Section 401(a)(17) and all or a portion of their incentive compensation. Non-employee directors are eligible to defer up to 100% of their cash compensation. The liability under the plan, which is included in other long-term liabilities in the Company's balance sheets, amounted to $48 million as of March 31, 2020 and $59 million as of March 31, 2019. The Company's expense under the Plan totaled $0 million, $2 million and $4 million, for fiscal 2020, 2019 and 2018, respectively.

Note 15 - Stockholders' Equity

Description of Capital Stock

The Company has authorized share capital consisting of 750,000,000 shares of common stock, par value $0.01 per share, and 1,000,000 shares of preferred stock, par value $0.01 per share.

Each share of common stock is equal in all respects to every other share of common stock of the Company. Each share of common stock is entitled to one vote per share at each annual or special meeting of stockholders for the election of directors and upon any other matter coming before such meeting. Subject to all the rights of the preferred stock, dividends may be paid to holders of common stock as and when declared by the Board of Directors (the "Board").

The Company's charter requires that preferred stock must be all of one class but may be issued from time to time in one or more series, each of such series to have such full or limited voting powers, if any, and such designations, preferences and relative, participating, optional or other special rights or qualifications, limitations or restrictions as provided in a resolution adopted by the Board of Directors. Each share of preferred stock will rank on a parity with each other share of preferred stock, regardless of series, with respect to the payment of dividends at the respectively designated rates and with respect to the distribution of capital assets according to the amounts to which the shares of the respective series are entitled.

Share Repurchase Program

On April 3, 2017, DXC announced the establishment of a share repurchase program approved by the Board of Directors with an initial authorization of up to $2.0 billion for future repurchases of outstanding shares of DXC common stock. On November 8, 2018, DXC announced that its board of directors approved an incremental $2.0 billion share repurchase authorization. An expiration date has not been established for this repurchase plan. Share repurchases may be made from time to time through various means, including in open market purchases, 10b5-1 plans, privately-negotiated transactions, accelerated stock repurchases, block trades and other transactions, in compliance with Rule 10b-18 under the Exchange Act as well as, to the extent applicable, other federal and state securities laws and other legal requirements. The timing, volume, and nature of share repurchases pursuant to the share repurchase plan are at the discretion of management and may be suspended or discontinued at any time.

As part of the share repurchase program, during fiscal 2020, DXC entered into an accelerated share repurchase ("ASR") agreement with a third-party financial institution and repurchased 3,654,544 shares of common stock for $200 million, resulting in an average price paid of $54.73 per share.

The shares repurchased are retired immediately and included in the category of authorized but unissued shares. The excess of purchase price over par value of the common shares is allocated between additional paid-in capital and retained earnings. The details of shares repurchased are shown below:

Fiscal Year	Number of shares repurchased	Average Price Per Share	Amount (In millions)
2020			
Open market purchases	12,279,107	$43.67	$ 536
ASR	3,654,544	$54.73	$ 200
2020 Total	15,933,651	$46.21	$ 736
2019			
Open market purchases	19,342,586	$69.20	$ 1,339
2019 Total	19,342,586	$69.20	$ 1,339
2018			
Open market purchases	1,537,782	$89.41	$ 137
2018 Total	1,537,782	$89.41	$ 137

Treasury Stock Transactions

In fiscal 2020, 2019 and 2018 the Company accepted 38,902, 42,008 and 332,558 shares of its common stock, respectively, in lieu of cash in connection with the exercise of stock options. In fiscal 2020, 2019 and 2018, the Company accepted 321,148, 729,703 and 684,389 shares of its common stock, respectively, in lieu of cash in connection with the tax withholdings associated with the release of common stock upon vesting of restricted stock and RSUs. As a result, the Company holds 2,148,708 treasury shares as of March 31, 2020.

Dividends

	Dividends Declared		
(in millions, except per share amounts)	Per Common Share	Total	Unpaid at Fiscal Year End
Fiscal 2020	$ 0.84	$ 219	$ 55
Fiscal 2019	$ 0.76	$ 209	$ 53
Fiscal 2018	$ 0.72	$ 209	$ 51

Accumulated Other Comprehensive (Loss) Income

The following table shows the changes in accumulated other comprehensive (loss) income, net of taxes:

(in millions)	Foreign Currency Translation Adjustments	Cash Flow Hedges	Available-for-sale Securities	Pension and Other Post-retirement Benefit Plans	Accumulated Other Comprehensive (Loss) Income
Balance at March 31, 2017	$ (458)	$ 20	$ —	$ 276	$ (162)
Current-period other comprehensive (loss) income	197	(11)	9	—	195
Amounts reclassified from accumulated other comprehensive (loss) income, net of taxes	—	—	—	25	25
Balance at March 31, 2018	$ (261)	$ 9	$ 9	$ 301	$ 58
Current-period other comprehensive loss	(256)	(22)	—	(21)	(299)
Amounts reclassified from accumulated other comprehensive (loss) income, net of taxes	—	10	—	(13)	(3)
Balance at March 31, 2019	$ (517)	$ (3)	$ 9	$ 267	$ (244)
Current-period other comprehensive loss	(334)	(15)	—	—	(349)
Amounts reclassified from accumulated other comprehensive (loss) income, net of taxes	—	(2)	—	(8)	(10)
Balance at March 31, 2020	$ (851)	$ (20)	$ 9	$ 259	$ (603)

Note 16 - Stock Incentive Plans

Equity Plans

As a result of the Separation of USPS, shared-based awards issued by the Company were modified. The number of stock options and exercise price were adjusted to generally preserve the intrinsic value immediately prior to the Separation. There was no incremental share-based compensation expense recognized as a result of the modification of the awards.

As a result of the HPES Merger, all outstanding CSC awards of stock options, stock appreciation rights, restricted stock units ("CSC RSUs"), including performance-based restricted stock units, relating to CSC common stock granted under the 2011 Omnibus Incentive Plan, the 2007 Employee Incentive Plan and the 2010 Non-Employee Director Incentive Plan (the “CSC Equity Incentive Plans”) held by CSC employees and non-employee directors were converted into an adjusted award relating to DXC common shares subject to the same terms and conditions after the HPES Merger as the terms and conditions applicable to such awards prior to the HPES Merger.

Under the terms of the CSC Equity Incentive Plans and the individual award agreements, all unvested equity incentive awards, including all stock options and CSC RSUs held by all participants under the plans, including its named executive officers and directors, are subject to accelerated vesting in whole or in part upon the occurrence of a change in control or upon the participant’s termination of employment on or after the occurrence of a change in control under certain circumstances ("CIC events"). As a result of CIC events triggered by the HPES Merger, approximately 3.6 million unvested awards became vested on April 1, 2017 and $26 million of incremental stock compensation expense was recognized. CSC options granted in fiscal 2017 vested 33% upon the HPES Merger; the remaining 67% were converted into DXC RSUs based on the accounting value of the options. These RSUs will vest on the second and third anniversaries of the original option grant date. For equity incentive awards granted by HPE under HPE equity incentive plans to HPES employees prior to the HPES Merger, outstanding options (vested and unvested) and unvested RSU awards were converted upon the HPES Merger into economically equivalent DXC option and RSU awards, with terms and conditions substantially the same as the terms of such awards prior to the HPES Merger.

In March 2017, prior to the HPES Merger, the board of directors and shareholders of HPES approved DXC’s 2017 Omnibus Incentive Plan (the “DXC Employee Equity Plan”), DXC’s 2017 Non-Employee Director Incentive Plan (the “DXC Director Equity Plan”) and DXC’s 2017 Share Purchase Plan (“DXC Share Purchase Plan”). The terms of the DXC Employee Equity Plan and DXC Director Equity Plans are substantially similar to the terms of the CSC Equity Incentive Plans. The former allows DXC to grant stock options (including incentive stock options), stock appreciation rights ("SARs"), restricted stock, RSUs (including PSUs), and cash awards intended to qualify for the performance-based compensation exemption to the $1 million deduction limit under Section 162(m) of the Internal Revenue Code (collectively the "Awards"). Awards are typically subject to vesting over the 3-year period following the grant date. Vested stock options are generally exercisable for a term of 10 years from the grant date. All of DXC’s employees are eligible for awards under the plan. The Company issues authorized but previously unissued shares upon the granting of stock options and the settlement of RSUs and PSUs.

The Compensation Committee of the Board of Directors has broad authority to grant awards and otherwise administer the DXC Employee Equity Plan. The plan became effective March 30, 2017 and will continue in effect for a period of 10 years thereafter, unless terminated earlier by the Board. The Board has the authority to amend the plan in such respects as it deems desirable, subject to approval of DXC’s stockholders for material modifications.

RSUs represent the right to receive one share of DXC common stock upon a future settlement date, subject to vesting and other terms and conditions of the award, plus any dividend equivalents accrued during the award period. In general, if the employee’s status as a full-time employee is terminated prior to the vesting of the RSU grant in full, then the RSU grant is automatically canceled on the termination date and any unvested shares and dividend equivalents are forfeited. Certain executives were awarded service-based "career share" RSUs for which the shares are settled over the 10 anniversaries following the executive's separation from service as a full-time employee, provided the executive complies with certain non-competition covenants during that period.

The Company also grants PSUs, which generally vest over a period of 3 years. The number of PSUs that ultimately vest is dependent upon the Company’s achievement of certain specified financial performance criteria over a 3-year period. If the specified performance criteria are met, awards are settled for shares of DXC common stock and dividend equivalents upon the filing with the SEC of the Annual Report on Form 10-K for the last fiscal year of the performance period. PSU awards include the potential for up to 25% of the shares granted to be earned after the first and second fiscal years if certain of the Company's performance targets are met early, subject to vesting based on the participant's continued employment through the end of the 3-year performance period.

The terms of the DXC Director Equity Plan allow DXC to grant RSU awards to non-employee directors of DXC. Such RSU awards vest in full at the earlier of (i) the first anniversary of the grant date or (ii) the next annual meeting date, and are automatically redeemed for DXC common stock and dividend equivalents either at that time or, if an RSU deferral election form is submitted, upon the date or event elected by the director. Distributions made upon a director’s separation from the Board may occur in either a lump sum or in annual installments over periods of 5, 10, or 15 years, per the director’s election. In addition, RSUs vest in full upon a change in control of DXC.

The DXC Share Purchase Plan allows DXC’s employees located in the United Kingdom to purchase shares of DXC’s common stock at the fair market value of such shares on the applicable purchase date. There were 28,779 shares purchased under this plan during fiscal 2020.

The Board has reserved for issuance shares of DXC common stock, par value $0.01 per share, under each of the plans as detailed below:

	As of March 31, 2020	
	Reserved for issuance	Available for future grants
DXC Employee Equity Plan	34,200,000	19,571,067
DXC Director Equity Plan	230,000	39,451
DXC Share Purchase Plan	250,000	206,610
Total	34,680,000	19,817,128

The Company recognized share-based compensation expense for fiscal 2020, 2019 and 2018 as follows:

	Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Total share-based compensation cost	$ 68	$ 74	$ 93
Related income tax benefit	$ 12	$ 15	$ 21
Total intrinsic value of options exercised	$ 8	$ 44	$ 136
Tax benefits from exercised stock options and awards	$ 14	$ 39	$ 84

As of March 31, 2020, total unrecognized compensation expense related to unvested DXC RSUs, net of expected forfeitures was $123 million, respectively. The unrecognized compensation expense for unvested RSUs is expected to be recognized over a weighted-average period of 1.86 years.

Stock Options

The Company's stock options vest one-third annually on each of the first three anniversaries of the grant date. Stock options are generally granted for a term of ten years. Information concerning stock options granted under stock incentive plans was as follows:

	Number of Option Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value (in millions)
Outstanding as of March 31, 2017	4,767,396	$ 38.70	8.01	$ 145
Granted	—	$ —		
HPE options converted to DXC options at Merger	2,654,970	$ 46.56		
CSC Options converted to RSUs due to Merger	(1,521,519)	$ 51.00		
Exercised	(2,916,045)	$ 40.39		$ 136
Canceled/Forfeited	(14,890)	$ 69.52		
Expired	(36,411)	$ 36.69		
Outstanding as of March 31, 2018 [1]	2,933,501	$ 32.54	5.24	$ 185
Granted	—	$ —		
Issued due to Separation modification	400,170	$ 31.72		
Exercised	(969,103)	$ 37.33		$ 44
Canceled/Forfeited	(14,607)	$ 48.33		
Expired	(31,193)	$ 25.03		
Outstanding as of March 31, 2019	2,318,768	$ 30.40	4.80	$ 79
Granted	—	$ —		
Exercised	(331,172)	$ 31.36		$ 8
Canceled/Forfeited	(2,213)	$ 55.95		
Expired	(115,568)	$ 34.97		
Outstanding as of March 31, 2020	1,869,815	$ 29.92	4.27	$ —
Vested and expected to vest in the future as of March 31, 2020	1,869,815	$ 29.92	4.27	$ —
Exercisable as of March 31, 2020	1,869,815	$ 29.92	4.27	$ —

[1] *The amount of the weighted average exercise price per share has been revised to reflect the impact of the Separation.*

	As of March 31, 2020				
	Options Outstanding			Options Exercisable	
Range of Option Exercise Price	Number Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Number Exercisable	Weighted Average Exercise Price
$8.96 - $24.47	545,394	$ 19.03	2.85	545,394	$ 19.03
$25.14 - $41.92	833,679	$ 28.08	4.62	833,679	$ 28.08
$42.05 - $58.80	490,742	$ 45.13	5.24	490,742	$ 45.13
	1,869,815			1,869,815	

The total fair value of stock options vested during fiscal 2020, 2019 and 2018 was $0 million, $0 million and $22 million, respectively. The cash received from stock options exercised during fiscal 2020, 2019 and 2018 was $9 million, $34 million and $98 million, respectively.

Restricted Stock Units

RSUs represent the right to receive one share of DXC common stock upon a future settlement date, subject to vesting and other terms and conditions of the award, plus any dividend equivalents accrued during the award period. In general, if the employee's status as a full-time employee is terminated prior to the vesting of the RSU grant in full, then the RSU grant is automatically canceled on the termination date and any unvested shares and dividend equivalents are forfeited. Certain executives were awarded service-based "career share" RSUs for which the shares are settled over the 10 anniversaries following the executive's separation from service as a full-time employee, provided the executive complies with certain non-competition covenants during that period.

Performance Stock Units

The Company also grants PSUs, which generally vest over a period of 3 years. The number of PSUs that ultimately vest is dependent upon the Company's achievement of certain specified financial performance criteria over a three-year period. If the specified performance criteria are met, awards are settled for shares of DXC common stock and dividend equivalents upon the filing with the SEC of the Annual Report on Form 10-K for the last fiscal year of the performance period. PSU awards include the potential for accelerated vesting of 25% of the shares granted after each of the first and second fiscal years if certain of the Company's performance targets are met early, and are subject to final vesting based on the participant's continued employment through the end of the three-year performance period. Compensation expense during the performance period is estimated at each reporting date using management's expectation of the probable achievement of the specified performance criteria and is adjusted to the extent the expected achievement changes. In the table below, such awards are reflected at the number of shares originally granted.

Information concerning RSUs and PSUs granted under the stock incentive plans was as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding as of March 31, 2017	3,710,985	$ 34.86
Granted	1,828,667	$ 82.34
HPE RSUs converted to DXC RSUs due to Merger	95,816	$ 69.34
Options converted to RSUs due to Merger	609,416	$ 32.58
Released/Issued	(1,934,446)	$ 35.93
Canceled/Forfeited	(324,822)	$ 59.34
Outstanding as of March 31, 2018 (1)	3,985,616	$ 47.25
Granted	1,136,002	$ 77.10
Issued due to Separation modification	649,649	$ 51.98
Released/Issued	(2,207,467)	$ 33.05
Canceled/Forfeited	(754,025)	$ 62.01
Outstanding as of March 31, 2019	2,809,775	$ 67.27
Granted	3,166,405	$ 45.58
Released/Issued	(1,039,346)	$ 54.39
Canceled/Forfeited	(762,358)	$ 59.46
Outstanding as of March 31, 2020	4,174,476	$ 55.45

(1) *The amount of the weighted average fair value per share has been revised to reflect the impact of the USPS Separation.*

Non-employee Director Incentives

The Company has one stock incentive plan which authorizes the issuance of stock options, restricted stock and other share-based incentives to non-employee directors upon terms approved by the Company's Board of Directors. As of March 31, 2020, 39,451 shares of DXC common stock remained available for the grant of future RSUs or other share-based incentives to nonemployee directors.

RSU awards to non-employee directors are granted at a price of $0. For RSU awards granted in fiscal 2014 and thereafter, RSUs vest and settle at the earlier of (i) the one-year anniversary of the grant date, or (ii) the date of the Company's first Annual Meeting of the Stockholders held after the grant date. Alternatively, settlement of the RSU may be deferred per election of the non-employee director. For awards granted in fiscal 2013 and prior, vested RSUs were automatically settled for shares of DXC common stock and dividend equivalents when the non-employee director ceases to be a director of the Company. At the holder's election, the RSUs may be settled (i) in their entirety, upon the day the holder ceases to be a director, or (ii) in substantially equal amounts upon the first five, ten or fifteen anniversaries of such termination of service.

Information concerning RSUs granted to non-employee directors was as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding as of March 31, 2017	85,766	$ 34.19
Granted	22,900	$ 84.40
Released/Issued	(39,980)	$ 45.25
Canceled/Forfeited	(2,300)	$ 85.35
Outstanding as of March 31, 2018 [1]	66,386	$ 37.26
Granted	19,200	$ 87.88
Issued due to Separation modification	10,488	$ 37.69
Released/Issued	(20,324)	$ 51.59
Canceled/Forfeited	—	$ —
Outstanding as of March 31, 2019	75,750	$ 46.31
Granted	62,200	$ 35.90
Released/Issued	(23,335)	$ 60.90
Canceled/Forfeited	—	$ —
Outstanding as of March 31, 2020	114,615	$ 37.69

[1] *The amount of the weighted average fair value per share has been revised to reflect the impact of the USPS Separation.*

Note 17 - Cash Flows

Cash payments for interest on indebtedness and income taxes and other select non-cash activities are as follows:

	Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Cash paid for:			
Interest	$ 371	$ 308	$ 288
Taxes on income, net of refunds [1]	$ 247	$ 197	$ 376
Non-cash activities:			
Operating:			
ROU assets obtained in exchange for lease, net [2]	$ 411	$ —	$ —
Prepaid assets acquired under long-term financing	$ 99	$ 48	$ 209
Investing:			
Capital expenditures in accounts payable and accrued expenses	$ 66	$ 45	$ 46
Capital expenditures through finance lease obligations	$ 605	$ 668	$ 664
Assets acquired under long-term financing	$ 376	$ 200	$ 238
(Decrease) increase in deferred purchase price receivable	$ (205)	$ 1,489	$ 665
Contingent consideration	$ 18	$ 41	$ —
Financing:			
Dividends declared but not yet paid	$ 55	$ 53	$ 51
Stock issued for the acquisition of HPES	$ —	$ —	$ 9,850

[1] Income tax refunds were $42 million, $174 million, and $38 million for fiscal 2020, 2019, and 2018, respectively.
[2] Net of $87 million change in lease classification from operating to finance lease and $216 million in modifications and terminations.

Note 18 - Other Income

The following table summarizes components of other income, net:

	Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Non-service cost components of net periodic pension income	$ (658)	$ (182)	$ (509)
Foreign currency (gain) loss	(25)	31	(71)
Other gain	(37)	(155)	(13)
Totals	$ (720)	$ (306)	$ (593)

Non-service cost components of net periodic pension income resulted from higher expected return on assets and actuarial gain, offset by interest cost. See Note 14 - Pension and Other Benefit Plans. Foreign currency loss (gain) resulted from the movement of foreign currency exchange rates on the Company’s foreign currency denominated assets and liabilities, related hedges including options to manage its exposure to economic risk and the cost of the Company’s hedging program.

Note 19 - Segment and Geographic Information

DXC has a matrix form of organization and is managed in several different and overlapping groupings including services, industries and geographic regions. As a result, and in accordance with accounting standards, operating segments are organized by the type of services provided. DXC's chief operating decision maker ("CODM"), the chief executive officer, obtains, reviews, and manages the Company's financial performance based on these segments. The CODM uses these results, in part, to evaluate the performance of, and allocate resources to, each of the segments.

As a result of the Separation, USPS is no longer included as a reportable segment and its results have been reclassified to discontinued operations, net of taxes, for all periods presented. See Note 3 - "Divestitures." DXC now operates in two reportable segments as described below:

Global Business Services

GBS provides innovative technology solutions that help our customers address key business challenges and accelerate digital transformations tailored to each customer's industry and specific objectives. GBS enterprise technology stack offerings include:

- *Analytics and Engineering.* Our portfolio of analytics services and extensive partner ecosystem help customers gain rapid insights, automate operations, and accelerate their digital transformation journeys. We provide software engineering and solutions that enable businesses to run and manage their mission-critical functions, transform their operations and develop new ways of doing business.
- *Applications.* We use advanced technologies and methods to accelerate the creation, modernization, delivery and maintenance of high-quality, secure applications allowing customers to innovate faster while reducing risk, time to market, and total cost of ownership, across industries. Our vertical-specific IP includes solutions for insurance; banking and capital markets; and automotive, among others.

GBS offerings also includes business process services, which include digital integration and optimization of front and back office processes, and agile process automation. This helps companies to reduce cost, and minimize business disruption, human error, and operational risk while improving customer experiences.

Global Infrastructure Services

GIS provides a portfolio of technology offerings that deliver predictable outcomes and measurable results, while reducing business risk and operational costs for customers. GIS enterprise stack elements include:

- *Cloud and Security.* We help customers to rapidly modernize by adapting legacy apps to cloud, migrate the right workloads, and securely manage their multi-cloud environments. Our security solutions help predict attacks, proactively respond to threats, ensure compliance and protect data, applications and infrastructure.
- *IT Outsourcing.* Our ITO services support infrastructure, applications, and workplace IT operations, including hardware, software, physical/virtual end-user devices, collaboration tools, and IT support services. We help customers securely optimize operations to ensure continuity of their systems and respond to new business and workplace demands, while achieving cost takeout, all with limited resources, expertise and budget.

GIS offerings also include **workplace and mobility services** to fit our customer's employee, business and IT needs from intelligent collaboration, modern device management, digital support services Internet of Things ("IoT") and mobility services, providing a consumer-like, digital experience.

Segment Measures

The following table summarizes operating results regularly provided to the CODM by reportable segment and a reconciliation to the financial statements:

(in millions)	GBS	GIS	Total Reportable Segments	All Other	Totals
Fiscal Year Ended March 31, 2020					
Revenues	$ 9,111	$ 10,466	$ 19,577	$ —	$ 19,577
Segment Profit	$ 1,301	$ 1,007	$ 2,308	$ (247)	$ 2,061
Depreciation and amortization [1]	$ 199	$ 1,051	$ 1,250	$ 109	$ 1,359
Fiscal Year Ended March 31, 2019					
Revenues	$ 8,684	$ 12,069	$ 20,753	$ —	$ 20,753
Segment Profit	$ 1,645	$ 1,911	$ 3,556	$ (287)	$ 3,269
Depreciation and amortization [1]	$ 90	$ 1,212	$ 1,302	$ 127	$ 1,429
Fiscal Year Ended March 31, 2018					
Revenues	$ 9,254	$ 12,479	$ 21,733	$ —	$ 21,733
Segment Profit	$ 1,525	$ 1,643	$ 3,168	$ (179)	$ 2,989
Depreciation and amortization [1]	$ 99	$ 1,078	$ 1,177	$ 92	$ 1,269

[1] *Depreciation and amortization as presented excludes amortization of acquired intangible assets of $583 million, $539 million, and $526 million for fiscal 2020, 2019, and 2018, respectively.*

Reconciliation of Reportable Segment Profit to Consolidation

The Company's management uses segment profit as the measure for assessing performance of its segments. Segment profit is defined as segment revenues less cost of services, segment selling, general and administrative, depreciation and amortization, and other income (excluding the movement in foreign currency exchange rates on DXC's foreign currency denominated assets and liabilities and the related economic hedges). The Company does not allocate to its segments certain operating expenses managed at the corporate level. These unallocated costs include certain corporate function costs, stock-based compensation expense, pension and OPEB actuarial and settlement gains and losses, restructuring costs, transaction, separation, and integration-related costs, amortization of acquired intangible assets.

	Fiscal Years Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
Profit			
Total profit for reportable segments	$ 2,308	$ 3,556	$ 3,168
All other gain (loss)	(247)	(287)	(179)
Interest income	165	128	89
Interest expense	(383)	(334)	(320)
Restructuring costs	(252)	(465)	(789)
Transaction, separation, and integration-related costs	(318)	(401)	(359)
Amortization of acquired intangible assets	(583)	(539)	(526)
Goodwill impairment losses	(6,794)	—	—
Gain on arbitration award	632	—	—
Pension and OPEB actuarial and settlement gains (losses)	244	(143)	220
(Loss) income from continuing operations, before taxes	$ (5,228)	$ 1,515	$ 1,304

Management does not use total assets by segment to evaluate segment performance or allocate resources. As a result, assets are not tracked by segment and therefore, total assets by segment is not disclosed.

Geographic Information

See Note 20 - "Revenue" for the Company's revenue by geography. Property and equipment, net, which is based on the physical location of the assets, was as follows:

	As of		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018
United States	$ 1,621	$ 1,352	$ 1,270
United Kingdom	493	512	535
Australia	134	144	191
Other Europe	757	553	465
Other International	542	618	902
Total Property and Equipment, net	$ 3,547	$ 3,179	$ 3,363

No single customer exceeded 10% of the Company’s revenues during fiscal 2020, fiscal 2019 or fiscal 2018.

Note 20 - Revenue

Revenue Recognition

The following table presents DXC's revenues disaggregated by geography, based on the location of incorporation of the DXC entity providing the related goods or services:

	Twelve Months Ended		
(in millions)	March 31, 2020	March 31, 2019	March 31, 2018 [1]
United States	$ 7,225	$ 7,677	$ 8,015
United Kingdom	2,776	3,175	3,392
Australia	1,487	1,582	1,694
Other Europe	5,121	5,294	5,409
Other International	2,968	3,025	3,223
Total Revenues	$ 19,577	$ 20,753	$ 21,733

[1] *Prior period amounts have not been recast under the modified retrospective transition method.*

The revenue by geography pertains to both of the Company's reportable segments. Refer to Note 19 - "Segment and Geographic Information" for the Company's segment disclosures.

Remaining Performance Obligations

Remaining performance obligations represent the aggregate amount of the transaction price in contracts allocated to performance obligations not delivered, or partially undelivered, as of the end of the reporting period. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustments for revenue that has not materialized and adjustments for currency. As of March 31, 2020, approximately $24.0 billion of revenue is expected to be recognized from remaining performance obligations. The Company expects to recognize revenue on approximately 42% of these remaining performance obligations in Fiscal 2021, with the remainder of the balance recognized thereafter.

Contract Balances

The following table provides information about the balances of the Company's trade receivables and contract assets and contract liabilities:

	As of	
(in millions)	March 31, 2020	March 31, 2019
Trade receivables, net	$ 3,059	$ 3,232
Contract assets	$ 454	$ 390
Contract liabilities	$ 1,756	$ 1,886

Change in contract liabilities were as follows:

(in millions)	Twelve Months Ended March 31, 2020	Twelve Months Ended March 31, 2019
ASC 605 Balance, beginning of period	$ —	$ 2,434
Adjustment related to Topic 606 adoption	—	(381)
ASC 606 Balance, beginning of period	1,886	2,053
Deferred revenue	2,910	2,681
Recognition of deferred revenue	(2,925)	(2,664)
Currency translation adjustment	(48)	(167)
Other	(67)	(17)
Balance, end of period	$ 1,756	$ 1,886

The following tables provides information about the Company's capitalized costs to obtain and fulfill a contract:

	As of	
(in millions)	March 31, 2020	March 31, 2019
Capitalized sales commission cost [1]	$ 262	$ 228
Transition and transformation contract costs, net [2]	$ 874	$ 966

[1] Capitalized sales commission costs are included within other assets in the accompanying balance sheets. Amortization expense of $72 million and $62 million for the twelve months ended March 31, 2020 and March 31, 2019, respectively, related to the capitalized sales commission assets are included in selling, general, and administrative expenses in the accompanying statements of operations.

[2] Transition and transformation contract costs, net reflect the Company's setup costs incurred upon initiation of an outsourcing contract that are classified as other assets in the accompanying balance sheets. Amortization expense of $280 million and $258 million for the twelve months ended March 31, 2020 and March 31, 2019, respectively, are included within depreciation and amortization in the accompanying statements of operations.

Note 21 - Restructuring Costs

The Company recorded restructuring costs, net of reversals, of $252 million, $465 million and $789 million for fiscal 2020, 2019 and 2018, respectively. The costs recorded during fiscal 2020 were largely the result of implementing the Fiscal 2020 Plan, as described below.

The composition of restructuring liabilities by financial statement line items is as follows:

	As of	
(in millions)	March 31, 2020	March 31, 2019
Accrued expenses and other current liabilities	$ 145	$ 273
Other long-term liabilities	35	106
Total	$ 180	$ 379

Summary of Restructuring Plans

Fiscal 2020 Plan

During fiscal 2020, management approved cost savings initiatives designed to reduce operating costs by re-balancing its workforce and facilities structures (the "Fiscal 2020 Plan"). The Fiscal 2020 Plan includes workforce optimization programs and facilities and data center rationalization.

Fiscal 2019 Plan

During fiscal 2019, management approved global cost savings initiatives designed to better align the Company's organizational structure with its strategic initiatives and continue the integration of HPES and other acquisitions (the "Fiscal 2019 Plan"). The Fiscal 2019 Plan includes workforce optimization and rationalization of facilities and data center assets. Costs incurred to date under the Fiscal 2019 Plan total $482 million, comprising $338 million in employee severance and $144 million of facilities costs.

Fiscal 2018 Plan

In June 2017, management approved a post-HPES Merger restructuring plan to optimize the Company's operations in response to a continuing business contraction (the "Fiscal 2018 Plan"). The Fiscal 2018 Plan focuses mainly on optimizing specific aspects of global workforce, increasing the proportion of work performed in low cost offshore locations and re-balancing the pyramid structure. Additionally, this plan included global facility restructuring, including a global data center restructuring program. Costs incurred to date under the Fiscal 2018 Plan total $771 million, comprising $584 million in employee severance and $187 million of facilities costs.

Other Prior Year Plans

In May 2016, the Company initiated a restructuring plan to realign the Company's cost structure and resources to take advantage of operational efficiencies following recent acquisitions. During the fourth quarter of Fiscal 2017, the Company expanded the plan to strengthen the Company's competitiveness and to optimize the workforce by increasing work performed in low-cost locations (the "Fiscal 2017 Plan"). Total costs incurred to date under the Fiscal 2017 Plan total $215 million, comprising $206 million in employee severance and $9 million of facilities costs.

Acquired Restructuring Liabilities

As a result of the merger of Computer Sciences Corporation ("CSC") and HPES ("HPES Merger"), DXC acquired restructuring liabilities under restructuring plans that were initiated for HPES under plans approved by the HPE Board of Directors.

Restructuring activities, summarized by plan year, were as follows:

	Restructuring Liability as of March 31, 2019	Adoption of ASC 842[(1)]	Costs Expensed, Net of Reversals[(2)]	Costs Not Affecting Restructuring Liability[(3)]	Cash Paid	Other[(4)]	Restructuring Liability as of March 31, 2020
Fiscal 2020 Plan							
Workforce Reductions	$ —	$ —	$ 271	$ (11)	$ (177)	$ (9)	$ 74
Facilities Costs	—	—	21	(3)	(16)	—	2
Total	$ —	$ —	$ 292	$ (14)	$ (193)	$ (9)	$ 76
Fiscal 2019 Plan							
Workforce Reductions	$ 138	$ —	$ (25)	$ —	$ (83)	$ (5)	$ 25
Facilities Costs	68	(53)	—	(1)	(7)	(2)	5
Total	$ 206	$ (53)	$ (25)	$ (1)	$ (90)	$ (7)	$ 30
Fiscal 2018 Plan							
Workforce Reductions	$ 59	$ —	$ (10)	$ —	$ (29)	$ —	$ 20
Facilities Costs	35	(36)	(1)	—	(2)	4	—
Total	$ 94	$ (36)	$ (11)	$ —	$ (31)	$ 4	$ 20
Other Prior Year Plans							
Workforce Reductions	$ 9	$ —	$ (1)	$ —	$ (3)	$ (1)	$ 4
Facilities Costs	1	(1)	—	—	—	—	—
Total	$ 10	$ (1)	$ (1)	$ —	$ (3)	$ (1)	$ 4
Acquired Liabilities							
Workforce Reductions	$ 51	$ —	$ 1	$ —	$ (16)	$ 3	$ 39
Facilities Costs	18	—	(4)	—	(1)	(2)	11
Total	$ 69	$ —	$ (3)	$ —	$ (17)	$ 1	$ 50

(1) Represents restructuring liability recorded as an offset to right-of-use assets upon the adoption of ASC 842.
(2) Costs expensed, net of reversals include $30 million, $11 million, and $3 million of costs reversed from the Fiscal 2019 Plan, Fiscal 2018 Plan and Other Prior Year Plans, respectively.
(3) Pension benefit augmentations recorded as a pension liability and asset impairment.
(4) Foreign currency translation adjustments.

	Restructuring Liability as of March 31, 2018	Costs Expensed, Net of Reversals[1]	Costs Not Affecting Restructuring Liability[2]	Cash Paid	Other[3]	Restructuring Liability as of March 31, 2019
Fiscal 2019 Plan						
Workforce Reductions	$ —	$ 363	$ (2)	$ (218)	$ (5)	$ 138
Facilities Costs	—	144	(6)	(68)	(2)	68
Total	$ —	$ 507	$ (8)	$ (286)	$ (7)	$ 206
Fiscal 2018 Plan						
Workforce Reductions	$ 257	$ (30)	$ —	$ (151)	$ (17)	$ 59
Facilities Costs	98	(14)	(3)	(40)	(6)	35
Total	$ 355	$ (44)	$ (3)	$ (191)	$ (23)	$ 94
Fiscal 2017 Plan						
Workforce Reductions	$ 19	$ —	$ —	$ (12)	$ —	$ 7
Facilities Costs	3	—	—	(3)	—	—
Total	$ 22	$ —	$ —	$ (15)	$ —	$ 7
Other Prior Year Plans						
Workforce Reductions	$ 4	$ —	$ —	$ (2)	$ —	$ 2
Facilities Costs	2	—	—	(1)	—	1
Total	$ 6	$ —	$ —	$ (3)	$ —	$ 3
Acquired Liabilities						
Workforce Reductions	$ 110	$ 2	$ —	$ (58)	$ (3)	$ 51
Facilities Costs	27	—	—	(9)	—	18
Total	$ 137	$ 2	$ —	$ (67)	$ (3)	$ 69

[1] Costs expensed, net of reversals include $48 million, $3 million, and $1 million of costs reversed from the Fiscal 2018 Plan, Fiscal 2017 Plan and Other Prior Year Plans, respectively.
[2] Pension benefit augmentations recorded as a pension liability and asset impairment.
[3] Foreign currency translation adjustments.

Note 22 - Commitments and Contingencies

Commitments

The Company signed long-term purchase agreements with certain software, hardware, telecommunication and other service providers to obtain favorable pricing and terms for services and products that are necessary for the operations of business activities. Under the terms of these agreements, the Company is contractually committed to purchase specified minimums over periods ranging from 1 to 5 years. If the Company does not meet the specified minimums, the Company would have an obligation to pay the service provider all, or a portion, of the shortfall. Minimum purchase commitments as of March 31, 2020 were as follows:

Fiscal year (in millions)	**Minimum Purchase Commitment [1]**
2021	$ 1,911
2022	645
2023	535
2024	261
2025	25
Thereafter	—
Total	$ 3,377

[1] *A significant portion of the minimum purchase commitments in fiscal 2021 relate to the amounts committed under the HPE preferred vendor agreements.*

In the normal course of business, the Company may provide certain clients with financial performance guarantees, and at times performance letters of credit or surety bonds. In general, the Company would only be liable for the amounts of these guarantees in the event that non-performance by the Company permits termination of the related contract by the Company's client. The Company believes it is in compliance with its performance obligations under all service contracts for which there is a financial performance guarantee, and the ultimate liability, if any, incurred in connection with these guarantees will not have a material adverse effect on its consolidated results of operations or financial position.

The Company also uses stand-by letters of credit, in lieu of cash, to support various risk management insurance policies. These letters of credit represent a contingent liability and the Company would only be liable if it defaults on its payment obligations on these policies.

The following table summarizes the expiration of the Company's financial guarantees and stand-by letters of credit outstanding as of March 31, 2020:

(in millions)	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023 and Thereafter**	**Totals**
Surety bonds	$ 374	$ 83	$ 85	$ 542
Letters of credit	102	96	397	595
Stand-by letters of credit	75	78	25	178
Totals	$ 551	$ 257	$ 507	$ 1,315

The Company generally indemnifies licensees of its proprietary software products against claims brought by third parties alleging infringement of their intellectual property rights, including rights in patents (with or without geographic limitations), copyrights, trademarks and trade secrets. DXC's indemnification of its licensees relates to costs arising from court awards, negotiated settlements, and the related legal and internal costs of those licensees. The Company maintains the right, at its own cost, to modify or replace software in order to eliminate any infringement. The Company has not incurred any significant costs related to licensee software indemnification.

Contingencies

Vincent Forcier v. Computer Sciences Corporation and The City of New York: On October 27, 2014, the United States Attorney's Office for the Southern District of New York and the Attorney General for the State of New York filed complaints-in-intervention on behalf of the United States and the State of New York, respectively, against CSC and The City of New York, based on a *qui tam* complaint originally filed under seal in 2012 by Vincent Forcier, a former employee of CSC. The complaints allege that from 2008 to 2012 New York City and CSC, in its role as fiscal agent for New York City's Early Intervention Program ("EIP"), violated the federal and state False Claims Acts and various common law standards by allegedly orchestrating a billing fraud against Medicaid through the misapplication of default billing codes and the failure to exhaust private insurance coverage before submitting claims to Medicaid. The lawsuits seek treble statutory damages, other civil penalties and attorneys' fees and costs.

In June 2016, the Court dismissed Forcier's amended complaint in its entirety. With regard to the complaints-in-intervention, the Court dismissed the federal claims alleging misuse of default diagnosis codes when the provider had entered an invalid code, and the state claims alleging failure to reimburse Medicaid when claims were subsequently paid by private insurance. The Court allowed the remaining claims to proceed. In September 2016, the United States and the State of New York each filed amended complaints-in-intervention, asserting additional claims that the compensation provisions of CSC's contract with New York City rendered it ineligible to serve as a billing agent under state law.

CSC filed motions to dismiss and in August 2017, the Court granted in part and denied in part CSC's motions. In January 2018, CSC asserted a counterclaim against the State of New York on a theory of contribution and indemnification. The court denied the State's motion to dismiss CSC's counterclaim with respect to liability for claims not arising under the Federal False Claims Act.

The Parties have reached an agreement in principle to resolve the matter. The Company expects to enter into a stipulation dismissing the action in June 2020.

Strauch Fair Labor Standards Act Collective Action: On July 1, 2014, several plaintiffs filed an action in the U.S. District Court for the District of Connecticut on behalf of themselves and a putative nationwide collective of CSC system administrators, alleging CSC's failure to properly classify these employees as non-exempt under the federal Fair Labor Standards Act ("FLSA"). Plaintiffs alleged similar state-law Rule 23 class claims pursuant to Connecticut and California statutes. Plaintiffs claimed double overtime damages, liquidated damages, and other amounts and remedies.

In 2015 the Court entered an order granting conditional certification under the FLSA of the collective of over 4,000 system administrators. Approximately 1,000 system administrators filed consents with the Court to participate in the FLSA collective. The class/collective action is currently made up of approximately 800 individuals who held the title of associate professional or professional system administrator.

In June 2017, the Court granted Rule 23 certification of a Connecticut state-law class and a California state-law class consisting of professional system administrators and associate professional system administrators. Senior professional system administrators were found not to qualify for Rule 23 certification under the state-law claims. CSC sought permission to appeal the Rule 23 decision to the Second Circuit Court of Appeals, which was denied.

In December 2017, a jury trial was held and a verdict was returned in favor of plaintiffs. On August 6, 2019, the Court issued an order awarding plaintiffs $18.75 million in damages. In September 2019, Plaintiffs filed a motion seeking $14.1 million in attorneys' fees and costs. The Court has yet to rule on this motion. The Company disagrees with the jury verdict and the damages award and is appealing the judgment of the Court.

Computer Sciences Corporation v. Eric Pulier, et al.: On May 12, 2015, CSC filed a civil complaint in the Court of Chancery of the State of Delaware against Eric Pulier, the former CEO of Service Mesh, Inc. ("SMI"), which CSC had acquired in November 2013. The complaint asserted claims for fraud, breach of contract and breach of fiduciary duty, based on allegations that Mr. Pulier had engaged in fraudulent transactions with two employees of the Commonwealth Bank of Australia Ltd. (“CBA”). The Court dismissed CSC’s claim for breach of the implied covenant of good faith but allowed substantially all of the remaining claims to proceed. Mr. Pulier asserted counter-claims for breach of contract, fraud, negligent representation, rescission, and violations of the California Blue Sky securities law, all of which the Court dismissed in whole or in part, except for claims for breach of Mr. Pulier’s retention agreement.

In July 2017, the Court granted a motion by the United States for a 90-day stay of discovery pending the completion of a criminal investigation by the U.S. Attorney's Office for the Central District of California. In September 2017, a federal grand jury returned an indictment against Mr. Pulier, charging him with conspiracy, securities and wire fraud, obstruction of justice, and other violations of federal law (United States v. Eric Pulier, CR 17-599-AB). The Government sought an extension of the stay which the Delaware Chancery Court granted.

In December 2018, the Government filed an application to dismiss the indictment against Mr. Pulier, which was granted, and the indictment was dismissed with prejudice. In March 2019, the Delaware Chancery Court lifted the stay and denied CSC's motion for a temporary restraining order and preliminary injunction with respect to certain of Mr. Pulier's assets.

In August 2019, the Company entered into an agreement with Mr. Pulier, resolving all claims and counterclaims in the Delaware litigation through the division of amounts previously held in escrow for post-closing disputes.

The Securities and Exchange Commission (“SEC”) has filed a complaint against Mr. Pulier alleging various claims, including for fraud and falsifying books and records (*Securities and Exchange Commission v. Eric Pulier,* Case No. 2:17-cv-07124). The Court has set a trial date of December 1, 2020.

In February 2016, Mr. Pulier filed a complaint in Delaware Chancery Court seeking advancement of his legal fees and costs in the civil and criminal actions, pursuant to the terms of his agreements with SMI. The Court ruled that CSC Agility Platform - as the successor to SMI - is liable for advancing 80% of Mr. Pulier’s fees and costs in the civil and criminal actions. Pursuant to agreements with SMI, Mr. Pulier is obligated to repay all amounts advanced to him if it should ultimately be determined that he is not entitled to indemnification.

The Company remains obligated to advance amounts for Mr. Pulier’s legal fees and costs to defend the SEC action against him.

Kemper Corporate Services, Inc. v. Computer Sciences Corporation: In October 2015, Kemper Corporate Services, Inc. (“Kemper”) filed a demand for arbitration against CSC with the American Arbitration Association (“AAA”), alleging that CSC breached the terms of a 2009 Master Software License and Services Agreement and related Work Orders (the “Agreement”) by failing to complete a software translation and implementation plan by certain contractual deadlines. Kemper claimed breach of contract, seeking approximately $100 million in damages. CSC answered the demand for arbitration denying Kemper’s claims and asserting a counterclaim for unpaid invoices for services rendered by CSC.

A single arbitrator conducted an evidentiary hearing on the merits of the claims and counterclaims in April 2017. In October 2017, the arbitrator issued a partial final award, finding for Kemper on its breach of contract theory, awarding Kemper $84.2 million in compensatory damages plus prejudgment interest, denying Kemper’s claim for rescission as moot, and denying CSC’s counterclaim. Kemper moved to confirm the award in federal district court in Texas.

CSC moved to vacate the award, and in August 2018, the Magistrate Judge issued its Report and Recommendation denying CSC's vacatur motion. In September 2018, the District Court summarily accepted the Report and Recommendation without further briefing and entered a Final Judgment in the case. The Company promptly filed a notice of appeal to the Fifth Circuit Court of Appeals. Following the submission of briefs, oral argument was held on September 5, 2019. On January 10, 2020, the Court of Appeals issued a decision denying the Company’s appeal. On January 24, 2020, the Company filed a Petition for Rehearing, seeking review by the entire en banc Court of Appeals. On February 14, 2020, the Court of Appeals denied the Company’s Petition.

The Company has been pursuing coverage for the full scope of the award, interest, and legal fees and expenses, under the Company's applicable insurance policies. Certain carriers have accepted coverage while others have denied coverage. On February 21, 2020, the Company paid the balance of the judgment, which net of insurance recovery, total $60 million. The Company continues to pursue recovery with its insurance carriers.

Forsyth, et al. v. HP Inc. and Hewlett Packard Enterprise: On August 18, 2016, this purported class and collective action was filed in the U.S. District Court for the Northern District of California, against HP and HPE alleging violations of the Federal Age Discrimination in Employment Act (“ADEA”), the California Fair Employment and Housing Act, California public policy and the California Business and Professions Code. Former business units of HPE now owned by the Company may be proportionately liable for any recovery by plaintiffs in this matter.

Plaintiffs seek to certify a nationwide class action under the ADEA comprised of all U.S. residents employed by defendants who had their employment terminated pursuant to a work force reduction (“WFR”) plan and who were 40 years of age or older at the time of termination. The class seeks to cover those impacted by WFRs on or after December 2014. Plaintiffs also seek to represent a Rule 23 class under California law comprised of all persons 40 years of age or older employed by defendants in the state of California and terminated pursuant to a WFR plan on or after August 18, 2012.

In January 2017, defendants filed a partial motion to dismiss and a motion to compel arbitration of claims by certain named and opt-in plaintiffs who had signed release agreements as part of their WFR packages. In September 2017, the Court denied the partial motion to dismiss without prejudice, but granted defendants’ motions to compel arbitration for those named and opt-in plaintiffs. The Court has stayed the entire action pending arbitration for these individuals, and administratively closed the case.

A mediation was held in October 2018 with the 16 named and opt-in plaintiffs who were involved in the case at that time. A settlement was reached, which included seven plaintiffs who were employed by former business units of HPE that are now owned by the Company. In June 2019, a second mediation was held with 145 additional opt-in plaintiffs who were compelled to arbitration pursuant to their release agreements. In December 2019, a settlement was reached with 142 of the opt-in plaintiffs, 35 of whom were employed by former business units of HPE that are now owned by the Company, and for which the Company is liable.

Former business units of the Company now owned by Perspecta may be proportionately liable for any recovery by plaintiffs in this matter.

Oracle America, Inc., et al. v. Hewlett Packard Enterprise Company: On March 22, 2016, Oracle filed a complaint against HPE in the Northern District of California, alleging copyright infringement, interference with contract, intentional interference with prospective economic relations, and unfair competition. The litigation relates in part to former business units of HPE that are now owned by the Company. The Company may be required to indemnify HPE for a portion of any recovery by Oracle in the litigation related to these business units.

Oracle’s claims arise primarily out of HPE’s prior relationship with a third-party maintenance provider named Terix Computer Company, Inc. (“Terix”). Oracle claims that Terix infringed its copyrights while acting as HPE’s subcontractor for certain customers of HPE’s multivendor support business. Oracle claims that HPE is liable for vicarious and contributory infringement arising from the alleged actions of Terix and for direct infringement arising from its own alleged conduct.

On June 14, 2018, the court heard oral argument on the parties’ cross-motions for summary judgment. On January 29, 2019, the court granted HPE’s motion for summary judgment and denied Oracle’s motion for summary judgment, resolving the matter in HPE’s favor. Oracle has appealed the judgment to the U.S. Court of Appeals for the Ninth Circuit. The parties have submitted their briefs in the appellate case, and oral argument has been scheduled for June 8, 2020.

In re DXC Technology Company Securities Litigation: On December 27, 2018, a purported class action lawsuit was filed in the United States District Court for the Eastern District of Virginia against the Company and two of its current officers. The lawsuit asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and is premised on allegedly false and/or misleading statements, and alleged non-disclosure of material facts, regarding the Company's business, operations, prospects and performance during the proposed class period of February 8, 2018 to November 6, 2018. The Company has moved to dismiss the claims in their entirety. On July 26, 2019, the court heard oral argument on the Company's motion to dismiss, and a decision is now pending.

In March 2019, three related shareholder derivative lawsuits were filed in the Eighth Judicial District Court of the State of Nevada, in and for Clark County, against one of the Company's current officers and a former officer as well as members of the Company's board of directors, asserting claims for breach of fiduciary duty, waste of corporate assets, and unjust enrichment. By agreement of the parties and order of the court, those lawsuits were consolidated on July 18, 2019, and are presently stayed pending resolution of the Company's motion to dismiss in the federal putative class action filed in the Eastern District of Virginia.

On August 20, 2019, a purported class action lawsuit was filed in the Superior Court of the State of California, County of Santa Clara, against the Company, directors of the Company, and a former officer of the Company, among other defendants. On September 16, 2019, a substantially similar purported class action lawsuit was filed in the United States District Court for the Northern District of California against the Company, directors of the Company, and a former officer of the Company, among other defendants. On November 8, 2019, a third purported class action lawsuit was filed in the Superior Court of the State of California, County of San Mateo, against the Company, directors of the Company, and a former officer of the Company, among other defendants. The third lawsuit was voluntarily dismissed by the plaintiff and re-filed in the Superior Court of the State of California, County of Santa Clara on November 26, 2019, and thereafter was consolidated with the earlier-filed action in the same court on December 10, 2019. The California lawsuits assert claims under Sections 11, 12 and 15 of the Securities Act of 1933, as amended, and are premised on allegedly false and/or misleading statements, and alleged non-disclosure of material facts, regarding the Company's prospects and expected performance. Plaintiff in the federal action filed an amended complaint on January 8, 2020. The putative class of plaintiffs in these cases includes all persons who acquired shares of the Company's common stock pursuant to the offering documents filed with the Securities and Exchange Commission in connection with the April 2017 transaction that formed DXC. The Company has filed a motion to stay the consolidated state court case in favor of the federal action and a motion to dismiss the federal action.

On October 2, 2019, a shareholder derivative lawsuit was filed in the Eighth Judicial District Court of the State of Nevada, in and for Clark County, asserting various claims, including for breach of fiduciary duty and unjust enrichment, and challenging certain sales of securities by officers under Rule 10b5-1 plans. The shareholder filed this action after making a demand on the board of directors, alleging breaches of fiduciary duty, corporate waste and disclosure violations, and demanding that the board take certain actions to evaluate the allegations and respond. The Company's board of directors analyzed the demand, and has determined to defer its decision on the demand pending developments in the securities and derivative lawsuits described above. The Company moved to dismiss the complaint on the basis that the Board's decision to defer action was not a refusal of the demand and was within its discretion. The Company's motion to dismiss was denied on January 22, 2020. On March 11, 2020, the Court granted a request by the Company to temporarily stay the case, in light of the proceedings in the Eastern District of Virginia.

On March 31, 2020, a group of individual shareholders filed a complaint in the United States District Court for the Northern District of California, asserting non-class claims based on allegations substantially similar to those at issue in the earlier-filed putative class action complaints pending in the Northern District of California and Eastern District of Virginia. The plaintiffs assert claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and under Sections 11 and 15 of the Securities Act of 1933, as amended. On April 29, 2020, the court granted an administrative motion to relate the case with the earlier-filed putative class action pending in the Northern District of California. And on May 13, 2020, the parties filed a stipulation requesting to stay the case subject to resolution of the motions to dismiss pending in the Northern District of California and Eastern District of Virginia class actions.

The Company believes that the lawsuits described above are without merit, and it intends to vigorously defend them.

Voluntary Disclosure of Certain Possible Sanctions Law Violations: On February 2, 2017, CSC submitted an initial notification of voluntary disclosure to the U.S. Department of Treasury, Office of Foreign Assets Control ("OFAC") regarding certain possible violations of U.S. sanctions laws pertaining to insurance premium data and claims data processed by two partially-owned joint ventures of Xchanging, which CSC acquired during the first quarter of fiscal 2017. A copy of the disclosure was also provided to Her Majesty’s Treasury Office of Financial Sanctions Implementation in the United Kingdom. The Company is finalizing its internal investigation and provided supplemental information to OFAC on January 31, 2020.

Perspecta Arbitration: In October 2019, Perspecta submitted a demand for arbitration claiming that in June 2018 DXC breached certain obligations under the Separation and Distribution Agreement ("SDA") between Perspecta and DXC, and seeking at least $120 million in alleged damages. During the course of discovery, Perspecta has increased the amount of its alleged damages, first to $500 million and then to over $800 million. The Company believes there is no valid basis for Perspecta’s claims for these amounts. In its arbitration demand, Perspecta also challenges $39 million in invoices issued by DXC in June 2019 under its IT Services Agreement with Perspecta. DXC believes the invoices were properly issued and the amounts are owed by Perspecta. DXC believes that Perspecta's claims are without merit and intends to vigorously defend itself.

In addition to the matters noted above, the Company is currently subject in the normal course of business to various claims and contingencies arising from, among other things, disputes with customers, vendors, employees, contract counterparties and other parties, as well as securities matters, environmental matters, matters concerning the licensing and use of intellectual property, and inquiries and investigations by regulatory authorities and government agencies. Some of these disputes involve or may involve litigation. The financial statements reflect the treatment of claims and contingencies based on management's view of the expected outcome. DXC consults with outside legal counsel on issues related to litigation and regulatory compliance and seeks input from other experts and advisors with respect to matters in the ordinary course of business. Although the outcome of these and other matters cannot be predicted with certainty, and the impact of the final resolution of these and other matters on the Company’s results of operations in a particular subsequent reporting period could be material and adverse, management does not believe based on information currently available to the Company, that the resolution of any of the matters currently pending against the Company will have a material adverse effect on the financial position of the Company or the ability of the Company to meet its financial obligations as they become due. Unless otherwise noted, the Company is unable to determine at this time a reasonable estimate of a possible loss or range of losses associated with the foregoing disclosed contingent matters.

Note 23 - Subsequent Events

Credit Agreement Draw

On April 6, 2020, the Company borrowed the remaining $2.5 billion available under the Credit Agreement as a precautionary measure to increase its cash position and increase financial flexibility in light of continuing uncertainty in the global economy and financial capital markets resulting from the COVID-19 outbreak.

The Company expects to use the proceeds from the borrowings under the Credit Agreement for working capital, general corporate purposes or other purposes permitted under the Credit Agreement. Borrowings under the Credit Agreement will bear interest at a variable rate based on LIBOR or on a base rate, plus an individual margin based on DXC's long-term debt rating.

Senior Notes

On April 21, 2020, DXC completed its previously announced offering of $500 million aggregate principal amount of its 4.000% Senior Notes due 2023 and $500 million aggregate principal amount of its 4.125% Senior Notes due 2025 (collectively, the "Notes"). The Company received $993 million net proceeds from the offering of the Notes, after deducting the underwriters' discounts and the estimated expenses of the offering. The Company used the net proceeds from the offering of the Notes to prepay (i) €500 million of the €750 million term loan due fiscal 2022; (ii) £150 million of the £500 million term loan due fiscal 2022; (iii) A$300 million of the A$500 term loan due fiscal 2022; and (iv) $100 million of the $500 million term loan due fiscal 2025.

Amended Financial Covenants

On May 15, 2020, the company also amended the financial covenants in its revolver and terms loans to convert the debt to EBITDA covenant from gross debt to net debt to account for the cash amount on its balance sheet. At the same time, the company extended the tenor of its Euro term loans by one year.

Dividend

The Board of Directors has suspended the Company's cash dividend payment beginning in the first quarter to preserve cash and provide additional flexibility in the current environment as a result of the economic impact of COVID-19. Furthermore, the Board has suspended future quarterly dividends until the significant uncertainty of the current public health crisis and global economic climate has passed and the Board determines that resumption of dividend payments is in the best interest of the Company and its stockholders.

No events, other than those described in these notes, have occurred that would require recognition or disclosure in the consolidated financial statements.

ITEM 8. Supplementary Data

All financial statement schedules have been omitted since they are either not required, not applicable, or the required information is shown in the financial statements or related notes. As a result of the USPS Separation, the statement of operations, balance sheets, and related financial information reflect USPS's operations, assets and liabilities as discontinued operations. See Note 3 - "Divestitures".

Selected Quarterly Financial Data (Unaudited)

	Fiscal 2020			
(in millions, except per-share amounts)	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Revenues	$ 4,890	$ 4,851	$ 5,021	$ 4,815
Costs of services (excludes depreciation and amortization and restructuring costs)	3,622	3,679	3,827	3,773
Gross profit	$ 1,268	$ 1,172	$ 1,194	$ 1,042
Restructuring costs	$ 142	$ 32	$ 74	$ 4
Income (loss) from continuing operations before taxes	$ 206	$ (1,999)	$ 127	$ (3,562)
Income (loss) from continuing operations, net of taxes	$ 168	$ (2,115)	$ 90	$ (3,501)
Net income (loss) attributable to DXC common shareholders	$ 163	$ (2,119)	$ 82	$ (3,495)
Earnings (loss) per common share[1]				
Basic:				
Continuing operations	$ 0.61	$ (8.19)	$ 0.32	$ (13.79)
Diluted:				
Continuing operations	$ 0.61	$ (8.19)	$ 0.32	$ (13.79)
Cash dividend per common share	$ 0.21	$ 0.21	$ 0.21	$ 0.21

DXC TECHNOLOGY COMPANY

Selected Quarterly Financial Data (Unaudited)

	Fiscal 2019			
(in millions, except per-share amounts)	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Revenues	$ 5,282	$ 5,013	$ 5,178	$ 5,280
Costs of services (excludes depreciation and amortization and restructuring costs)	3,867	3,518	3,725	3,836
Gross profit	$ 1,415	$ 1,495	$ 1,453	$ 1,444
Restructuring costs	$ 185	$ 157	$ 76	$ 47
Income from continuing operations before taxes	$ 360	$ 332	$ 469	$ 354
Income from continuing operations, net of taxes	$ 231	$ 259	$ 466	$ 271
Income from discontinued operations, net of taxes	$ 35	$ —	$ —	$ —
Net income attributable to DXC common shareholders	$ 259	$ 262	$ 462	$ 274
Earnings per common share(1)				
Basic:				
Continuing operations	$ 0.79	$ 0.93	$ 1.68	$ 1.02
Discontinued operations	$ 0.12	$ —	$ —	$ —
Diluted:				
Continuing operations	$ 0.78	$ 0.92	$ 1.66	$ 1.01
Discontinued operations	$ 0.12	$ —	$ —	$ —
Cash dividend per common share	$ 0.19	$ 0.19	$ 0.19	$ 0.19

(1) *Quarterly EPS amounts may not total to the full-year EPS. EPS is calculated based on weighted average shares outstanding for the period. Quarterly weighted average shares may not equal the full-year weighted average shares for the fiscal year.*

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the direction and with the participation of our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this report to ensure that information required to be disclosed by us in the SEC reports (i) is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and (ii) is accumulated and communicated to our management, including the principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

Based on this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that DXC's disclosure controls and procedures were not effective as of March 31, 2020 because of the material weakness in our internal control over financial reporting as described below (and previously disclosed in our December 31, 2019 Form 10-Q), in Management's Report on Internal Control over Financial Reporting. Notwithstanding this material weakness described below, management has concluded that the Company's consolidated financial statements for the periods covered by and included in this Annual Report on Form 10-K are fairly stated in all material respects in accordance with GAAP for each of the periods presented herein.

Management’s Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting includes policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; (ii) provide reasonable assurance that transactions are recorded as necessary for preparation of our financial statements and receipts and expenditures are being made only in accordance with authorization of management and the directors of DXC; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements. All internal control, no matter how well designed, have inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

During the year DXC acquired Luxoft and excluded it from management's assessment of internal control over financial reporting. The consolidated financial statements of the Luxoft acquisition whose total assets and total revenues excluded from management’s assessment collectively represent 4% of total assets and revenues, respectively, as of and for the year ended March 31, 2020.

Management assessed the effectiveness of our internal control over financial reporting based on the criteria and framework established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was not effective as of March 31, 2020 because of the material weakness in our internal control over financial reporting described below.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that a reasonable possibility exists that a material misstatement of our annual or interim financial statement would not be prevented or detected on a timely basis.

Control Activities

As previously disclosed in Item 4 “Controls and Procedures” of our Form 10-Q for the period ended December 31, 2019, Management concluded there was a material weakness in internal controls over financial reporting related to the design and implementation of effective control activities based on the criteria established in the COSO framework. These control deficiencies constituted a material weakness in the aggregate related to reassessing policies and procedures, to determine their continued relevance, as impacted by complex transactions and processes.

Deficiencies that contributed to the aggregation included:

- Management did not reassess in a timely manner the control activities related to goodwill impairment upon adoption of ASU 2017-04 which resulted in an immaterial out of period adjustment between quarters within fiscal 2020 related to the tax effect of the impairment recognized.
- Management did not reassess the control and procedures related to the balance sheet classification of deferred revenue following a large and complex acquisition which resulted in an immaterial out of period adjustment to the balance sheets in the quarter ended December 31, 2019.

As a result, we have concluded that there is a reasonable possibility that a material misstatement to our financial statements would not be prevented or detected on a timely basis and therefore we concluded that the aggregation of these deficiencies represents a material weakness in our internal control over financial reporting as of March 31, 2020.

Remediation Plan

Our remediation efforts are ongoing. Management continues to implement remediation actions to address the specific control deficiencies that, in the aggregate, led to a material weakness. Additionally, Management has completed a detailed root cause analysis which was designed to identify areas of focus where enhancements can be made to the internal control environment to support the continued timely reassessment of policies and procedures and reduce the occurrence of future deficiencies caused by complex transactions and processes. Management has remediated certain of the identified control deficiencies that lead to the material weakness.

The following activities are designed as part of this remediation plan:

- Appointment of a new advisor reporting directly to our Chief Financial Officer with the appropriate level of knowledge and experience to help develop and execute the remediation plan.
- Enhance periodic reviews by management and review existing documentation to determine if policies, procedures, and related control activities have continued relevance or need updating due to changes within the organization with a specific focus on the areas identified by the root cause analysis.
- Align the SOX compliance function under the newly appointed Chief Risk Officer.
- Establish periodic reporting of the remediation plan progress to the Audit Committee.
- Expand SOX training and implementation of succession planning for SOX control owners.

Management continues to be actively engaged to take steps to remediate the material weakness noted above, including (1) appointment of an external advisor to lead the remediation activities (2) hiring a new Global SOX Director reporting to the Chief Risk Officer and (3) establishment of progress reporting to the Audit Committee. While we have made significant progress, there has not been sufficient time to resolve the material weakness in internal control over financial reporting.

As we continue to improve the effectiveness of our internal control over financial reporting, we may supplement our remediation activities as our work progresses where appropriate. Our goal is to have enhanced control policies, procedures, processes in place as promptly as practicable. However, due to the nature of the work and subsequent testing required to conclude that a material weakness no longer exists, we are not in a position to complete our remediation plan and concluded that our internal control over financial reporting is not designed or operating effectively as of March 31, 2020.

The effectiveness of DXC's internal control over financial reporting as of March 31, 2020 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing on page 147 of this Annual Report.

Changes in Internal Controls Over Financial Reporting

Our management has evaluated, with the participation of our Chief Executive Officer and Chief Financial Officer, changes in our internal controls over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the fourth quarter of 2020. As a result of the global COVID-19 pandemic, in March certain employees of the Company began working remotely. As a result of these changes to the working environment the Company has not identified any material changes in the Company's internal control over financial reporting. The Company is continually monitoring and assessing the COVID-19 situation to determine any potential impacts on the design and operating effectiveness of our internal controls over financial reporting. Other than the remediation efforts described above, which were ongoing during the last fiscal quarter ended March 31, 2020, there were no other changes in the Company's internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(f) and 15d-15(f) of the Exchange Act that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
DXC Technology Company
Tysons, Virginia

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of DXC Technology Company and subsidiaries (the “Company”) as of March 31, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, because of the effect of the material weakness identified below on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of March 31, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended March 31, 2020, of the Company and our report dated June 1, 2020, expressed an unqualified opinion on those financial statements.

As described in Management’s Report on Internal Control over Financial Reporting, management excluded from its assessment the internal control over financial reporting at Luxoft Holding, Inc. (“Luxoft”), which was acquired on June 14, 2019, and whose financial statements constitute 4% of total assets and revenues of the consolidated financial statement amounts as of and for the year ended March 31, 2020. Accordingly, our audit did not include the internal control over financial reporting at Luxoft.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Material Weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weakness has been identified and included in management's assessment:

The Company did not design and implement effective control activities based on the criteria established in the COSO framework. These control deficiencies constitute a material weakness in the aggregate related to reassessing policies and procedures, to determine their continued relevance, as impacted by complex transactions and processes.

Deficiencies that contributed to the aggregation included:

- Management did not reassess in a timely manner the control activities related to goodwill impairment upon adoption of ASU 2017-04 which resulted in an immaterial out of period adjustment between quarters within fiscal 2020 related to the tax effect of the impairment recognized.

- Management did not reassess the control and procedures related to the balance sheet classification of deferred revenue following a large and complex acquisition which resulted in an immaterial out of period adjustment to the balance sheets in the quarter ended December 31, 2019.

This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements as of and for the year ended March 31, 2020, of the Company, and this report does not affect our report on such financial statements.

/s/ DELOITTE & TOUCHE LLP

McLean, Virginia
June 1, 2020

ITEM 9B. OTHER INFORMATION

None.

PART III

Certain information required by Part III is omitted from this Annual Report on Form 10-K and is incorporated herein by reference to the definitive proxy statement with respect to our 2020 Annual Meeting of Stockholders (the "2020 Proxy Statement"), which we will file with the Securities and exchange Commission no later than 120 days after the end of the fiscal year covered by this Annual Report.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information relating to our executive officers appears in Part I, Item I of this Annual Report on Form 10-K under the heading "Information About Our Executive Officers."

Other information required by this item will appear under the headings "Proposal 1-Election of Directors", "Delinquent Section 16(a) Reports" (if applicable), “Corporate Governance”, and “Additional Information-Business for 2020 Annual Meeting" in our 2020 Proxy Statement, which will be filed with the SEC pursuant to Regulation 14A not later than 120 days after March 31, 2020, and such information is incorporated herein by reference.

We have a written Code of Business Conduct that applies to our Chief Executive Officer, Chief Financial Officer and our Principal Accounting Officer and every other officer and employee of DXC. Our Code of Business Conduct is available on our website, *www.dxc.technology,* under the heading Leadership and Governance. If any amendment to, or a waiver from, a provision of the Code Business Conduct is made, we intend to disclose such information on our website within four business days.

ITEM 11. EXECUTIVE COMPENSATION

Information required by this item will appear in our 2020 Proxy Statement under the headings "Executive Compensation" and "Corporate Governance" and are incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table gives information about our common stock that may be issued under our equity compensation plans as of March 31, 2020. See Note 16 - "Stock Incentive Plans" of the consolidated financial statements included herein for information regarding the material features of these plans.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	**Weighted-average exercise price of outstanding options, warrants and rights**	**Number of securities remaining available for future issuance under equity compensation plans excluding securities reflected in column (a)**
Plan Category	**(a)**	**(b)**	**(c)**
Equity compensation plans approved by security holders	6,158,906	9.08	19,610,518
Equity compensation plans not approved by security holders	—	—	—
Total	6,158,906	9.08	19,610,518

Other information required by this Item will appear in the 2020 Proxy Statement under the heading "Security Ownership," which section is incorporated by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by this item will appear in our 2020 Proxy Statement under the headings "Corporate Governance" and "Certain Relationships and Related Transactions" and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information required by this item will appear in our 2020 Proxy Statement under the heading "Proposal 2-Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending March 31, 2021-Fees" and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(1) Consolidated Financial Statements

The financial statements are included under Item 8 of this Annual Report. See the index on page 57.

(2) Exhibits

The following exhibits are filed herewith unless otherwise indicated.

Exhibit Number	Description of Exhibit
1.1	Underwriting Agreement, dated April 14, 2020, between DXC Technology Company and BofA Securities, Inc., Citigroup Global Markets Inc. and MUFG Securities Americas Inc., as representatives of the underwriters named therein (incorporated by reference to Exhibit 1.1 to DXC Technology Company's Current Report on Form 8-K (filed April 21, 2020) (file no. 001-38033))
2.1	Purchase Agreement, dated March 9, 2020, by and between Milano Acquisition Corp and DXC Technology Company (incorporated by reference to Exhibit 2.1 to DXC Technology Company's Current Report on Form 8-K (filed March 12, 2020) (file no. 001-38033))
2.2	Agreement and Plan of Merger, dated as of May 24, 2016, by and among Computer Sciences Corporation, Hewlett Packard Enterprise Company, Everett SpinCo, Inc. (now known as DXC Technology Company) and Everett Merger Sub, Inc. (incorporated by reference to Exhibit 2.1 to Hewlett Packard Enterprise Company's Current Report on Form 8-K (filed May 26, 2016) (file no. 001-37483))
2.3	First Amendment to Agreement and Plan of Merger, dated as of November 2, 2016, by and among Computer Sciences Corporation, Hewlett Packard Enterprise Company, Everett SpinCo, Inc. (now known as DXC Technology Company), New Everett Merger Sub Inc. and Everett Merger Sub Inc. (incorporated by reference to Exhibit 2.1 to Hewlett Packard Enterprise Company's Current Report on Form 8-K (filed November 2, 2016) (file no. 001-37483))
2.4	Second Amendment to Agreement and Plan of Merger, dated as of December 6, 2016, by and among Hewlett Packard Enterprise Company, Computer Sciences Corporation, Everett SpinCo, Inc. (now known as DXC Technology Company), Everett Merger Sub Inc. and New Everett Merger Sub Inc. (incorporated by reference to Exhibit 2.3 to Amendment No. 1 to Form 10 of Everett SpinCo, Inc. (filed December 7, 2016) (file no. 000-55712))
2.5	Separation and Distribution Agreement, dated May 24, 2016, between Hewlett Packard Enterprise Company and Everett SpinCo, Inc. (now known as DXC Technology Company) (incorporated by reference to Exhibit 2.2 to Hewlett Packard Enterprise Company's Current Report on Form 8-K (filed May 26, 2016) (file no. 001-37483))
2.6	First Amendment to the Separation and Distribution Agreement, dated November 2, 2016, by and between Hewlett Packard Enterprise Company and Everett SpinCo, Inc. (now known as DXC Technology Company) (incorporated by reference to Exhibit 2.2 to Hewlett Packard Enterprise Company's Current Report on Form 8-K (filed November 2, 2016) (file no. 001-37483))
2.7	Second Amendment to the Separation and Distribution Agreement, dated December 6, 2016, by and between Hewlett Packard Enterprise Company and Everett SpinCo, Inc. (now known as DXC Technology Company)(incorporated by reference to Exhibit 2.6 to Everett SpinCo, Inc.'s Amendment No. 1 to Form 10 (filed December 7, 2016) (file no. 000-55712))
2.8	Third Amendment to the Separation and Distribution Agreement, dated January 27, 2017, by and between Hewlett Packard Enterprise Company and Everett SpinCo, Inc. (now known as DXC Technology Company) (incorporated by reference to Exhibit 2.7 to Everett SpinCo Inc.'s Form 10 (filed February 14, 2017) (file no. 000-55712))

2.9	Fourth Amendment to the Separation and Distribution Agreement, dated March 31, 2017, by and between Hewlett Packard Enterprise Company and Everett SpinCo, Inc. (now known as DXC Technology Company) (incorporated by reference to Exhibit 2.6 to DXC Technology Company's Current Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
2.10	Employee Matters Agreement, dated as of March 31, 2017, by and among the Computer Sciences Corporation, Hewlett Packard Enterprise Company and Everett SpinCo, Inc. (now known as DXC Technology Company) (incorporated by reference to Exhibit 2.1 to DXC Technology Company's Current Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
2.11	Tax Matters Agreement, dated as of March 31, 2017, by and among the Computer Sciences Corporation, Hewlett Packard Enterprise Company and Everett SpinCo, Inc. (now known as DXC Technology Company) (incorporated by reference to Exhibit 2.2 to DXC Technology Company's Current Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
2.12	Intellectual Property Matters Agreement, dated as of March 31, 2017, by and among Hewlett Packard Enterprise Company, Hewlett Packard Enterprise Development LP and Everett SpinCo, Inc. (now known as DXC Technology Company) (incorporated by reference to Exhibit 2.3 to DXC Technology Company's Current Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
2.13	Transition Services Agreement, dated as of March 31, 2017, by and between Hewlett Packard Enterprise Company and Everett SpinCo, Inc. (now known as DXC Technology Company) (incorporated by reference to Exhibit 2.4 to DXC Technology Company's Current Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
2.14	Real Estate Matters Agreement, dated as of March 31, 2017, by and between Hewlett Packard Enterprise Company and Everett SpinCo, Inc. (now known as DXC Technology Company) (incorporated by reference to Exhibit 2.5 to DXC Technology Company's Current Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
2.15	Agreement and Plan of Merger, dated as of October 11, 2017 by and among DXC Technology Company, Ultra SCInc., Ultra First VMS Inc., Ultra Second VMS LLC, Ultra KMS Inc., Vencore Holding Corp., KGS Holding Corp.,The SI Organization Holdings LLC and KGS Holding LLC (incorporated by reference to Exhibit 2.1 to DXC Technology Company's Current Report on Form 8-K (filed October 13, 2017) (file no. 001-38033))
2.16	Separation and Distribution Agreement dated as of May 31, 2018, by and between DXC Technology Company and Perspecta Inc. (incorporated by reference to Exhibit 2.1 to DXC Technology Company's Current Report on Form 8-K (filed June 6, 2018) (file no. 001-38033))
2.17	Employee Matters Agreement dated as of May 31, 2018, by and between DXC Technology Company and Perspecta Inc. (incorporated by reference to Exhibit 2.2 to DXC Technology Company's Current Report on Form 8-K (filed June 6, 2018) (file no. 001-38033))
2.18	Tax Matters Agreement dated as of May 31, 2018, by and between DXC Technology Company and Perspecta Inc. (incorporated by reference to Exhibit 2.3 to DXC Technology Company's Current Report on Form 8-K (filed June 6, 2018) (file no. 001-38033))
2.19	Intellectual Property Matters Agreement dated as of May 31, 2018, by and between DXC Technology Company and Perspecta Inc. (incorporated by reference to Exhibit 2.4 to DXC Technology Company's Current Report on Form 8-K (filed June 6, 2018) (file no. 001-38033))
2.20	Transition Services Agreement dated as of May 31, 2018, by and between DXC Technology Company and Perspecta Inc. (incorporated by reference to Exhibit 2.5 to DXC Technology Company's Current Report on Form 8-K (filed June 6, 2018) (file no. 001-38033))
2.21	Real Estate Matters Agreement dated as of May 31, 2018, by and between DXC Technology Company and Perspecta Inc. (incorporated by reference to Exhibit 2.6 to DXC Technology Company's Current Report on Form 8-K (filed June 6, 2018) (file no. 001-38033))
2.22	Non-U.S. Agency Agreement dated as of May 31, 2018, by and between DXC Technology Company and Perspecta Inc. (incorporated by reference to Exhibit 2.7 to DXC Technology Company's Current Report on Form 8-K (filed June 6, 2018) (file no. 001-38033))
2.23	Merger Agreement, dated January 6, 2019, by and among DXC Technology Company, Luna Equities, Inc. and Luxoft Holding, Inc (incorporated by reference to Exhibit 99.1 to Luxoft Holding, Inc's Report of Foreign Private Issuer on Form 6-K (filed January 7, 2019) (file no. 001-35976))
3.1	Articles of Incorporation of DXC Technology Company, as filed with the Secretary of State of the State of Nevada on March 31, 2017 (incorporated by reference to Exhibit 3.3 to DXC Technology Company's Current Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
3.2	Amended and Restated Bylaws of DXC Technology Company, effective March 15, 2018 (incorporated by reference to Exhibit 3.1 to DXC Technology Company's Current Report on Form 8-K (filed March 15, 2018) (file no. 001-38033))
4.1	Base Indenture, dated as of March 27, 2017, between Everett SpinCo, Inc. (now known as DXC Technology Company) and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to DXC Technology Company's Form 8-K (filed March 27, 2017) (file no. 001-38033))
4.2	First Supplemental Indenture, dated as of March 27, 2017, between Everett SpinCo, Inc. (now known as DXC Technology Company) and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.2 to DXC Technology Company's Form 8-K (filed March 27, 2017) (file no. 001-38033))
4.3	Second Supplemental Indenture, dated as of August 9, 2017, between DXC Technology Company and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to DXC Technology Company's Form 8-K (filed August 9, 2017) (file no. 001-38033))

4.4	Third Supplemental Indenture, dated as of August 9, 2017, between DXC Technology Company and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.2 to DXC Technology Company's Form 8-K (filed August 9, 2017) (file no. 001-38033))
4.5	Fifth Supplemental Indenture, dated February 7, 2018, between DXC technology Company and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.5 to DXC Technology Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2017 (filed February 9, 2018) (file no. 001-38033))
4.6	Sixth Supplemental Indenture, dated March 15, 2018, among DXC Technology Company, U.S. Bank National Association, as trustee, and Elavon Financial Services DAC, UK Branch, as paying agent (incorporated by reference to Exhibit 4.1 to DXC Technology Company's Form 8-K (filed March 15, 2018) (file no. 001-38033))
4.7	Seventh Supplemental Indenture, dated September 26, 2018, among DXC Technology Company, U.S. Bank National Association, as trustee, and Elavon Financial Services DAC, UK Branch, as paying agent (incorporated by reference to Exhibit 4.1 to DXC Technology Company's Current Report on Form 8-K (filed September 26, 2018) (file no. 001-38033))
4.8	Eighth Supplemental Indenture, dated April 21, 2020, between DXC Technology Company and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to DXC Technology Company's Current Report on Form 8-K (filed April 21, 2020) (file no. 001-38033))
4.9	Form of DXC Technology Company's 4.750% Senior Notes due 2027 (included in Exhibit 4.2) (incorporated by reference to Exhibit 4.2 to DXC Technology Company's Form 8-K (filed March 27, 2017) (file no. 001-38033))
4.10	Form of DXC Technology Company's 2.875% Senior Notes due 2020 (included in Exhibit 4.4) (incorporated by reference to Exhibit 4.2 to DXC Technology Company's Form 8-K (filed August 9, 2017) (file no. 001-38033))
4.11	Form of DXC Technology Company's 4.45% Senior Notes due 2022 (included in Exhibit 4.3) (incorporated by reference to Exhibit 4.1 to DXC Technology Company's Form 8-K (filed August 9, 2017) (file no. 001-38033))
4.12	Form of DXC Technology Company's 4.250% Senior Notes due 2024 (included in Exhibit 4.4) (incorporated by reference to Exhibit 4.2 to DXC Technology Company's Form 8-K (filed August 9, 2017) (file no. 001-38033))
4.13	Form of DXC Technology Company's 4.750% Senior Notes due 2027 (included in Exhibit 4.4) (incorporated by reference to Exhibit 4.2 to DXC Technology Company's Form 8-K (filed August 9, 2017) (file no. 001-38033))
4.14	Form of DXC Technology Company's 7.45% Senior Notes due 2029 (included in Exhibit 4.5) (incorporate by reference to Exhibit 4.5 to DXC Technology Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2017 (filed February 9, 2018) (file no. 001-38033))
4.15	Form of DXC Technology Company's 2.750% Senior Notes due 2025 (included in Exhibit 4.6) (incorporated by reference to Exhibit 4.1 to DXC Technology's Form 8-K filed March 15, 2018) (file no. 001-38033))
4.16	Form of DXC Technology Company's 1.750% Senior Notes due 2026 (included in Exhibit 4.7) (incorporated by reference to Exhibit 4.1 to DXC Technology Company's Current Report on Form 8-K (filed September 26, 2018) (file no. 001-38033))
4.17	Form of DXC Technology Company's 4.000% Senior Notes due 2023 (included in Exhibit 4.8) (included in Exhibit 4.8) (incorporated by reference to Exhibit 4.1 to DXC Technology Company's Current Report on Form 8-K (filed April 21, 2020) (file no. 001-38033))
4.18	Form of DXC Technology Company's 4.125% Senior Notes due 2025 (included in Exhibit 4.8) (included in Exhibit 4.8) (incorporated by reference to Exhibit 4.1 to DXC Technology Company's Current Report on Form 8-K (filed April 21, 2020) (file no. 001-38033))
4.19	Indenture dated as of September 18, 2012, between Computer Sciences Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.1 to Computer Sciences Corporation's Current Report on Form 8-K (filed September 19, 2012) (file no. 001-04850))
4.20	First Supplemental Indenture dated as of September 18, 2012, between Computer Sciences Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 4.2 to Computer Sciences Corporation's Current Report on Form 8-K (filed September 19, 2012) (file no. 001-04850))
4.21	Form of Computer Sciences Corporation's 4.450% Senior Notes due 2022 (included in Exhibit 4.20) (incorporated by reference to Exhibit 4.2 to Computer Sciences Corporation's Current Report on Form 8-K (filed September 19, 2012) (file no. 001-04850))
4.22	Description of Securities (incorporated by reference to Exhibit 4.21 to DXC Technology Company's Annual Report on Form 10-K (filed June 13, 2019) (file no. 001-38033))
10.1	Credit Agreement, dated as of October 11, 2013, among Computer Sciences Corporation, the financial institutions listed therein and Citibank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to Computer Sciences Corporation's Current Report on Form 8-K (filed October 17, 2013) (file number 001-04850))
10.2	Amendment No. 1 dated as of April 21, 2016 to the Credit Agreement dated October 11, 2013, among Computer Sciences Corporation, the financial institutions listed therein and Citibank, N.A. as administrative agent (incorporated by reference to Exhibit 10.1 to Computer Sciences Corporation's Quarterly Report on Form 10-Q for the fiscal quarter ended July 1, 2016 (filed August 9, 2016) (file no. 001-04850))
10.3	Amendment No. 2 dated as of June 21, 2016 to the Credit Agreement dated October 11, 2013, among Computer Sciences Corporation, the financial institutions listed therein and Citibank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to Computer Sciences Corporation's Current Report on Form 8-K (filed June 21, 2016) (file no. 001-04850))

10.4	Waiver and Amendment No. 3 dated as of February 17, 2017 to the Amended and Restated Credit Agreement dated October 11, 2013, among the Company, the financial institutions listed therein, and Citibank, N.A., as Agent (incorporated by reference to Exhibit 10.54 to Computer Sciences Corporation's Annual Report on Form 10-K for the year ended March 31, 2017 (filed May 26, 2017) (file no. 001-04850))
10.5	Amendment No. 4 dated as of October 11, 2018 to the Amended and Restated Credit Agreement dated October 11, 2013, among DXC Technology Company, the financial institutions listed therein, and Citibank, N.A., as Agent (incorporated by reference to Exhibit 10.9 to DXC Technology Company's Quarterly Report on Form 10-Q (filed November 8, 2018) (file no. 001-38033))
10.6	Amendment No. 5 and Extension Agreement dated October 11, 2019 to the Amended and Restated Credit Agreement dated October 11, 2013, among DXC Technology Company, the financial institutions listed therein, and Citibank, N.A., as Agent (filed herewith)
10.7	Amendment No. 6 dated May 15, 2020 to the Amended and Restated Credit Agreement dated October 11, 2013, among DXC Technology Company, the financial institutions listed therein, and Citibank, N.A., as Agent (filed herewith)
10.8	Incremental Assumption Agreement, dated as of June 15, 2016, by and among Computer Sciences Corporation, the incremental lenders party thereto and Citibank, N.A. as administrative agent (incorporated by reference to Exhibit 10.3 to Computer Sciences Corporation's Quarterly Report on Form 10-Q for the fiscal quarter ended July 1, 2016 (filed August 9, 2016) (file no. 001-04850))
10.9	Second Incremental Assumption Agreement, dated as of July 25, 2016, by and among Computer Sciences Corporation, the incremental lenders party thereto and Citibank, N.A. as Administrative Agent (incorporated by reference to Exhibit 10.5 to DXC Technology Company's Annual Report on Form 10-K (filed May 29, 2018) (file no. 001-38033))
10.10	Third Incremental Assumption Agreement, dated as of December 30, 2016, by and among Computer Sciences Corporation, the incremental lenders party thereto and Citibank, N.A. as Administrative Agent (incorporated by reference to Exhibit 10.6 to DXC Technology Company's Annual Report on Form 10-K (filed May 29, 2018) (file no. 001-38033))
10.11	Fourth Incremental Assumption Agreement, dated as of April 3, 2017, by and among DXC Technology Company, the incremental lenders party thereto and Citibank, N.A. as administrative agent (incorporated by reference to Exhibit 10.8 to DXC Technology Company's Annual Report on Form 10-K (filed May 29, 2018) (file no. 001-38033))
10.12	Fifth Incremental Assumption Agreement, dated as of September 27, 2017, by and among DXC Technology Company, the incremental lenders party thereto and Citibank, N.A. as administrative agent (incorporated by reference to Exhibit 10.6 to DXC Technology Company's Annual Report on Form 10-K (filed May 29, 2018) (file no. 001-38033))
10.13	Sixth Incremental Assumption Agreement dated September 26, 2018, by and among the DXC Technology Company and the incremental lenders party thereto and consented to, with respect to the New Lender (as defined therein) only, by the Swing Line Banks (as defined in the Revolving Credit Agreement) party thereto and consented to, with respect to the New Lender only, and accepted by Citibank, as administrative agent (incorporated by reference to Exhibit 10.4 to DXC Technology Company's Current Report on Form 8-K (filed September 27, 2018) (file no. 001-38033))
10.14	Term Loan Credit Agreement dated as of March 15, 2019 among DXC Technology Company, as borrower, the lenders from time to time party thereto, as Lenders, and Bank of America, N.A., as the administrative agent (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Current Report on Form 8-K (filed March 20, 2019) (file no. 001-38033))
10.15	Amendment No. 1 and Extension Agreement dates May 15, 2020 to the Term Loan Credit Agreement dated as of March 15, 2019 among DXC Technology Company, as borrower, the lenders from time to time party thereto, as Lenders, and Bank of America, N.A., as the administrative agent (filed herewith)
10.16	Credit Agreement dated as of October 12, 2018, among CSC Computer Sciences International Operations Limited (now known as DXC UK International Operations Limited), as borrower, DXC Technology Company, as guarantor, the lenders from time to time party thereto, as Lenders, and Lloyds Bank PLC, as the administrative agent (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Current Report on Form 8-K (filed October 16, 2018) (file no. 001-38033))
10.17	Amendment No. 1 dated May 15, 2020 to the Credit Agreement dated as of October 12, 2018, among DXC UK International Operations Limited (formerly known as CSC Computer Sciences International Operations Limited), as borrower, DXC Technology Company, as guarantor, the lenders from time to time party thereto, as Lenders, and Lloyds Bank PLC, as the administrative agent (filed herewith).
10.18	Syndicated Facility Agreement, dated as of November 27, 2018, by and among DXC Technology Australia Pty Limited, as initial borrower, the other borrowers from time to time party thereto, DXC Technology Company, as guarantor, the other guarantors from time to time party thereto, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Current Report on Form 8-K (filed November 30, 2018) (file no. 001-38033))
10.19	Amendment Deed No. 1 dated as of December 5, 2018 to the Syndicated Facility Agreement dated November 27, 2018, by and among DXC Technology Australia Pty Limited, as borrower, DXC Technology Company, as guarantor, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent (incorporated by reference to Exhibit 10.4 to DXC Technology Company's Quarterly Report on Form 10-Q (filed February 8, 2019) (file no. 001-38033))
10.20	Amendment Deed No. 2 dated as of January 8, 2019 to the Syndicated Facility Agreement dated November 27, 2018, by and among DXC Technology Australia Pty Limited, as borrower, DXC Technology Company, as guarantor, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent (incorporated by reference to Exhibit 10.5 to DXC Technology Company's Quarterly Report on Form 10-Q (filed February 8, 2019) (file no. 001-38033))

10.21	Amendment Deed No. 3 dated as of May 18, 2020 to the Syndicated Facility Agreement dated November 27, 2018, by and among DXC Technology Australia Pty Limited, as borrower, DXC Technology Company, as guarantor, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent (filed herewith)
10.22	Dealer Agreement, dated July 24, 2015, by and between CSC Capital Funding Limited, as issuer, Computer Sciences Corporation, as guarantor, Citibank International Limited, as arranger, and the financial institutions listed therein, as dealers (incorporated by reference to Exhibit 99.1 to Computer Sciences Corporation's Current Report on Form 8-K (filed July 28, 2015) (file no.001-04850))
10.23	Amendment No. 1 dated April 3, 2017, to the Dealer Agreement, dated July 24, 2015, by and between DXC Capital Funding Limited, as Issuer, DXC Technology Company, as Guarantor, Citibank Europe PLC, UK Branch, as Arranger, and the financial institutions listed therein, as Dealers (incorporated by reference to Exhibit 10.23 to DXC Technology Company's Annual Report on Form 10-K (filed May 29, 2018) (file no. 001-38033))
10.24	Purchase and Sale Agreement dated as of December 21, 2016, among Computer Sciences Corporation, as Contributing Originator and Servicer, Alliance-One Services, Inc., CSC Agility Platform, Inc., CSC Consulting, Inc., CSC Cybertek Corporation, Mynd Corporation and PDA Software Services LLC, as Originators, and CSC Receivables LLC, as Buyer (incorporated by reference to Exhibit 10.1 to Computer Sciences Corporation 's Current Report on Form 8-K (filed December 23, 2016) (file no. 001-04850))
10.25	First Amendment to the Purchase and Sale Agreement dated as of August 22, 2018, among Computer Sciences Corporation, as Contributing Originator and Servicer, Alliance-One Services, Inc., CSC Agility Platform, Inc., CSC Consulting, Inc., CSC Cybertek Corporation, Mynd Corporation, DXC Technology Services LLC and PDA Software Services LLC, as Originators, and CSC Receivables LLC, as Buyer (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Current Report on Form 8-K (filed August 27, 2018) (file no. 001-38033))
10.26	Second Amendment to the Purchase and Sale Agreement dated as of September 24, 2018, among Computer Sciences Corporation, as Exiting Originator and Exiting Servicer, Alliance-One Services, Inc., CSC Agility Platform, Inc., CSC Consulting, Inc., CSC Cybertek Corporation, Mynd Corporation and PDA Software Services LLC, as Exiting Originators, DXC Technology Services LLC, as Originator, DXC Technology Company, as Servicer, and DXC Receivables LLC (f/k/a CSC Receivables LLC), as Buyer (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Current Report on Form 8-K (filed September 27, 2018) (file no. 001-38033))
10.27	Third Amendment to the Purchase and Sale Agreement dated as of August 21, 2019, among DXC Technology Company, as Servicer, DXC Technology Services LLC, as Existing Originator, Alliance-One Services, Inc., Computer Sciences Corporation, CSC Consulting, Inc., CSC Cybertek Corporation, Mynd Corporation, and PDA Software Services LLC, as New Originators, and DXC Receivables LLC (f/k/a CSC Receivables LLC), as Buyer (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Quarterly Report on Form 10-Q (filed November 12, 2019) (file no. 001-38033))
10.28	Fourth Amendment to the Purchase and Sale Agreement dated as of November 22, 2019, among DXC Technology Company, as Servicer, DXC Technology Services LLC, Alliance-One Services, Inc., Computer Sciences Corporation, CSC Consulting, Inc., CSC Cybertek Corporation, Mynd Corporation, and PDA Software Services LLC, as Existing Originators; CSC Puerto Rico LLC, CSC Covansys Corporation and Tribridge Holdings, LLC, as New Originators; and DXC Receivables LLC (f/k/a CSC Receivables LLC), as Buyer (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Quarterly Report on Form 10-Q (filed February 7, 2020) (file no. 001-38033))
10.29	Receivables Purchase Agreement dated as of December 21, 2016, among Computer Sciences Corporation, as Servicer, CSC Receivables LLC, as Seller, the persons from time to time party thereto as Purchasers and group agents, PNC Bank, National Association, as Administrative Agent and PNC Capital Markets LLC, as Structuring Agent (incorporated by reference to Exhibit 10.2 to Computer Sciences Corporation's Current Report on Form 8-K (filed December 23, 2016) (file no. 001-04850))
10.30	Third Amendment to the Receivables Purchase Agreement dated as of August 22, 2018, among Computer Sciences Corporation, as Servicer, CSC Receivables LLC, as seller, the persons from time to time party thereto as Purchasers and group agents, and PNC Bank, National Association, as Administrative Agent. (incorporated by reference to Exhibit 10.2 to DXC Technology Company's Current Report on Form 8-K (filed August 27, 2018) (file no. 001-38033))
10.31	Fourth Amendment to the Receivables Purchase Agreement dated as of September 24, 2018, among Computer Sciences Corporation, as Exiting Servicer, DXC Receivables LLC (f/k/a CSC Receivables LLC), as seller, DXC Technology Company, as Servicer, the persons from time to time party thereto as Purchasers and group agents, and PNC Bank, National Association, as Administrative Agent (incorporated by reference to Exhibit 10.2 to DXC Technology Company's Current Report on Form 8-K (filed September 27, 2018) (file no. 001-38033))
10.32	Sixth Amendment to the Receivables Purchase Agreement dated as of August 21, 2019, among DXC Receivables LLC (f/k/a CSC Receivables LLC), as Seller, DXC Technology Company, as Servicer, PNC Bank, National Association, as Administrative Agent, and the persons from time to time party thereto as Purchasers and Group Agents (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Quarterly Report on Form 10-Q (filed November 12, 2019) (file no. 001-38033))
10.33	Seventh Amendment to the Receivables Purchase Agreement dated as of November 22, 2019, among DXC Receivables LLC (f/k/a CSC Receivables LLC), as Seller, DXC Technology Company, as Servicer, PNC Bank, National Association, as Administrative Agent, and the persons from time to time party thereto as Purchasers and Group Agents (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Quarterly Report on Form 10-Q (filed February 7, 2020) (file no. 001-38033))
10.34	Eighth Amendment to the Receivables Purchase Agreement dated as of February 18, 2020, among DXC Receivables LLC (f/k/a CSC Receivables LLC), as Seller, DXC Technology Company, as Servicer, PNC Bank, National Association, as Administrative Agent, and the persons from time to time party thereto as Purchasers and Group Agents (filed herewith)

10.35	Amended and Restated Performance Guaranty dated as of September 24, 2018, made by DXC Technology Company as Performance Guarantor in favor of PNC Bank, National Association, as Administrative Agent, for the benefit of the Secured Parties (incorporated by reference to Exhibit 10.3 to DXC Technology Company's Current Report on Form 8-K (filed September 27, 2018) (file no. 001-38033))
10.36	Second Amended and Restated Performance Guaranty dated as of August 21, 2019, made by DXC Technology Company, as Performance Guarantor, in favor of PNC Bank, National Association, as Administrative Agent, for the benefit of the Purchasers (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Quarterly Report on Form 10-Q (filed November 12, 2019) (file no. 001-38033))
10.37	Third Amended and Restated Performance Guaranty dated as of November 22, 2019, made by DXC Technology Company, as Performance Guarantor, in favor of PNC Bank, National Association, as Administrative Agent, for the benefit of the Purchasers (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Quarterly Report on Form 10-Q (filed February 7, 2020) (file no. 001-38033))
10.38	Fourth Amended and Restated Performance Guaranty dated as of February 18, 2020, made by DXC Technology Company, as Performance Guarantor, in favor of PNC Bank, National Association, as Administrative Agent, for the benefit of the Purchasers (filed herewith)
10.39*	DXC Technology Company 2017 Omnibus Incentive Plan (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-8 (filed March 31, 2017) (file no.333-217053))
10.40*	DXC Technology Company 2017 Non-Employee Director Compensation Plan (incorporated by reference to Exhibit 4.4 to the Company's Registration Statement on Form S-8 (filed March 31, 2017) (file no. 333-217053))
10.41*	DXC Technology Company 2017 Share Purchase Plan (incorporated by reference to Exhibit 4.6 to the Company's Registration Statement on Form S-8 (filed March 31, 2017) (file no. 333-217053))
10.42*	DXC Technology Company Deferred Compensation Plan (incorporated by reference to Exhibit 4.4 to the Company's Registration Statement on Form S-8 (filed March 31, 2017) (file no. 333-217054))
10.43*	Amendment to DXC Technology Company Deferred Compensation Plan (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2017 (filed November 8, 2017) (file no. 001-38033))
10.44*	Form of Stock Option Award under the DXC Technology Company 2017 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.4 to the Company's Periodic Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
10.45*	Form of Performance Based Restricted Stock Unit Award under the DXC Technology Company 2017 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Periodic Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
10.46*	Form of Service Based Restricted Stock Unit Award under the DXC Technology Company 2017 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.6 to the Company's Periodic Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
10.47*	Form of Restricted Stock Unit Agreement under the DXC Technology Company 2017 Non-Employee Director Incentive Plan (incorporated by reference to Exhibit 10.7 to the Company's Periodic Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
10.48*	DXC Technology Company Severance Plan for Senior Management and Key Employees (incorporated by reference to Exhibit 10.11 to the Company's Periodic Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
10.49*	Amendment to the DXC Technology Corporation Severance Plan for Senior Management and Key Employees (incorporated by reference to Exhibit 10.2 to DXC Technology Company's Quarterly Report on Form 10-Q (filed November 8, 2018) (file no. 001-38033))
10.50*	Form of Director Indemnification Agreement (incorporated by reference to Exhibit 10.16 to the Company's Periodic Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
10.51*	Form of Career Share Restricted Stock Unit Award under the DXC Technology Company 2017 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.45 to DXC Technology Company's Annual Report on Form 10-K (filed May 29, 2018) (file no. 001-38033))
10.52*	Employment Agreement with Michael J. Salvino (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Current Report on Form 8-K (filed September 12, 2019) (file no. 001-38033))
10.53*	Retention Agreement with Paul N. Saleh (incorporated by reference to Exhibit 10.6 to DXC Technology Company's Quarterly Report on Form 10-Q (filed November 12, 2019) (file no. 001-38033))
10.54*	Employment Agreement with J. Michael Lawrie dated February 7, 2012 (incorporated by reference to Exhibit 10.1 to Computer Sciences Corporation's Form 8-K (filed February 8, 2012) (file no. 001-4850))
10.55*	Amendment to Employment Agreement, effective as of March 27, 2017 (incorporated by reference to Exhibit 10.1 to Computer Sciences Corporation's Form 8-K (filed March 28, 2017) (file no. 001-4850))
10.56*	Amendment to Employment Agreement with J. Michael Lawrie dated April 3, 2017 (incorporated by reference to Exhibit 10.12 to the Company's Periodic Report on Form 8-K (filed April 6, 2017) (file no. 001-38033))
10.57*	Amendment to the CEO Employment Agreement dated August 15, 2018, between J. Michael Lawrie and the Company (incorporated by reference to Exhibit 10.1 to DXC Technology Company's Current Report on Form 8-K (filed August 20, 2018) (file no. 001-38033))

10.58*	Addendum to Employment Agreement with J. Michael Lawrie (incorporated by reference to Exhibit 10.2 to DXC Technology Company's Current Report on Form 8-K (filed September 12, 2019) (file no. 001-38033))
21	Significant Active Subsidiaries and Affiliates of the Registrant (filed herewith)
23	Consent of Independent Registered Public Accounting Firm
31.1	Section 302 Certification of the Chief Executive Officer
31.2	Section 302 Certification of the Chief Financial Officer
32.1	Section 906 Certification of Chief Executive Officer
32.2	Section 906 Certification of Chief Financial Officer
101.INS	XBRL Instance
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation
101.LAB	XBRL Taxonomy Extension Labels
101.PRE	XBRL Taxonomy Extension Presentation
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)
	*Management contract or compensatory plan or agreement

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DXC TECHNOLOGY COMPANY

Dated: June 1, 2020	By:	/s/ Paul N. Saleh
	Name:	**Paul N. Saleh**
	Title:	**Executive Vice President and Chief Financial Officer**

Pursuant to the requirements of the Securities and Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Michael J. Salvino **Michael J. Salvino**	President and Chief Executive Officer (Principal Executive Officer)	June 1, 2020
/s/ Paul N. Saleh **Paul N. Saleh**	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	June 1, 2020
/s/ Neil A. Manna **Neil A. Manna**	Senior Vice President and Corporate Controller (Principal Accounting Officer)	June 1, 2020
/s/ Ian C. Read **Ian C. Read**	Chairman	June 1, 2020
/s/ Mukesh Aghi **Mukesh Aghi**	Director	June 1, 2020
/s/ Amy E. Alving **Amy E. Alving**	Director	June 1, 2020
/s/ David L. Herzog **David L. Herzog**	Director	June 1, 2020
/s/ Mary Louise Krakauer **Mary Louise Krakauer**	Director	June 1, 2020

/s/ Sachin Lawande **Sachin Lawande**	Director	June 1, 2020
/s/ Julio A. Portalatin **Julio A. Portalatin**	Director	June 1, 2020
/s/ Peter Rutland **Peter Rutland**	Director	June 1, 2020
/s/ Manoj P. Singh **Manoj P. Singh**	Director	June 1, 2020
/s/ Robert F. Woods **Robert F. Woods**	Director	June 1, 2020

Exhibit 10.6

AMENDMENT NO. 5 AND EXTENSION AGREEMENT TO THE AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of October 11, 2019

AMENDMENT NO. 5 AND EXTENSION AGREEMENT TO THE AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") among DXC Technology Company, a Nevada corporation (formerly known as Everett SpinCo, Inc. and as successor to Computer Sciences Corporation) ("DXC"), the Lenders (as defined below) party hereto and Citibank, N.A., as administrative agent (the "Agent") for the Lenders.

PRELIMINARY STATEMENTS:

(1) DXC, the Designated Subsidiaries from time to time party thereto, the lenders from time to time party thereto (the "Lenders"), the Agent, the Swing Line Sub Agent and the Tranche B Sub Agent are parties to an Amended and Restated Credit Agreement dated as of October 11, 2013 (as amended, supplemented or otherwise modified through the date hereof, the "Credit Agreement"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) Pursuant to Section 9.01, the parties hereto desire to amend the Credit Agreement as set forth in Section 1 below (the "Amendment").

(2) Pursuant to Section 2.16, the parties hereto desire to extend the Commitment Termination Date for one (1) year from January 15, 2024 to January 15, 2025 as set forth in Section 2 below (the "Extension").

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Certain Amendments to Credit Agreement.Each of the parties hereto agrees that, effective on the Amendment Effective Date (as defined below), the Credit Agreement shall be amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in Annex I hereto.

SECTION 2. Extension of Commitment Termination Date.

(a) Each Lender party hereto as an "Extending Lender" (as identified on its signature page; each, an "Extending Lender") hereby agrees that, effective as of the Extension Effective Date (as defined below), the Commitment Termination Date with respect to such Extending Lender's Commitments shall be extended for one (1) year from January 15, 2024 to January 15, 2025.

(b) Upon and immediately after giving effect to the Extension, the definition of "Commitment Termination Date" in Section 1.01 of the Credit Agreement shall be amended in full to read as follows:

> "Commitment Termination Date" means, with respect to any Lender (other than as indicated on Schedule I hereto), January 15, 2025, or such later date as may be extended from time to time pursuant to Section 2.16 (or if any such date is not a Business Day, the next preceding Business Day) with the consent of such Lender.

SECTION 3. Conditions to Effectiveness.

(a) The Amendment shall become effective on the first date (the "Amendment Effective Date") on which the Agent shall have received counterparts hereof executed by DXC and the Majority Lenders or, as to any Lender, evidence satisfactory to the Agent that such Lender has executed this Amendment.

(b) The Extension shall become effective on the first date (the "Extension Effective Date") on which the Agent shall have received counterparts hereof executed by DXC and each Extending Lender that together comprise the Majority Lenders or, as to any Extending Lender, evidence satisfactory to the Agent that such Extending Lender has executed this Amendment.

SECTION 4. Reference to and Effect on the Credit Agreement and the Other Loan Documents.(a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in any other Loan Document to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(a) The Credit Agreement and the other Loan Documents, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(b) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement.

(d) This Amendment is subject to the provisions of Section 9.01 of the Credit Agreement and constitutes a Loan Document.

SECTION 5. Costs and Expenses.DXC agrees to pay promptly on demand all reasonable costs and out-of-pocket expenses of the Agent (in its capacity as such) in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment (including, without limitation, the reasonable fees and out-of-pocket expenses of a single counsel for the Agent with respect thereto and with respect to advising the Agent as to its rights and responsibilities hereunder) in accordance with the terms of Section 9.04 of the Credit Agreement.

SECTION 6. Execution in Counterparts.This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 7. Governing Law.This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

DXC TECHNOLOGY COMPANY, a Nevada corporation

By /s/ Ceyhun Cetin
Name: Ceyhun Cetin
Title: Vice President and Treasurer

CITIBANK, N.A.,
as Agent, a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Susan Olsen
Name: Susan Olsen
Title: Vice President

BANK OF AMERICA, N.A.,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Arti Dighe
Name: Arti Dighe
Title: Vice President

MUFG BANK, LTD. (formerly known as The Bank of Tokyo-Mitsubishi UFJ, Ltd**.),**
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Lillian Kim
Name: Lillian Kim
Title: Director

JPMORGAN CHASE BANK, N.A.,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Peter Thauer
Name: Peter Thauer

Title: Managing Director

BARCLAYS BANK PLC,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Martin Corrigan
Name: Martin Corrigan
Title: Vice President

ROYAL BANK OF CANADA,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Theodore Brown
Name: Theodore Brown
Title: Authorized Signatory

SUMITOMO MITSUI BANKING CORPORATION,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Michael Maguire
Name: Michael Maguire
Title: Executive Director

THE BANK OF NOVA SCOTIA,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Jason Rinne
Name: Jason Rinne
Title: Director

THE ROYAL BANK OF SCOTLAND PLC,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ L. Simpson
Name: L. Simpson
Title: Portfolio Manager

WELLS FARGO BANK, N.A.,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Karen H/ McClain
Name: Karen H. MacClain
Title: Managing Director

COMMERZBANK AG, NEW YORK BRANCH,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Neil Kiernan
Name: Neil Kiernan
Title: Director

By /s/ Robert P. Sullivan ______________________
Name: Robert P. Sullivan
Title: Vice President

DANSKE BANK A/S,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Merete Ryvald-Christensen ______________
Name: Merete Ryvald-Christensen
Title: Chief Loan Manager

By /s/ Corinne Akstrup ________________________
Name: Corinne Akstrup
Title: Senior Loan Manager

DBS BANK LTD.,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Suraj Shetty ________________________
Name: Suraj Shetty
Title: Senior Vice President

GOLDMAN SACHS BANK USA,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Rebecca Kratz _______________________
Name: Rebecca Kratz
Title: Authorized Signatory

LLOYDS BANK PLC,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Kamala Basdeo ________________________
Name: Kamala Basdeo
Title: Assistant Vice President, Transaction Execution

By /s/ Tina Wong ________________________
Name: Tina Wong
Title: Assistant Vice President, Transaction Execution

PNC BANK, NATIONAL ASSOCIATION,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Troy Pierce ________________________
Name: Troy Pierce
Title: Vice President

STANDARD CHARTERED BANK,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ James Beck _______________________
Name: James Beck
Title: Associate Director

THE BANK OF NEW YORK MELLON,
as a Lender (with respect to the Amendment)

By /s/ Diane Demmler ________________________
Name: Diane Demmler
Title: Director

U.S. BANK, NATIONAL ASSOCIATION,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Richard J Ameny, Jr. __________________
Name: Richard J Ameny, Jr.
Title: Vice President

MIZUHO BANK, LTD.,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Tracy Rahn ________________________
Name: Tracy Rahn
Title: Authorized Signatory

SCOTIABANK EUROPE PLC,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Matt Tuskin _______________________
Name: Matt Tuskin
Title: Director

By /s/ Sonya Bikhit _______________________
Name: Sonya Bikhit
Title: Director

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Matthew Giomalis _____________________
Name: Matthew Giomalis
Title: Authorized Signatory

COMMONWEALTH BANK OF AUSTRALIA,
as a Lender (with respect to the Amendment)

By /s/ Jon Treers _______________________
Name: Jon Treers
Title: Executive Director

BNP PARIBAS
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Michael A. Kowalczuk _______________
Name: Michael A. Kowalczuk
Title: Managing Director

By /s/ Barbara E. Nash ________________________
Name: Barbara E. Nash
Title: Managing Director

TD BANK, N.A.,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Mark Hogan ______________________
Name: Mark Hogan
Title: Senior Vice President

ING BANK N.V., DUBLIN BRANCH,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Sean Hassett ______________________
Name: Sean Hassett
Title: Director

By /s/ Cormac Langford ______________________
Name: Cormac Langford
Title: Director

KBC BANK N.V.,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Robbie Claes ______________________
Name: Robbie Claes
Title: Director

By /s/ Francis X. Payne ______________________
Name: Francis X. Payne
Title: Managing Director

FIFTH THIRD BANK,
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Will Batchelor ______________________
Name: Will Batchelor
Title: Vice President

BAYERISCHE LANDESBANK, NEW YORK BRANCH
as a Lender (with respect to the Amendment) and an Extending Lender (with respect to the Extension)

By /s/ Varbin Staykoff ______________________
Name: Varbin Staykoff
Title: Senior Director

By /s/ Elke Videgain ______________________
Name: Elke Videgain
Title: Vice President

AMENDMENT NO. 6 TO THE
AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of May 15, 2020

AMENDMENT NO. 6 TO THE AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") among DXC Technology Company, a Nevada corporation (formerly known as Everett SpinCo, Inc. and as successor to Computer Sciences Corporation) ("DXC"), the Lenders (as defined below) party hereto and Citibank, N.A., as administrative agent (the "Agent") for the Lenders.

PRELIMINARY STATEMENTS:

(1) DXC, the Designated Subsidiaries from time to time party thereto, the lenders from time to time party thereto (the "Lenders"), the Agent, the Swing Line Sub Agent and the Tranche B Sub Agent are parties to an Amended and Restated Credit Agreement dated as of October 11, 2013 (as amended, supplemented or otherwise modified through the date hereof, the "Credit Agreement"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) Pursuant to Section 9.01, the parties hereto desire to amend the Credit Agreement as set forth in Section 1 below.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Certain Amendments to Credit Agreement. The Credit Agreement is, subject to the satisfaction of the conditions precedent set forth in Section 2, hereby amended as follows:

(a) Section 1.01 is amended to add the following definition:

> "Consolidated Total Net Debt" means, as of any date of determination, Consolidated Total Debt minus the aggregate amount of all cash and cash equivalents on the balance sheet of the Company and its Subsidiaries as of such date; provided that such cash and cash equivalents do not appear (and in accordance with GAAP would not be required to appear) as "restricted" on the consolidated balance sheet of the Company and its Subsidiaries.

(b) Section 5.02(c)(ii) is amended in its entirety as follows:

> "(ii) Consolidated Total Net Debt to Consolidated EBITDA Ratio. The Company will not permit at the end of any quarterly financial reporting period the ratio of Consolidated Total Net Debt as of the last day of such quarterly financial reporting period to Consolidated EBITDA for the period

of four consecutive fiscal quarters ending on the last day of such quarterly financial reporting period, taken as a single period, to exceed (A) on or prior to April 1, 2021, 3.00 to 1.00, and (B) after April 1, 2021, 2.25 to 1.00.

SECTION 2. Conditions to Effectiveness. The Amendment shall become effective on the first date (the "Amendment Effective Date") on which:

(a) the Agent shall have received counterparts hereof executed by DXC and the Majority Lenders or, as to any Lender, evidence satisfactory to the Agent that such Lender has executed this Amendment; and

(b) the Agent shall have received, for the ratable account of each Lender that has executed and delivered a counterpart hereof to the Agent, a consent fee in an amount equal to 0.15% of the aggregate Commitments (other than the Swing Line Commitments) of such Lender.

SECTION 3. Reference to and Effect on the Credit Agreement and the Other Loan Documents.

(a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in any other Loan Document to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement and the other Loan Documents, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement.

(d) This Amendment is subject to the provisions of Section 9.01 of the Credit Agreement and constitutes a Loan Document.

SECTION 4. Costs and Expenses. DXC agrees to pay promptly on demand all reasonable costs and out-of-pocket expenses of the Agent (in its capacity as such) in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment (including, without limitation, the reasonable fees and out-of-pocket expenses of a single counsel for the Agent with respect thereto and with respect to advising the Agent as to its rights and responsibilities hereunder) in accordance with the terms of Section 9.04 of the Credit Agreement.

SECTION 5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier or electronic delivery shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

DXC TECHNOLOGY COMPANY, a Nevada corporation

By /s/ Ceyhun Cetin
Name: Ceyhun Cetin
Title: Vice President and Treasurer

[Signature Page to CSC Amendment No. 6]

CITIBANK, N.A., as Agent and Lender

By /s/ Susan Olsen
Name: Susan Olsen
Title: Vice President

BANK OF AMERICA, N.A., as a Lender

By /s/ Arti Dighe
Name: Arti Dighe
Title: Director

MUFG BANK, LTD. (formerly known as The Bank of Tokyo-Mitsubishi UFJ, Ltd.), as a Lender

By /s/ Lillian Kim
Name: Lillian Kim
Title: Director

JPMORGAN CHASE BANK, N.A., as a Lender

By /s/ John Kowalczuk
Name: John Kowalczuk
Title: Executive Director

BARCLAYS BANK PLC, as a Lender

By /s/ Martin Corrigan
Name: Martin Corrigan
Title: Vice President

ROYAL BANK OF CANADA, as a Lender

By /s/ Theodore Brown
Name: Theodore Brown
Title: Authorized Signatory

SUMITOMO MITSUI BANKING CORPORATION, as a Lender

By /s/ Michael Maguire
Name: Michael Maguire
Title: Executive Director

THE BANK OF NOVA SCOTIA, as a Lender

By _/s/ Jason Rinne_________________________
Name: Jason Rinne
Title: Director

THE ROYAL BANK OF SCOTLAND PLC,
as a Lender

By _/s/ Jonathan Eady_________________________
Name: Jonathan Eady
Title: Director

WELLS FARGO BANK, N.A., as a Lender

By _/s/ Karen H/ McClain_____________________
Name: Karen H. MacClain
Title: Managing Director

COMMERZBANK AG, NEW YORK BRANCH, as a Lender

By _/s/ Neil Kiernan_________________________
Name: Neil Kiernan
Title: Director

By _/s/ Robert P. Sullivan_______________________
Name: Robert P. Sullivan
Title: Vice President

DANSKE BANK A/S,
as a Lender

By _/s/ Jesper Larsen _________________________
Name: Jesper Larsen
Title: Senior Loan Manager

By _/s/ Gary Smith _________________________
Name: Gary Smith
Title: Director

DBS BANK LTD.,
as a Lender

By /s/ Henry Choo ______________________
Name: Henry Choo
Title: Vice President

GOLDMAN SACHS BANK USA,
as a Lender

By /s/ Jamie Minieri ______________________
Name: Jamie Minieri
Title: Authorized Signatory

LLOYDS BANK PLC,
as a Lender

By /s/ Kamala Basdeo ______________________
Name: Kamala Basdeo
Title: Assistant Vice President

By /s/ Tina Wong ______________________
Name: Tina Wong
Title: Assistant Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By /s/ David Notaro ______________________
Name: David Notaro
Title: Senior Vice President

STANDARD CHARTERED BANK,
as a Lender

By /s/ James Beck ______________________
Name: James Beck
Title: Associate Director

THE BANK OF NEW YORK MELLON,
as a Lender

By /s/ Thomas J. Tarasovich, Jr. _____________
Name: Thomas J. Tarasovich, Jr.
Title: Vice President

U.S. BANK, NATIONAL ASSOCIATION,
as a Lender

By /s/ Richard J Ameny, Jr. ____________________
Name: Richard J Ameny, Jr.
Title: Vice President

MIZUHO BANK, LTD.,
as a Lender

By /s/ Tracy Rahn ____________________
Name: Tracy Rahn
Title: Executive Director

SCOTIABANK EUROPE PLC,
as a Lender

By /s/ Matt Tuskin ____________________
Name: Matt Tuskin
Title: Director

By /s/ Nikki Petherbridge ____________________
Name: Nikki Petherbridge
Title: Managing Director

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender

By /s/ Charlie Trisiripisal ____________________
Name: Charlie Trisiripisal
Title: Authorized Signatory

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as a Lender

By /s/ Gordon Yip ____________________
Name: Gordon Yip
Title: Director

By /s/ Rose Mary Perez ____________________

Name: Rose Mary Perez
Title: Managing Director

BNP PARIBAS
as a Lender

By /s/ Michael A. Kowalczuk _______________
Name: Michael A. Kowalczuk
Title: Managing Director

By /s/ Chief Marbumrung_____________________
Name: Chief Marbumrung
Title: Vice President

TD BANK, N.A.,
as a Lender

By /s/ Emily Chott ________________________
Name: Emily Chott
Title: Senior Vice President

ING BANK N.V., DUBLIN BRANCH,
as a Lender

By /s/ Sean Hassett ________________________
Name: Sean Hassett
Title: Director

By /s/ Padraig Matthews _____________________
Name: Padraig Matthews
Title: Director

KBC BANK N.V.,
as a Lender

By /s/ Deborah Carlson _______________________
Name: Deborah Carlson
Title: Director

By /s/ Francis Payne ______________________
Name: Francis Payne
Title: Managing Director

FIFTH THIRD BANK,
as a Lender

By /s/ Will Batchelor ________________________
Name: Will Batchelor
Title: Vice President

BAYERISCHE LANDESBANK, NEW YORK BRANCH,
as a Lender

By /s/ Varbin Staykoff ______________________
Name: Varbin Staykoff
Title: Senior Director

By /s/ Elke Videgain ________________________
Name: Elke Videgain
Title: Vice President

[Signature Page to DXC Amendment No. 6]

Exhibit 10.15

AMENDMENT NO. 1 AND EXTENSION AGREEMENT TO THE TERM LOAN CREDIT AGREEMENT

Dated as of May 15, 2020

AMENDMENT NO. 1 AND EXTENSION AGREEMENT TO THE TERM LOAN CREDIT AGREEMENT (this "First Amendment") among DXC Technology Company, a Nevada corporation ("DXC"), the Lenders (as defined below) party hereto and Bank of America, N.A., as administrative agent (the "Agent") for the Lenders.

PRELIMINARY STATEMENTS:

(1) DXC, the lenders from time to time party thereto (the "Lenders") and the Agent are parties to a Term Loan Credit Agreement dated as of March 15, 2019 (as amended, supplemented or otherwise modified through the date hereof, the "Credit Agreement"). Capitalized terms not otherwise defined in this First Amendment have the same meanings as specified in the Credit Agreement.

(2) The Funding Date under the Credit Agreement occurred on June 14, 2019.

(3) Pursuant to Section 9.01 of the Credit Agreement, the parties hereto desire to amend the Credit Agreement as set forth in Section 1 below (the "Amendment").

(4) On April 29, 2020, the Borrower delivered to the Administrative Agent a copy of an Extension Request, requesting an extension of the Tranche A2 Maturity Date and the Tranche A3 Maturity Date, in each case, for a period of one (1) year.

(5) (x) Pursuant to Section 2.16 of the Credit Agreement, the Borrower and the Extending Lenders (as defined below) desire to (i) extend the Tranche A2 Maturity Date for a period of one (1) year (the "Tranche A2 Extension") and (ii) extend the Tranche A3 Maturity Date for a period of one (1) year (the "Tranche A3 Extension") and (y) pursuant to Section 9.01 of the Credit Agreement, the parties hereto desire to increase the Daily Margin with respect to the Tranche A2 Advances and Tranche A3 Advances during such extended period, in each case of the foregoing clauses (x) and (y), as set forth in Section 2 below (collectively, the "Extension").

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Certain Amendments to Credit Agreement. Each of the parties hereto agrees that, effective on the Amendment Effective Date (as defined below), the Credit Agreement is hereby amended as follows:

(a) Section 1.01 is amended to add the following definition in the appropriate alphabetical order:

> "Consolidated Total Net Debt" means, as of any date of determination, Consolidated Total Debt minus the aggregate amount of all cash and cash equivalents on the balance sheet of the Borrower and its Subsidiaries as of such date; provided that such cash and cash equivalents do not appear (and in accordance with GAAP would not be required to appear) as "restricted" on the consolidated balance sheet of the Borrower and its Subsidiaries.

(b) Section 5.02(c)(ii) is amended in its entirety as follows:

> "(ii) Consolidated Total Net Debt to Consolidated EBITDA Ratio. Commencing with the first full fiscal quarter of the Borrower ended after the Funding Date, the Borrower will not permit at the end of any quarterly financial reporting period the ratio of Consolidated Total Net Debt as of the last day of such quarterly financial reporting period to Consolidated EBITDA for the period of four consecutive fiscal quarters ending on the last day of such quarterly financial reporting period, taken as a single period, to exceed (A) on or prior to April 1, 2021, 3.00 to 1.00, and (B) after April 1, 2021, 2.25 to 1.00.

SECTION 2. Extension of Maturity Date.

(a) Each Lender party hereto identified on its signature page as an "Extending Lender" (each, an "Extending Lender") hereby agrees that, effective as of the Extension Effective Date (as defined below), (x) the Tranche A2 Maturity Date shall, with respect to such Extending Lender's Tranche A2 Advances, be extended for a period of one (1) year from the Tranche A2 Maturity Date applicable thereto immediately prior to the Extension Effective Date and (y) the Tranche A3 Maturity Date shall, with respect to such Extending Lender's Tranche A3 Advances, be extended for a period of one (1) year from the Tranche

A3 Maturity Date applicable thereto immediately prior to the Extension Effective Date, in each case, in accordance with Section 2.16 of the Credit Agreement.

(b) Each of the parties hereto agrees that, effective as of the Extension Effective Date, the Credit Agreement is hereby amended as follows:

(i) Section 1.01 is amended to add the following definitions in the appropriate alphabetical order:

"First Extension Agreement" means that certain Amendment No. 1 and Extension Agreement to the Term Loan Credit Agreement, dated as of May 15, 2020, among the Borrower, the Lenders party thereto and the Administrative Agent.

"First Extension Consenting Tranche A2 Lender" means (x) each "Extending Lender" under and as defined in the First Extension Agreement and (y) each other Lender that, with the written consent of the Borrower, elects, at any time prior to the Tranche A2 Maturity Date then applicable to its Tranche A2 Advances, to consent to the Tranche A2 Extension (as defined in the First Extension Agreement).

"First Extension Consenting Tranche A3 Lender" means (x) each "Extending Lender" under and as defined in the First Extension Agreement and (y) each other Lender that, with the written consent of the Borrower, elects at any time prior to the Tranche A3 Maturity Date then applicable to its Tranche A3 Advances to consent to the Tranche A3 Extension (as defined in the First Extension Agreement).

(ii) the definitions of "Daily Margin," "Tranche A2 Maturity Date" and "Tranche A3 Maturity Date" in Section 1.01 of the Credit Agreement are hereby amended in full to read as follows:

"Daily Margin" means, for any date of determination, the interest rate per annum set forth in the table below that corresponds to (i) the Level applicable to the Borrower in respect of its Rating for such date of determination and (ii) the Class and Type of Advance:

	Daily Margin for Tranche A1 Advances that are Eurocurrency Rate Advances	Daily Margin for Tranche A1 Advances that are Base Rate Advances	On or prior to the date that is two years following the Funding Date, Daily Margin for Tranche A2 Advances	After the date that is two years following the Funding Date, Daily Margin for Tranche A2 Advances	On or prior to the date that is three years following the Funding Date, Daily Margin for Tranche A3 Advances	After the date that is three years following the Funding Date, Daily Margin for Tranche A3 Advances
Level 1	1.000%	0.00%	0.400%	1.000%	0.550%	1.500%
Level 2	1.125%	0.125%	0.525%	1.125%	0.675%	1.625%
Level 3	1.250%	0.250%	0.650%	1.250%	0.800%	1.750%
Level 4	1.375%	0.375%	0.775%	1.375%	0.925%	1.875%
Level 5	1.500%	0.500%	0.900%	1.500%	1.050%	2.000%

"Tranche A2 Maturity Date" means (x) with respect to the Tranche A2 Advances of each First Extension Consenting Tranche A2 Lender (including any direct or indirect Eligible Assignee in respect of such Advances), the date that is three years following the Funding Date or (y) with respect to any other Tranche A2 Advances, the date that is two years following the Funding Date or, in each case of the foregoing clauses (x) and (y), if such date is not a Business Day, the first Business Day thereafter (unless such next Business Day is not in the same calendar month, in which case the next preceding Business Day).

"Tranche A3 Maturity Date" means (x) with respect to the Tranche A3 Advances of each First Extension Consenting Tranche A3 Lender (including any direct or indirect Eligible Assignee in respect of such Advances), the date that is four years following the Funding Date or (y) with respect to any other Tranche A3 Advances, the date that is three years following the Funding Date or, in each case of the foregoing clauses (x) and (y), if such date is not a Business Day, or, if such date is not a Business Day, the first Business Day thereafter (unless such next Business Day is not in the same calendar month, in which case the next preceding Business Day).

SECTION 3. Conditions to Effectiveness.

(a) The Amendment shall become effective on the first date (the "Amendment Effective Date") on which the Agent shall have received (i) counterparts hereof executed by DXC and the Majority Lenders or, as to any Lender, evidence satisfactory to the Agent that such Lender has executed this First Amendment and (ii) for the ratable account of each Lender that has executed and delivered a counterpart hereof to the Agent, a consent fee in an amount equal to 0.15% of the Tranche A1 Advances, 0.075% of the Tranche A2 Advances and 0.075% of the Tranche A3 Advances of such Lender.

(b) The Extension shall become effective on the first date (the "Extension Effective Date") on which the Agent shall have received (i) counterparts hereof executed by DXC, each Extending Lender (which collectively hold more than 50% of the aggregate principal amount of the Advances outstanding under each of the Tranche A2 Facility and the Tranche A3 Facility) and the Majority Lenders or, as to any Lender, evidence satisfactory to the Agent that such Lender has executed this First Amendment and (ii) for the ratable account of each Lender that has executed and delivered a counterpart hereof to the Agent, a consent fee in an amount equal to 0.20% of the Tranche A2 Advances and the Tranche A3 Advances of such Extending Lender.

SECTION 4. Reference to and Effect on the Credit Agreement and the Other Loan Documents.

(a) On and after the effectiveness of this First Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in any other Loan Document to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this First Amendment.

(b) The Credit Agreement and the other Loan Documents, as specifically amended by this First Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this First Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement.

(d) This First Amendment is subject to the provisions of Section 9.01 of the Credit Agreement and constitutes a Loan Document.

SECTION 5. Costs and Expenses. DXC agrees to pay promptly on demand all reasonable costs and out-of-pocket expenses of the Agent (in its capacity as such) in connection with the preparation, execution, delivery and administration, modification and amendment of this First Amendment (including, without limitation, the reasonable fees and out-of-pocket expenses of a single counsel for the Agent with respect thereto and with respect to advising the Agent as to its rights and responsibilities hereunder) in accordance with the terms of Section 9.04 of the Credit Agreement.

SECTION 6. Execution in Counterparts. This First Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this First Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this First Amendment. The words "execution," "signed," "signature," and words of like import in this First Amendment shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 7. Governing Law. This First Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

DXC TECHNOLOGY COMPANY, a Nevada corporation

By: /s/ Ceyhun Cetin
Name: Ceyhun Cetin
Title: Vice President and Treasurer

BANK OF AMERICA, N.A., as Agent

By: /s/ Anthea Del Bianco
Name: Anthea Del Bianco
Title: Vice President

Bayerische Landesbank, New York Branch, as a Lender

By: /s/ Varbin Staykoff
Name: Varbin Staykoff
Title: Senior Director

By: /s/ Elke Videgain
Name: Elke Videgain
Title: Vice President

BNP Paribas, as a Lender and an Extending Lender

By: /s/ Michael Kowalczuk
Name: Michael Kowalczuk
Title: Managing Director

By: /s/ Chief Marbumrung
Name: Chief Marbumrung
Title: Vice President

The Bank of Nova Scotia, as a Lender

By: /s/ Jason Rinne
Name: Jason Rinne
Title: Director

BANK OF AMERICA, N.A., as a Lender and an Extending Lender

By: /s/ Arti Dighe
Name: Arti Dighe
Title: Director

CITIBANK, N.A., as a Lender and an Extending Lender

By: /s/ Susan Olsen
Name: Susan Olsen

Title: Vice President

Commerzbank AG, New York Branch, as a Lender and an Extending Lender

By: _/s/ Neil Kiernan_____________
Name: Neil Kiernan
Title: Director

By: _/s/ Robert Sullivan___________
Name: Robert Sullivan
Title: Vice President

CAPITAL ONE, NATIONAL ASSOCIATION, as a Lender

By: _/s/ Charlie Trisiripisal_________
Name: Charlie Trisiripisal
Title: Authorized Signatory

Danske Bank A/S, as a Lender and an Extending Lender

By: _/s/ Jesper Larsen_____________
Name: Jesper Larsen
Title: Senior Loan Manager

By: _/s/ Gary Smith_____________
Name: Gary Smith
Title Director

DBS Bank Ltd., as a Lender and an Extending Lender

By: _/s/ Henry Choo_____________
Name: Henry Choo
Title: Vice President

JPMorgan Chase Bank, N.A., as a Lender and an Extending Lender

By: _/s/ John Kowalczuk_____________
Name: John Kowalczuk
Title: Executive Director

KBC BANK NV, as a Lender and an Extending Lender

By: _/s/ Deborah Carlson_____________
Name: Deborah Carlson
Title: Director

By _/s/ Francis Payne_____________
Name: Francis Payne
Title: Managing Director

Lloyds Bank Corporate Markets plc, as a Lender and an Extending Lender

By: _/s/ Kamala Basdeo__________
Name: Kamala Basdeo
Title: Assistant Vice President

By: _/s/ Tina Wong_____________
Name: Tina Wong
Title: Assistant Vice President

MIZUHO BANK, LTD, as a Lender and an Extending Lender

By: _/s/ Tracy Rahn__________
Name: Tracy Rahn
Title: Executive Director

MUFG Bank, Ltd, as a Lender and an Extending Lender

By: _/s/ Lillian Kim__________
Name: Lillian Kim
Title: Director

National Westminster Bank plc, as a Lender and an Extending Lender

By: _/s/ Jonathan Eady__________
Name: Jonathan Eady
Title: Director

PNC BANK, NATIONAL ASSOCIATION, as a Lender

By: _/s/ David Notaro__________
Name: David Notaro
Title: Senior Vice President

STANDARD CHARTERD BANK, as a Lender and an Extending Lender

By: _/s/ James Beck__________
Name: James Beck
Title: Associate Director

TD BANK, N.A., as a Lender and an Extending Lender

By: _/s/ Emily Chott__________
Name: Emily Chott
Title: Senior Vice President

U.S. Bank National Association, as a Lender

By: _/s/ Richard J. Ameny, Jr. _______
Name: Richard J. Ameny, Jr.
Title: Vice President

United Bank, as a Lender

By: _/s/ Edward J. Goedecke __________
Name: Edward J. Goedecke
Title: SVP

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: _/s/ Karen H. McClain __________
Name: Karen H. McClain
Title: Managing Director

Exhibit 10.17

AMENDMENT NO. 1 TO THE CREDIT AGREEMENT

Dated as of May 15, 2020

AMENDMENT NO. 1 TO THE CREDIT AGREEMENT (this "Amendment") among DXC UK International Operations Limited (f/k/a CSC Computer Sciences International Operations Limited) (company number 7073279), a company incorporated in England ("CSC"), DXC Technology Company, a Nevada corporation ("DXC"), the Lenders (as defined below) party hereto and Lloyds Bank plc, as administrative agent (the "Agent") for the Lenders.

PRELIMINARY STATEMENTS:

(1) CSC, DXC, the lenders from time to time party thereto (the "Lenders") and the Agent are parties to the Credit Agreement dated as of October 12, 2018 (as amended, supplemented or otherwise modified through the date hereof, the "Credit Agreement"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) Pursuant to Section 9.01, the parties hereto desire to amend the Credit Agreement as set forth in Section 1 below.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Certain Amendments to Credit Agreement. The Credit Agreement is, subject to the satisfaction of the conditions precedent set forth in Section 2, hereby amended as follows:

(a) Section 1.01 is amended to add the following definition:

> "Consolidated Total Net Debt" means, as of any date of determination, Consolidated Total Debt minus the aggregate amount of all cash and cash equivalents on the balance sheet of the Company and its Subsidiaries as of such date; provided that such cash and cash equivalents do not appear (and in accordance with GAAP would not be required to appear) as "restricted" on the consolidated balance sheet of the Company and its Subsidiaries.

(b) Section 5.02(c)(ii) is amended in its entirety as follows:

> "(ii) Consolidated Total Net Debt to Consolidated EBITDA Ratio. The Company will not permit at the end of any quarterly financial reporting period the ratio of Consolidated Total Net Debt as of the last day of such quarterly financial reporting period to Consolidated EBITDA for the period of four consecutive fiscal quarters ending on the last day of such quarterly financial reporting period, taken as a single period, to exceed (A) on or prior to April 1, 2021, 3.00 to 1.00, and (B) after April 1, 2021, 2.25 to 1.00.

SECTION 2. Conditions to Effectiveness. The Amendment shall become effective on the first date (the "Amendment Effective Date") on which:

(a) the Agent shall have received counterparts hereof executed by CSC, DXC and the Majority Lenders or, as to any Lender, evidence satisfactory to the Agent that such Lender has executed this Amendment; and

(b) the Agent shall have received, for the ratable account of each Lender that has executed and delivered a counterpart hereof to the Agent, a consent fee in an amount equal to 0.075% of the aggregate Advances of such Lender.

SECTION 3. Reference to and Effect on the Credit Agreement and the Other Loan Documents.

(a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in any other Loan Document to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement and the other Loan Documents, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement.

(d) This Amendment is subject to the provisions of Section 9.01 of the Credit Agreement and constitutes a Loan Document.

SECTION 4. Costs and Expenses. CSC agrees to pay promptly on demand all reasonable costs and out-of-pocket expenses of the Agent (in its capacity as such) in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment (including, without limitation, the reasonable fees and out-of-pocket expenses of a single counsel for the Agent with respect thereto and with respect to advising the Agent as to its rights and responsibilities hereunder) in accordance with the terms of Section 9.04 of the Credit Agreement.

SECTION 5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier or electronic delivery shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of England.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

DXC UK INTERNATIONAL OPERATIONS LIMITED, a company incorporated in England, as the Borrower

By: /s/ Sara de la Harpe
Name: Sara de la Harpe
Title: Director, International Tax Operations

DXC TECHNOLOGY COMPANY, a Nevada corporation

By: /s/ Ceyhun Cetin
Name: Ceyhun Cetin
Title: Vice President and Treasurer

LLOYDS BANK PLC, as Agent

By: /s/ Jennifer Espiner
Name: Jennifer Espiner
Title: Associate Director, Agency

LLOYDS BANK PLC, as Lender

By: /s/ Linda Koi
Name: Linda Koi
Title: Associate Director

CITIBANK, N.A., as Lender

By: _/s/ Susan Olsen_______________
Name: Susan Olsen
Title: Vice President

BANK OF AMERICA, N.A., as Lender

By: _/s/ Arti Dighe _______________
Name: Arti Dighe
Title: Director

MIZUHO BANK, LTD., as Lender

By: _/s/ Tracy Rahn ______________
Name: Tracy Rahn
Title: Executive Director

MUFG Bank, Ltd., as Lender

By: _/s/ Lillian Kim _______________
Name: Lillian Kim
Title: Director

THE BANK OF NOVA SCOTIA, as Lender

By: _/s/ Jason Rinne ________________
Name: Jason Rinne
Title: Director

ROYAL BANK OF CANADA, as Lender

By: _/s/ Theodore Brown ______________
Name: Theodore Brown
Title: Authorized Signatory

(A)

Amendment Deed No. 3

DXC Technology Australia Pty Limited

ACN 008 476 944

DXC Technology Company

Mizuho Bank, Ltd., New York Branch

and

Others

18 May 2020

CONTENTS

CLAUSE PAGE

THIS DEED is made on the date set out on the front cover

BETWEEN:

(1) **DXC Technology Australia Pty Limited** ACN 008 476 944 (the **Company**);

(2) **DXC Technology Company** (the **Original Guarantor**); and

(3) **Mizuho Bank, Ltd., New York Branch** (the **Agent**).

RECITALS

The parties to this document and the Lenders are parties to the Facility Agreement.

The parties wish to amend the Facility Agreement in the manner set out in this document.

THE PARTIES AGREE AS FOLLOWS:

2. **INTERPRETATION**

2.1 **Definitions**

The following definitions apply in this document.

Amended Facility Agreement means the Facility Agreement, as amended in accordance with this document.

Effective Date has the meaning set out in clause 3.3 (*Effective Date*).

Existing Loans means each Loan (as defined in the Facility Agreement) which is outstanding immediately prior to the Effective Date.

Facility Agreement means the Syndicated Facility Agreement dated 27 November 2018 between the Company, the Original Guarantor, the MLABs named therein, the lenders named therein and the Agent, as amended, restated, or otherwise modified from time to time prior to the Effective Date.

2.2 **Terms defined in the Facility Agreement**

A term (other than a term defined in clause 1.1) that is defined in the Facility Agreement has the same meaning when used in this document.

2.3 **Rules for interpreting this document**

Clauses 1.2 (*Construction*) of the Facility Agreement applies as if set out in full in this document, with any necessary changes.

2.4 **Capacity of Agent**

The Agent enters into this document for itself and on behalf of each other Finance Party in accordance with clause 38.1 (*Required consents*) of the Facility Agreement.

3. **CONSIDERATION**

Each party acknowledges that it has received valuable consideration for entering into this document.

4. **AMENDMENT OF FACILITY AGREEMENT**

4.1 **Amendment to Facility Agreement**

(a) The Facility Agreement is amended with effect on and from the Effective Date by making the following changes:

(i) Adding the following definition to clause 1.1 (*Definitions*) in alphabetical order:

"**Consolidated Total Net Debt**" means, as of any date of determination, Consolidated Total Debt minus the aggregate amount of all cash and cash equivalents on the balance sheet of the Original Guarantor and its Subsidiaries as of such date; provided that such cash and cash equivalents do not appear (and in accordance with GAAP would not be required to appear) as "restricted" on the consolidated balance sheet of the Original Guarantor and its Subsidiaries.

(ii) Deleting clause 22.2 (*Consolidated Total Debt to Consolidated EBITDA Ratio*) in its entirety and replacing it with the following text:

22.2 **Consolidated Total Net Debt to Consolidated EBITDA Ratio**

The Original Guarantor will not permit at the end of any quarterly financial reporting period the ratio of Consolidated Total Net Debt as of the last day of such quarterly financial reporting period to Consolidated EBITDA for the period of four consecutive fiscal quarters ending on the last day of such quarterly financial reporting period, taken as a single period, to exceed (A) on or prior to April 1, 2021, 3.00 to 1.00, and (B) after April 1, 2021, 2.25 to 1.00.

(b) Paragraph (a) does not affect any right or obligation of any party that arises before the Effective Date.

4.2 **Effect of amendment**

(a) Except as expressly amended by this document, no changes to the Facility Agreement are to be inferred or implied, and in all other respects the Facility Agreement is confirmed and remains in full force and effect.

(b) With effect on and from the Effective Date, references in the Finance Documents to the Facility Agreement will be read and construed as references to the Facility Agreement as amended by this document.

4.3 **Effective Date**

The Effective Date (**Effective Date**) is the date on which the following conditions are satisfied:

(a) The Agent shall have received this document executed by the Company and the Original Guarantor and instructions from the Majority Lenders to execute it; and

(b) The Agent shall have received, for the ratable account of each Lender that has executed and delivered a counterpart hereof to the Agent, a consent fee in an amount equal to 0.075% of the aggregate Loans of such Lender.

5. **ACKNOWLEDGEMENTS AND CONSENTS**

(a) Each party:

(i) consents to the amendments contemplated by this document;

(ii) agrees and acknowledges that this document is a "Finance Document" for the purposes of the Facility Agreement; and

(iii) confirms the Facility Agreement (as amended by this document) and each other Finance Document to which it is a party, and agrees that each such document will continue in full force and effect.

(b) The Company and the Original Guarantor each confirm that any guarantee and security given or to be given by it in connection with the Facility Agreement secures all present and future obligations of each Borrower under the Amended Facility Agreement and in accordance with the terms of that guarantee or security.

(c) Unless expressly stated otherwise, nothing in this document:

(i) prejudices or adversely affects any right, power or remedy arising under; or

(ii) discharges, releases or otherwise affects any liability or obligation arising under,

the Finance Documents.

6. **EXISTING LOANS**

Nothing in this document constitutes or effects a termination or a repayment and readvance of any Existing Loans outstanding on the date of this document or the Effective Date and all of those Existing Loans continue under the Facility Agreement as amended by this document.

7. **NOTICES**

Clause 34 (*Notices*) of the Facility Agreement applies as if set out in full in this document, with any necessary changes.

8. **GENERAL**

8.1 **Governing law**

Clauses 46 (*Governing Law*) and 47 (*Enforcement*) of the Facility Agreement apply as if set out in full in this document, with any necessary changes.

8.2 **Giving effect to this document**

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

8.3 **Amendment**

This document can only be amended or replaced by another document signed by the parties hereto.

8.4 **Counterparts**

This document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this document.

EXECUTED as a deed.

COMPANY AND ORIGINAL BORROWER

EXECUTED by **DXC TECHNOLOGY AUSTRALIA PTY LIMITED** ACN 008 476 944:

/s/ NAGASEELAN NAGANAYAGAM	/s/ EMMA JOHNSTON
Signature of director	Signature of director/secretary
NAGASEELAN NAGANAYAGAM	EMMA JOHNSTON
Name	Name

ORIGINAL GUARANTOR

SIGNED, SEALED AND DELIVERED by **DXC TECHNOLOGY COMPANY** in the presence of:

/s/ Madelin Pellot	/s/ Ceyhun Cetin
Signature of witness	Signature of authorised signatory
Madelin Pellot	Ceyhun Cetin
Name of witness	Name of authorised signatory

AGENT

SIGNED, SEALED AND DELIVERED by **MIZUHO BANK, LTD., NEW YORK BRANCH** as Agent and for each other Finance Party in the presence of:

/s/ Seth Mair	/s/ Tracy Rahn
Signature of witness	Signature of authorised signatory
Seth Mair	Tracy Rahn
Name of witness	Name of authorised signatory

LENDERS

SIGNED, SEALED AND DELIVERED by **Bank of America N.A., Australian Branch** in the presence of:

/s/ DAVID COUTTS	/s/ Jonathan Boyd
Signature of witness	Signature of authorised signatory
DAVID COUTTS	Jonathan Boyd Director Corporate Banking
Name of witness	Name of authorised signatory

LENDERS

Signed for and on behalf of Commonwealth Bank of Australia by Michael Carroll its attorney under power of attorney dated 24 June 2013 who declares that he is an Associate Director of Commonwealth Bank of Australia in the presence of:

/s/ Luke Statos
Signature of witness

Luke Statos
Name of witness

/s/ Michael Carroll
Signature of authorised signatory

Michael Carroll
Name of authorised signatory

LENDERS

SIGNED, SEALED AND DELIVERED by **The Chiba Bank, Ltd. (Incorporated in Japan with limited liability) Hong Kong Branch** in the presence of:

/s/ Masaki MORI
Signature of witness

Masaki MORI
Name of witness

/s/ Naoki KAMATA
Signature of authorised signatory

Naoki KAMATA
Name of authorised signatory

LENDERS

SIGNED, SEALED AND DELIVERED by **Citibank N.A., Sydney Branch** in the presence of:

/s/ MATTHEW SANDHAM
Signature of witness

MATTHEW SANDHAM DIRECTOR
Name of witness

/s/ RODERICK HILL
Signature of authorised signatory

RODERICK HILL MANAGING DIRECTOR
Name of authorised signatory

LENDERS

SIGNED, SEALED AND DELIVERED by **MIZUHO BANK, LTD., SYDNEY BRANCH** in the presence of:

/s/ Amber Liu

Signature of witness

Amber Liu

Name of witness

/s/ Robert A Hutchfield

Signature of authorised signatory

Robert A Hutchfield

Name of authorised signatory

LENDERS

SIGNED, SEALED AND DELIVERED by **MUFG BANK, LTD.** in the presence of:

/s/ MONTY YIU

Signature of witness

MONTY YIU

Name of witness

/s/ IAN LEE

Signature of authorised signatory

IAN LEE

Name of authorised signatory

LENDERS

SIGNED, SEALED AND DELIVERED by JPMorgan Chase Bank, N.A. in the presence of:

/s/

Signature of witness

Name of witness

/s/

Signature of authorised signatory

Name of authorised signatory

LENDERS

SIGNED, SEALED AND DELIVERED by **National Australia Bank** in the presence of:

Signature of witness

Name of witness

/s/ John Allan-Smith

Signature of authorised signatory

John Allan-Smith

Name of authorised signatory

LENDERS

SIGNED, SEALED AND DELIVERED by **ROYAL BANK OF CANADA** in the presence of:

	/s/ Theodore Brown
Signature of witness	Signature of authorised signatory
	Theodore Brown
Name of witness	Name of authorised signatory

EIGHTH AMENDMENT TO THE
RECEIVABLES PURCHASE AGREEMENT

This EIGHTH AMENDMENT TO THE RECEIVABLES PURCHASE AGREEMENT (this "Amendment"), dated as of February 18, 2020, is entered into by and among the following parties:

(i) DXC RECEIVABLES LLC (F/K/A CSC RECEIVABLES LLC), a Delaware limited liability company, as Seller (the "Seller");

(ii) DXC TECHNOLOGY COMPANY, a Nevada corporation, as Servicer (the "Servicer");

(iii) PNC BANK, NATIONAL ASSOCIATION, as a Committed Purchaser, as Group Agent for its Purchaser Group and as Administrative Agent (in such capacity, the "Administrative Agent");

(iv) WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Committed Purchaser and as Group Agent for its Purchaser Group;

(v) MUFG BANK, LTD. (F/K/A THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.), as a Committed Purchaser and as Group Agent for its Purchaser Group;

(vi) FIFTH THIRD BANK, NATIONAL ASSOCIATION (F/K/A FIFTH THIRD BANK), as a Committed Purchaser and as Group Agent for its Purchaser Group;

(vii) MIZUHO BANK, LTD., as a Committed Purchaser and as Group Agent for its Purchaser Group; and

(viii) THE TORONTO DOMINION BANK, as a Committed Purchaser and as Group Agent for its Purchaser Group.

Capitalized terms used but not otherwise defined herein (including such terms used above) have the respective meanings assigned thereto in the Receivables Purchase Agreement described below.

BACKGROUND

A. The parties hereto (other than the Originator) have entered into a Receivables Purchase Agreement, dated as of December 21, 2016 (such date, the "Original Closing Date") (as amended, restated, supplemented or otherwise modified through the date hereof, the "Receivables Purchase Agreement").

B. Concurrently herewith, Alliance-One Services, Inc., Computer Sciences Corporation, CSC Consulting, Inc., CSC Covansys Corporation, CSC Cybertek Corporation, CSC Puerto Rico, LLC, DXC Technology Services LLC, Mynd Corporation, PDA Software Services LLC and Tribridge Holdings, LLC (collectively, the "Existing Originators"), and the Seller, are entering into that certain Assignment Agreement, dated as of the date hereof, whereby the Seller agrees to sell back certain Receivables originated by the Existing Originators to the Existing Originators.

C. Concurrently herewith, DXC MS LLC (the "Additional Originator"), the Seller, the Administrative Agent, the Group Agents and the Servicer are entering into that certain Joinder Agreement, dated as of the date hereof, whereby the Additional Originator agrees to become an Originator pursuant to the Purchase and Sale Agreement.

D. Concurrently herewith, the Administrative Agent, the Group Agents, the Seller and the Servicer, are entering into that certain amended and restated letter agreement re: Excluded Obligors, whereby the Administrative Agent and the Group Agents agree to modify the definition of "Excluded Obligors" for purposes of the Receivables Purchase Agreement and the other Transaction Documents.

E. Concurrently herewith, DXC Technology Company, a Nevada corporation, as Performance Guarantor, is entering into that certain Fourth Amended and Restated Performance Guaranty, dated as of the date hereof.

F. The parties hereto desire to amend the Receivables Purchase Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Amendments to the Receivables Purchase Agreement. The Receivables Purchase Agreement is hereby amended as follows:

(a) The definition of "Excluded Obligor Letter Agreement" set forth in Section 1.01 of the Receivables Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> "Excluded Obligor Letter Agreement" means that certain amended and restated letter agreement re: Excluded Obligors, dated as of February 18, 2020, among the Seller, the Servicer, the Group Agents and the Administrative Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time.

(b) Schedule II-A of the Receivables Purchase Agreement is hereby replaced in its entirety with the schedule attached hereto as Schedule II-A.

SECTION 3. Authorization to File Financing Statements. Upon the effectiveness of this Amendment, each of DXC Technology Services LLC and the Buyer hereby authorizes the Administrative Agent to file (at the expense of the Buyer) one or more UCC-3 financing statements in the form of Exhibit A hereto.

SECTION 4. Consent to Assign Contracts. The parties hereto hereby acknowledge and agree that each Originator shall be permitted to freely assign any of its rights or obligations under any Contract (other than rights that have been assigned to the Seller or the Purchasers) to any other

Originator so long as such assignment does not adversely affect the rights or interests of the Seller or the Purchasers in any Receivables arising under such Contract or in any Related Security.

SECTION 5. Representations and Warranties of the Seller and Servicer. Each of the Seller and the Servicer hereby represents and warrants, as to itself, to the Administrative Agent, each Purchaser and each Group Agent, as follows:

(a) *Representations and Warranties*. Immediately after giving effect to this Amendment, the representations and warranties made by such Person in the Transaction Documents to which it is a party are true and correct as of the date hereof (unless stated to relate solely to an earlier date, in which case such representations or warranties were true and correct as of such earlier date).

(b) *Enforceability*. This Amendment and each other Transaction Document to which it is a party, as amended hereby, constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with its respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether enforceability is considered in a proceeding in equity or at law.

(c) *No Termination Event*. No event has occurred and is continuing, or would result from the transactions contemplated hereby, that constitutes an Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event.

SECTION 6. Effect of Amendment. All provisions of the Receivables Purchase Agreement and the other Transaction Documents, as expressly amended and modified by this Amendment, shall remain in full force and effect. After this Amendment becomes effective, all references in the Receivables Purchase Agreement (or in any other Transaction Document) to "this Receivables Purchase Agreement", "this Agreement", "hereof", "herein" or words of similar effect referring to the Receivables Purchase Agreement shall be deemed to be references to the Receivables Purchase Agreement as amended by this Amendment. This Amendment shall not be deemed, either expressly or impliedly, to waive, amend or supplement any provision of the Receivables Purchase Agreement other than as set forth herein.

SECTION 7. Effectiveness. This Amendment shall become effective as of the date hereof upon receipt by the Administrative Agent of each of the documents, agreements (in fully executed form), opinions of counsel, lien search results, UCC filings, certificates and other deliverables listed on the closing memorandum attached as Exhibit B hereto, in each case, in form and substance acceptable to the Administrative Agent.

SECTION 8. Counterparts. This Amendment may be executed in any number of counterparts and by different parties on separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or e-mail transmission shall be effective as delivery of a manually executed counterpart hereof.

SECTION 9. GOVERNING LAW. THIS AMENDMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF).

SECTION 10. Section Headings. The various headings of this Amendment are included for convenience only and shall not affect the meaning or interpretation of this Amendment, the Receivables Purchase Agreement or any provision hereof or thereof.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment by their duly authorized officers as of the date first above written.

DXC RECEIVABLES LLC,
as Seller

By: /s/ H.C. Charles Diao
Name: H.C. Charles Diao
Title: President and Treasurer

DXC TECHNOLOGY COMPANY,
as Servicer

By: /s/ H.C. Charles Diao
Name: H.C. Charles Diao
Title: Senior Vice President, Treasury and Corporate Development

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: /s/ Christopher Blaney
Name: Christopher Blaney
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Christopher Blaney
Name: Christopher Blaney
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as Group Agent for its Purchaser Group

By: /s/ Christopher Blaney
Name: Christopher Blaney
Title: Senior Vice President

WELLS FARGO, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Eero Maki
Name: Eero Maki
Title: Managing Director

WELLS FARGO, NATIONAL ASSOCIATION,
as Group Agent for its Purchaser Group

By: /s/ Eero Maki
Name: Eero Maki
Title: Managing Director

MUFG BANK, LTD.,
as a Committed Purchaser

By:/s/ Yohsuke Takahashi
Name: Yohsuke Takahashi
Title: Managing Director

MUFG BANK, LTD.,
as Group Agent for its Purchaser Group

By:/s/ Yohsuke Takahashi
Name: Yohsuke Takahashi
Title: Managing Director

FIFTH THIRD BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Patrick Berning
Name: Patrick Berning
Title: Vice President

FIFTH THIRD BANK, NATIONAL ASSOCIATION,
as Group Agent for its Purchaser Group

By: /s/ Patrick Berning
Name: Patrick Berning
Title: Vice President

MIZUHO BANK, LTD.,
as a Committed Purchaser

By: /s/ Richard A. Burke
Name: Richard A. Burke
Title: Managing Director

MIZUHO BANK, LTD.,
as Group Agent for its Purchaser Group

By: /s/ Richard A. Burke
Name: Richard A. Burke
Title: Managing Director

THE TORONTO DOMINION BANK,
as a Committed Purchaser

By: /s/ Bradley Purkis
Name: Bradley Purkis
Title: Managing Director

THE TORONTO DOMINION BANK,
as Group Agent for its Purchaser Group

By: /s/ Bradley Purkis
Name: Bradley Purkis
Title: Managing Director

With respect to Section 2:

DXC TECHNOLOGY SERVICES LLC,
as Originator

By: /s/ H.C. Charles Diao
Name: H.C. Charles Diao
Title: President and Treasurer

SCHEDULE II-A
Lock-Boxes, Collection Accounts and Collection Account Banks

Exhibit A

UCC-3 Financing Statement to be filed

Exhibit B

Closing Memorandum

Exhibit 10.38

FOURTH AMENDED AND RESTATED PERFORMANCE GUARANTY

This FOURTH AMENDED AND RESTATED PERFORMANCE GUARANTY, dated as of February 18, 2020 (this "Performance Guaranty"), is made by DXC TECHNOLOGY COMPANY, a Nevada corporation ("Performance Guarantor" or "DXC"), in favor of PNC BANK, NATIONAL ASSOCIATION, as Administrative Agent (the "Guaranteed Party") for the benefit of the Secured Parties.

WITNESSETH

WHEREAS, DXC Receivables LLC (f/k/a CSC Receivables LLC), a Delaware limited liability company (the "Seller"), as buyer, DXC, as servicer (in such capacity, together with its successors and assigns, the "Servicer"), Alliance-One Services, Inc., a Delaware corporation ("Alliance-One"), CSC Consulting, Inc., a Massachusetts corporation ("CSC Consulting"), CSC Cybertek Corporation, a Texas corporation ("CSC Cybertek"), Mynd Corporation, a South Carolina corporation ("Mynd"), PDA Software Services LLC, a Delaware limited liability company ("PDA Software"), DXC Technology Services LLC, a Delaware limited liability company ("DXC Technology Services"), Computer Sciences Corporation, a Nevada corporation ("CSC"), CSC Puerto Rico, LLC, a Puerto Rico limited liability company ("CSC Puerto Rico"), CSC Covansys Corporation, a Michigan corporation ("CSC Covansys"), Tribridge Holdings, LLC, a Delaware limited liability company ("Tribridge"), and DXC MS LLC, a California limited liability company ("DXC MS"), have entered into that certain Purchase and Sale Agreement, dated as of December 21, 2016, as amended by that certain First Amendment to the Purchase and Sale Agreement, dated as of August 22, 2018, as further amended by that certain Second Amendment to the Purchase and Sale Agreement, dated as of September 24, 2018, as further amended by that certain Third Amendment to the Purchase and Sale Agreement, dated as of August 21, 2019, as further amended by that certain Fourth Amendment to the Purchase and Sale Agreement, dated as of November 22, 2019, as further amended by that certain Joinder Agreement, dated as of February 18, 2020 (and as may be further amended, restated, supplemented or otherwise modified from time to time, the "Purchase and Sale Agreement"). Each entity from time to time party to the Purchase and Sale Agreement as an originator thereunder is herein referred to as an "Originator" and, collectively, as the "Originators." Pursuant to the Purchase and Sale Agreement, the Originators have sold and will from time to time continue to sell Receivables and Related Rights to the Seller;

WHEREAS, the Seller, as seller, DXC, as Servicer, the Persons from time to time party thereto as Purchasers (the "Purchasers") and the Administrative Agent have entered into that certain Receivables Purchase Agreement, dated as of December 21, 2016, as amended by that certain First Amendment to the Receivables Purchase Agreement, dated as of January 24, 2017, as further amended by that certain Second Amendment to the Receivables Purchase Agreement, dated as of September 15, 2017, as further amended by that certain Third Amendment to the Receivables Purchase Agreement, dated as of August 22, 2018, as further amended by that certain Fourth Amendment to the Receivables Purchase Agreement, dated as of September 24, 2018, as further amended by that certain Fifth Amendment to the Receivables Purchase Agreement, dated as of June 25, 2019, as further amended by that certain Sixth Amendment to the Receivables Purchase Agreement, dated as of August 21, 2019, as further amended by that certain Seventh Amendment to the Receivables Purchase Agreement, dated as of November 22, 2019, as further amended by that certain Eighth Amendment to the Receivables Purchase Agreement, dated as of February 18, 2020 (and as may be further amended, restated, supplemented or otherwise modified from time to time, the "Receivables Purchase Agreement"), pursuant to which (i) the Purchasers have made and may continue to make Investments from time to time, (ii) the Seller has granted to the Administrative Agent (on behalf of the Secured Parties) a security interest in the Sold Assets and Seller Collateral and (iii) the Servicer services the Pool Receivables;

WHEREAS, DXC is the performance guarantor under that certain Performance Guaranty, dated as of December 21, 2016, made by CSC in favor of the Guaranteed Party for the benefit of the Secured Parties, as amended by that certain Guarantor Assumption Agreement and Joinder, dated as of April 3, 2017, pursuant to which CSC assigned and the Performance Guarantor assumed all rights, obligations and liabilities as performance guarantor under the Existing Guaranty (as defined below), as further confirmed and acknowledged by DXC pursuant to that certain Confirmation and Acknowledgment, dated as of August 22, 2018, as amended and restated by that certain Amended and Restated Performance Guaranty, dated as of September 24, 2018, as further amended and restated by that certain Second Amended and Restated Performance Guaranty, dated as of August 21, 2019, as further amended and restated by that certain Third Amended and Restated Performance Guaranty, dated as of November 22, 2019 (and as amended, restated or otherwise modified from time to time, the "Existing Guaranty");

WHEREAS, as of the date hereof, Performance Guarantor is the direct or indirect owner of 100% of the issued and outstanding Capital Stock of the Seller and of each Originator; provided, however, that with respect to CSC Consulting, CSC owns CSC Consulting's common stock and Class B preferred shares but The Bank of Tokyo-Mitsubishi UFJ, Ltd., Cayman Branch ("BTMU Cayman"), owns CSC Consulting's Class A participating preferred shares;

WHEREAS, Performance Guarantor's execution and delivery of this Performance Guaranty are requirements to the continued effectiveness of the Receivables Purchase Agreement;

WHEREAS, Performance Guarantor has determined that its execution and delivery of this Performance Guaranty is in its best interests because, *inter alia*, Performance Guarantor (individually) and Performance Guarantor and its Affiliates (collectively) will derive substantial direct and indirect benefit from (i) each Originator's sales of Receivables to the Seller from time to time under the Purchase and Sale Agreement, (ii) the financial accommodations made by the Purchasers to the Seller from time to time under the Receivables Purchase Agreement and (iii) the other transactions contemplated under the Purchase and Sale Agreement and the Receivables Purchase Agreement; and

WHEREAS, the Guaranteed Party, for the benefit of the Secured Parties, and Performance Guarantor desires to amend and restate the Existing Guaranty on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Performance Guarantor hereby agrees as follows:

1. Performance Guarantor hereby unconditionally and irrevocably undertakes and assures for the benefit of the Administrative Agent (including, without limitation, as assignee of the Seller's rights, interests and claims under the Purchase and Sale Agreement), the Purchasers and each of the other Secured Parties the due and punctual performance and observance by each Originator (together with their respective successors and assigns, collectively, the "Covered Entities", and each, a "Covered Entity") of the terms, covenants, indemnities, conditions, agreements, undertakings and obligations on the part of such Covered Entity to be performed or observed by it under the Purchase and Sale Agreement, the Receivables Purchase Agreement and each of the other Transaction Documents to which such Covered Entity is a party, including, without limitation, any agreement or obligation of such Covered Entity to pay any indemnity or make any payment in respect of any applicable dilution adjustment or repurchase obligation under any such Transaction Document, in each case on the terms and subject to the conditions set forth in the applicable Transaction Documents as the same shall be amended, restated, supplemented or otherwise modified and in effect from time to time (all such terms, covenants, indemnities, conditions, agreements, undertakings and obligations on the part of the Covered Entities to be paid, performed or observed by them being collectively called the "Guaranteed Obligations"). Without limiting the generality of the foregoing, Performance Guarantor agrees that if any Covered Entity shall fail in any manner whatsoever to perform or observe any of its Guaranteed Obligations when the same shall be required to be performed or observed under any applicable Transaction

Document, then Performance Guarantor will itself duly and punctually perform or observe any of such Guaranteed Obligations capable of performance by Performance Guarantor, or cause to be performed or observed, such Guaranteed Obligations. Performance Guarantor agrees that its obligations under this Performance Guaranty shall be irrevocable. It is expressly acknowledged that this Performance Guaranty is a guarantee of performance only and is not a guarantee of the payment of any Pool Receivables, and there shall be no recourse to Performance Guarantor for any non-payment or delay in payment of any Pool Receivables solely by reason of the bankruptcy, insolvency or lack of creditworthiness of the related Obligor or the uncollectability of any such Pool Receivables or for any Guaranteed Obligations the payment of which could otherwise constitute recourse to Performance Guarantor or any Covered Entity for uncollectible Pool Receivables.

2. Performance Guarantor absolutely, unconditionally and irrevocably agrees to pay promptly on demand all costs and expenses of the Guaranteed Party, if any (including, without limitation, reasonable and documented counsel fees and out of pocket expenses) in connection with enforcement (whether through negotiation, legal proceedings or otherwise) of its rights under this Performance Guaranty or any other Transaction Document (the "Expense Obligations").

3. Performance Guarantor agrees to pay the Guaranteed Obligations and Expense Obligations, regardless of any applicable law now or hereafter in effect in any jurisdiction affecting any terms of any Transaction Document or the rights of the Guaranteed Party with respect thereto, and notwithstanding a discharge in bankruptcy of all or any part of the Covered Entities' obligations under the Transaction Documents. The liability of Performance Guarantor hereunder shall be an absolute and primary obligation of payment and the Guaranteed Party shall not be required to first (i) proceed against any Covered Entity; (ii) proceed against or exhaust any security held from any Covered Entity; or (iii) pursue any other remedies it may have, including remedies against other guarantors.

4. Performance Guarantor unconditionally and irrevocably waives promptness, diligence, notice of acceptance hereof, and all other notices and demands of any kind to which Performance Guarantor may be entitled as a guarantor (other than as expressly provided in this Performance Guaranty), including, without limitation, demands of payment and notices of nonpayment, default, protest and dishonor to any Covered Entity. Performance Guarantor further hereby waives notice of, consents to, and irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the following: (a) any agreement or arrangement for payment, extension or subordination, of the whole or any part of any Covered Entity's obligations under the Transaction Documents, (b) the modification, amendment, waiver or consent to departure of any of the terms of the Transaction Documents, including, without limitation, in the time, place or manner of payment or any increase in the Guaranteed Obligations resulting from the extension of additional credit to any Covered Entity or otherwise, (c) the forbearance by the Guaranteed Party in the exercise of any rights against any Covered Entity, (d) the change in location or release of any collateral of any Covered Entity (if any) or the taking of a security interest in any additional or substituted collateral of any Covered Entity (if any), (e) any lack of validity or enforceability of any Transaction Document or any agreement or instrument relating thereto, (f) any defense arising by reason of any claim or defense based upon an election of remedies by the Guaranteed Party that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement, exoneration, contribution or indemnification rights of Performance Guarantor or other rights of Performance Guarantor to proceed against any Covered Entity, (g) any defense based on the right of set-off or counterclaim against or in respect of the obligations owed by any Covered Entity under the Transaction Documents, or (h) any other circumstance (including, without limitation, any statute of limitations) or any existence of or reliance on any representation by the Guaranteed Party that might otherwise constitute a defense available to, or a discharge of any Covered Entity or any other guarantor or surety. The only defenses Performance Guarantor shall have under this Performance Guaranty are the defenses described in Section 12 and the payment in full of the Guaranteed Obligations and Expense Obligations.

5. This Performance Guaranty will continue to be effective or will be reinstated, as the case may be, if at any time any payment made to the Guaranteed Party of any of the Guaranteed Obligations is rescinded or must be returned upon the occurrence of any bankruptcy proceeding of any Covered Entity, as if such payment had not been made.

6. This Performance Guaranty is a continuing guaranty and shall continue in full force and effect until terminated pursuant to the last sentence of this Section 6. Upon the Final Payout Date, this Performance Guaranty shall automatically terminate (subject to the reinstatement provisions set forth in Section 5 of this Performance Guaranty).

7. Performance Guarantor hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or hereafter acquire against any Covered Entity that arise from the existence, payment, performance or enforcement of this Performance Guaranty, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Guaranteed Party against such Covered Entity, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, unless and until all of the Guaranteed Obligations and Expense Obligations shall have been paid in full in cash. If any amount shall be paid to Performance Guarantor in violation of the immediately preceding sentence at any time prior to the payment in full in cash of the Guaranteed Obligations and Expense Obligations, such amount shall be received and held in trust for the benefit of the Guaranteed Party, and shall forthwith be paid or delivered to the Guaranteed Party in the same form as so received (with any necessary endorsement or assignment) to be credited and applied to the Guaranteed Obligations and Expense Obligations, as applicable, and all other amounts payable under this Performance Guaranty.

8. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, PERFORMANCE GUARANTOR AND THE GUARANTEED PARTY HEREBY WAIVE TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS PERFORMANCE GUARANTY. Any assignee of the Guaranteed Party permitted by the Transaction Documents and all subsequent assignees permitted by the Transaction Documents shall have all of the rights of the Guaranteed Party hereunder and may enforce this Performance Guaranty with the same force and effect as if such Performance Guaranty were given to such assignee in the first instance. The invalidity, illegality or unenforceability of any provision of this Performance Guaranty shall not affect the validity, legality or enforceability of any of its other provisions. THIS PERFORMANCE GUARANTY, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. This Performance Guaranty shall be binding on Performance Guarantor and its successors and assigns.

9. PERFORMANCE GUARANTOR AND THE GUARANTEED PARTY HEREBY IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN NEW YORK CITY, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS PERFORMANCE GUARANTY OR THE TRANSACTIONS CONTEMPLATED HEREBY. PERFORMANCE GUARANTOR AND THE GUARANTEED PARTY WAIVE, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING. THE PARTIES HERETO AGREE THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. PERFORMANCE GUARANTOR CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR

PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS DIRECTED TO UNDERSIGNED AT ITS ADDRESS SET FORTH BELOW.

10. Performance Guarantor represents and warrants to each Secured Party as of the date hereof, on each Settlement Date and on the day of each Investment, Release and delivery of an Information Package:

(a) Organization and Good Standing. Performance Guarantor is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Nevada. Performance Guarantor is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions which require such qualification, except to the extent that failure to so qualify would not have a Material Adverse Effect.

(b) Power and Authority; Due Authorization. Performance Guarantor has all necessary corporate power and authority to (i) execute and deliver this Performance Guaranty and the other Transaction Documents to which it is a party and (ii) perform its obligations under this Performance Guaranty and the other Transaction Documents to which it is a party and the execution, delivery and performance of, and the consummation of the transactions provided for in, this Performance Guaranty and the other Transaction Documents to which it is a party have been duly authorized by Performance Guarantor by all necessary corporate action.

(c) Binding Obligations. This Performance Guaranty and each of the other Transaction Documents to which it is a party constitute legal, valid and binding obligations of Performance Guarantor, enforceable against Performance Guarantor in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(d) No Conflict or Violation. The execution, delivery and performance of, and the consummation of the transactions contemplated by, this Performance Guaranty and each other Transaction Document to which Performance Guarantor is a party, and the fulfillment of the terms hereof and thereof will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, the organizational documents of Performance Guarantor or any material indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust or other material agreement or instrument to which Performance Guarantor is a party or by which it or any of its property is bound, (ii) result in the creation or imposition of any material Adverse Claim (other than Permitted Adverse Claims) upon any of its properties pursuant to the terms of any such indenture, credit agreement, loan agreement, agreement, mortgage, deed of trust or other material agreement or instrument, other than this Performance Guaranty and the other Transaction Documents or (iii) conflict with or violate any Applicable Law, except in each case to the extent that any such conflict, breach, default, Adverse Claim or violation could not reasonably be expected to have a Material Adverse Effect.

(e) Litigation and Other Proceedings. There is no action, suit, proceeding or investigation pending, or to Performance Guarantor's actual knowledge threatened, against Performance Guarantor before any Governmental Authority: (i) asserting the invalidity of this Performance Guaranty or any of the other Transaction Documents to which Performance Guarantor is a party or any of the transactions contemplated hereby or thereby; or (ii) except as publicly disclosed in reports filed under the Exchange Act prior to the date hereof, which individually or in the aggregate for all such actions, suits, proceedings and investigations, could reasonably be expected to have a Material Adverse Effect.

(f) No Consents. Performance Guarantor is not required to obtain the consent of any other party or any consent, license, approval, registration, authorization or declaration of or with any Governmental Authority in connection with the execution, delivery, or performance of this Performance Guaranty or any other Transaction Document to which it is a party that has not already been obtained, except (i) where the failure to obtain such consent, license, approval, registration, authorization or declaration could reasonably be expected to have a Material Adverse Effect or (ii) filings with the SEC to the extent required by Applicable Law.

(g) Compliance with Applicable Law. Performance Guarantor (i) has maintained in effect all qualifications required under Applicable Law applicable to Performance Guarantor and (ii) has complied with all Applicable Laws applicable to Performance Guarantor, except to the extent the failure to maintain such qualifications or comply with such Applicable Laws could not reasonably be expected to have a Material Adverse Effect.

(h) Accuracy of Information. All certificates, reports, statements, documents and other information furnished to the Administrative Agent or any other Secured Party by Performance Guarantor pursuant to any provision of this Performance Guaranty or any other Transaction Document, or in connection with or pursuant to any amendment or modification of, or waiver under, this Performance Guaranty or any other Transaction Document, taken together with any information contained in the public filings made by Performance Guarantor with the SEC pursuant to the 1934 Act, are, at the time the same are so furnished, complete and correct in all material respects on the date the same are furnished to the Administrative Agent or such other Secured Party, and do not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not materially misleading in light of the circumstances under which such statements were made; provided, that, with respect to projected financial information provided by or on behalf of Performance Guarantor, Performance Guarantor represents only that such information was prepared in good faith by management of Performance Guarantor on the basis of assumptions believed by such management to be reasonable as of the time made.

(i) Other Transaction Documents. Each representation and warranty made by Performance Guarantor under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made.

(j) Investment Company Act. Performance Guarantor is not an “investment company,” or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act.

(k) Anti-Corruption Laws and Sanctions. Performance Guarantor has implemented and maintains in effect policies and procedures designed to promote and achieve compliance by Performance Guarantor, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and Performance Guarantor, its Subsidiaries and to the knowledge of Performance Guarantor its directors, officers, employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (i) Performance Guarantor, any Subsidiary of Performance Guarantor or to the knowledge of Performance Guarantor any of the directors or officers of Performance Guarantor, (ii) to the knowledge of Performance Guarantor or such Subsidiary, any director or officer of any Subsidiary of Performance Guarantor or (iii) to the knowledge of Performance Guarantor, any employee or agent of Performance Guarantor or any Subsidiary that will act in any capacity in connection with or benefit from the facility established under the Transaction Documents, is a Sanctioned Person.

(l) Financial Condition. The audited consolidated balance sheet of Performance Guarantor and its consolidated Subsidiaries as of April 1, 2019 and the related audited statements of income and shareholders’ equity of Performance Guarantor and its consolidated Subsidiaries for the fiscal year then ended, copies of which have been furnished to the Administrative Agent and the Group Agents, present fairly in all material respects the consolidated financial position of Performance Guarantor and its consolidated Subsidiaries for the period ended on such date, all in accordance with GAAP consistently applied.

(m) Solvency. Performance Guarantor is Solvent.

(n) Separateness. Performance Guarantor is aware that the Administrative Agent and the other Secured Parties have entered into the Receivables Purchase Agreement in reliance on the Seller being a separate entity from Performance Guarantor and Performance Guarantor's other Affiliates (including, without limitation, the Covered Entities) and has taken such actions and implemented such procedures as are necessary on its part to ensure that Performance Guarantor and each of its Affiliates (including, without limitation, the Covered Entities) will take all steps necessary to maintain the Seller's identity as a separate legal entity from Performance Guarantor and its Affiliates (including, without limitation, the Covered Entities) and to make it manifest to third parties that the Seller is an entity with assets and liabilities distinct from those of Performance Guarantor and its Affiliates (including, without limitation, the Covered Entities).

(o) ERISA. Except as disclosed in reports filed under the Exchange Act by Performance Guarantor prior to the date hereof:

(i) No ERISA Event has occurred or is reasonably expected to occur (other than for premiums payable under Title IV of ERISA), that would reasonably be expected to result in a liability to Performance Guarantor or its ERISA Affiliates of more than $250,000,000 over the amount previously reflected for any such liabilities, in accordance with GAAP, on the financial statements delivered pursuant to Section 8.02(b)(v) of the Receivables Purchase Agreement;

(ii) Schedule B (Actuarial Information) to Performance Guarantor's most recently completed annual report (Form 5500 Series) for each Pension Plan, copies of which have been filed with the Internal Revenue Service and furnished to the Administrative Agent, is complete and, to the best knowledge of Performance Guarantor, accurate, and since the date of such Schedule B there has been no change in the funding status of any such Pension Plan except any change that would not reasonably be expected to have a material adverse effect on the business, financial condition or operations of Performance Guarantor and its Subsidiaries, taken as a whole;

(iii) As of the most recent valuation date for each Multiemployer Plan for which the actuarial report is available, the potential liability to Performance Guarantor or any of its ERISA Affiliates for a complete withdrawal from such Multiemployer Plan, when aggregated with such potential liability for a complete withdrawal for all Multiemployer Plans, based on information available pursuant to Section 4221(e) of ERISA, does not exceed $250,000,000;

(iv) Performance Guarantor and each of its ERISA Affiliates are in compliance with all applicable provisions and requirements of ERISA and the regulations and published interpretations thereunder with respect to each Employee Benefit Plan, and have performed all their obligations under each Employee Benefit Plan except for any such failure to perform or comply that would not reasonably be expected to have a material adverse effect on the business, financial condition or operations of Performance Guarantor and its Subsidiaries, taken as a whole;

(v) Each Employee Benefit Plan that is intended to qualify under Section 401(a) of the Code has received a determination letter from the Internal Revenue Service that the Employee Benefit

Plan is so qualified (or a timely application for such a determination letter is pending), and to the best of Performance Guarantor's knowledge, the Employee Benefit Plan has not been operated in any way that would result in the Employee Benefit Plan no longer being so qualified except as would not reasonably be expected to have a material adverse effect on the business, financial condition or operations of Performance Guarantor and its Subsidiaries, taken as a whole; and

(vi) Neither Performance Guarantor nor any ERISA Affiliate has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is insolvent, in reorganization or has been terminated or has been determined to be in "endangered" or "critical" status, within the meaning of Title IV of ERISA, and, to the best knowledge of Performance Guarantor, no Multiemployer Plan is reasonably expected to be insolvent, in reorganization or to be terminated or to be determined to be in "endangered" or "critical" status within the meaning of Title IV of ERISA, in each case, resulting in liability to Performance Guarantor or its ERISA Affiliates of more than $250,000,000.

(p) Preliminary Statements. The statements set forth in the preliminary statements to this Performance Guaranty are true and correct.

(q) Reaffirmation of Representations and Warranties. On the date of each Investment, on the date of each Release, on each Settlement Date and on the date each Information Package is delivered to the Administrative Agent or any Group Agent under the Receivables Purchase Agreement, Performance Guarantor shall be deemed to have certified that (i) all representations and warranties of Performance Guarantor hereunder are true and correct in all material respects (unless such representation or warranty contains a materiality qualification and, in such case, such representation or warranty shall be true and correct as made) on and as of such day as though made on and as of such day, except for representations and warranties which apply as to an earlier date (in which case such representations and warranties shall be true and correct in all material respects (unless such representation or warranty contains a materiality qualification and, in such case, such representation or warranty shall be true and correct as made) as of such date) and (ii) no Event of Termination, Non-Reinvestment Event, Unmatured Event of Termination or Unmatured Non-Reinvestment Event has occurred and is continuing or will result from such Investment or Release.

11. Performance Guarantor covenants and agrees that, from the date hereof until the Final Payout Date, Performance Guarantor will observe and perform all of the following covenants:

(a) Ownership and Control. Performance Guarantor shall continue to own, directly or indirectly, 100% of the issued and outstanding Capital Stock and other equity interests of each Originator and the Seller; provided, however, that with respect to CSC Consulting, CSC shall continue to own only CSC Consulting's common stock and Class B preferred shares but not CSC Consulting's Class A participating preferred shares. Without limiting the generality of the foregoing, Performance Guarantor shall not permit the occurrence of any Change in Control.

(b) Existence. Performance Guarantor shall keep in full force and effect its existence and rights as a corporation under the laws of the State of Nevada, and shall obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Performance Guaranty, the other Transaction Documents and the Sold Assets and Seller Collateral except to the extent the failure to maintain such qualification could not reasonably be expected to have a Material Adverse Effect.

(c) Compliance with Laws. Performance Guarantor will comply with all Applicable Laws to which it may be subject, except to the extent any non-compliance would not reasonably be expected to have a Material Adverse Effect.

(d) Sale of Assets. Performance Guarantor will not, and will not permit any Covered Entity to, directly or indirectly sell, transfer, assign, convey or lease whether in one or a series of transactions, all or substantially all of its assets (other than in accordance with the Transaction Documents), unless (i) the Guaranteed Party has received thirty (30) days' prior notice thereof, (ii) no Event of Termination, Unmatured Event of Termination, Non-Reinvestment Event or Unmatured Non-Reinvestment Event has occurred and is continuing or would result immediately after giving effect thereto, (iii) the Guaranteed Party has received executed copies of all documents, certificates and opinions (including, without limitation, opinions relating to bankruptcy and UCC matters) as the Guaranteed Party shall reasonably request, (iv) if Performance Guarantor is not the surviving entity, the surviving entity provides an acknowledgment or reaffirmation of its obligations hereunder and under the other Transaction Documents to which it (or the applicable non-surviving entity) was a party, and (v) Performance Guarantor has promptly executed (if necessary) and delivered all further instruments and documents, and has taken all further actions, that may be necessary or desirable, or that the Guaranteed Party may reasonably request, to enable the Guaranteed Party (on behalf of the Secured Parties) to exercise and enforce their respective rights and remedies under this Performance Guaranty.

(e) Actions Contrary to Separateness. Performance Guarantor will not take any action inconsistent with the terms of Section 8.03 of the Receivables Purchase Agreement.

12. Except as otherwise provided in this Performance Guaranty, Performance Guarantor shall be under no greater obligation or greater liability under this Performance Guaranty in relation to any Guaranteed Obligation than Performance Guarantor would have been under the Transaction Documents if Performance Guarantor had been named as an Originator in the Transaction Documents and any defenses available to an Originator in respect of its obligations under the Transaction Documents or otherwise shall be available to Performance Guarantor, and Guaranteed Party may not recover under the Transaction Documents, this Performance Guaranty or otherwise for the same loss more than once. For the avoidance of doubt, this Section shall not be construed as superseding or derogating from the agreements and waivers set forth in Sections 3 or 4 above.

13. Unless otherwise defined herein, capitalized terms defined in the Receivables Purchase Agreement and used herein shall have the meanings given to them in the Receivables Purchase Agreement.

14. Performance Guarantor acknowledges that each Secured Party may assign its rights, remedies, powers and privileges under this Performance Guaranty to the extent permitted in the Receivables Purchase Agreement. Performance Guarantor agrees that the Guaranteed Party and the Secured Parties shall have the right to enforce this Performance Guaranty and to exercise directly all of its rights, remedies, powers and privileges under this Performance Guaranty (including the right to give or withhold any consents or approvals to be given or withheld by it under this Performance Guaranty) and Performance Guarantor agrees to cooperate fully with the Guaranteed Party and the Secured Parties in the exercise of such rights, remedies, powers and privileges.

15. No amendment or waiver of any provision of this Performance Guaranty shall be effective unless the same shall be in writing and signed by the Guaranteed Party and Performance Guarantor, and no consent to any departure by Performance Guarantor herefrom, shall in any event be effective unless the same shall be in writing and signed by the Guaranteed Party, and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

16. All notices and other communications hereunder shall, unless otherwise stated herein, be in writing and unless otherwise stated shall be made by email or letter to each party hereto, at its address set forth under its name on Schedule III of the Receivables Purchase Agreement or at such other address as shall be designated by such party in a written notice to the other parties hereto. All notices, requests and demands shall be

deemed to have been duly given or made (a) when dispatched by email during the recipient's normal business hours when the confirmation showing the completed transmission has been received, or (b) if mailed via a reputable international courier, when it has been left at the relevant address or five (5) Business Days after being delivered to such reputable international courier, in an envelope addressed to the applicable person at that address and to the attention of the person(s) set forth above. Each party to this Performance Guaranty shall promptly inform the other parties hereto of any changes in their respective addresses, email address specified herein.

17. This Performance Guaranty is the product of mutual negotiations by the parties thereto and their counsel, and no party shall be deemed the draftsperson of this Performance Guaranty or any provision hereof or to have provided the same. Accordingly, in the event of any inconsistency or ambiguity of any provision of this Performance Guaranty, such inconsistency or ambiguity shall not be interpreted against any party because of such party's involvement in the drafting thereof.

18. The Administrative Agent and the other Secured Parties may at any time during the continuance of an Event of Termination, setoff, appropriate and apply (without presentment, demand, protest or other notice which are hereby waived) any deposits and any other indebtedness held or owing by such Person (including by any branches or agencies of such Person) to, or for the account of, Performance Guarantor against the obligations owing by Performance Guarantor hereunder (even if contingent or unmatured); provided that such Person shall notify Performance Guarantor promptly following such setoff.

19. On the date hereof, the Existing Guaranty shall be amended, restated and superseded in its entirety by this Performance Guaranty. Performance Guarantor acknowledges and agrees that (i) this Performance Guaranty does not constitute a novation or termination of the Existing Guaranty as in effect immediately prior to the effectiveness of this Performance Guaranty and (ii) the obligations of Performance Guarantor under the Existing Guaranty as in effect immediately prior to the effectiveness of this Performance Guaranty are in all respects continuing (as amended and restated hereby) with only the terms thereof being modified as provided in this Performance Guaranty. Each reference to the Existing Guaranty or the "Performance Guaranty" in any Transaction Document shall be deemed to be a reference to this Performance Guaranty as amended and restated hereby.

[Signature page follows.]

Dated effective as of the date first written above.

DXC TECHNOLOGY COMPANY, a Nevada corporation

By /s/ Paul N. Saleh
Name: Paul N. Saleh
Title: Executive Vice President and Chief Financial Officer

By /s/ William L. Deckelman, Jr.
Name: William L. Deckelman, Jr.
Title: Executive Vice President, General Counsel and Secretary

NOTICE ADDRESS:
DXC TECHNOLOGY COMPANY
1775 Tysons Boulevard
Tysons, VA 22102
USA
Attention: Executive Vice President, General Counsel and Secretary

PNC BANK, NATIONAL ASSOCIATION

By: /s/ Christopher Blaney
Name: Christopher Blaney
Title: Senior Vice President

EX-21 EXHIBIT 21

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
iSOFT Health (South Africa) (Pty) Limited	South Africa
"Ent Services Bel" Limited Liability Company	Belarus
ACN 060 674 580 Pty Ltd.	Australia
Adeus Aktienregister-Service GmbH	Germany
Agile Coworking LLC	Ukraine
Alliance-One Holdings, LLC	Delaware
Alliance-One Investments, LLC	Delaware
Alliance-One Services, Inc.	Delaware
AppLabs Inc.	Delaware
AppLabs Limited	United Kingdom
AppLabs Technologies (UK) PVT Ltd	United Kingdom
AppLabs Technologies Private Limited US Branch	Philadelphia
Argo Design Europe B.V.	Netherlands
Argo Design LLC	Texas
Aspediens Holding SA	Switzerland
Australian College of Project Management Pty Ltd	Australia
Bad Homburger Inkasso GmbH	Germany
Beijing Bokai Technology Co., Ltd.	China
Beijing Bokai Technology Co., Ltd. Chongqing Branch	China
Beijing Bokai Technology Co., Ltd. Dalian Branch	China
Beijing Bokai Technology Co., Ltd. Guangzhou Branch	China
Beijing Bokai Technology Co., Ltd. Shanghai Branch	China
Beijing CSA Computer Sciences Technology Company Limited	China
Bluleader Pty Ltd	Australia
Bokai Enterprise Services (Wuhan) Co., Ltd.	China
BT Objects Limited	United Kingdom
BT Operaciones de México, S. de R.L. de C.V.	Mexico
BTO Group LLC	Russia
BusinessNow Copenhagen ApS	Denmark
BusinessNow International ApS	Denmark
BusinessNow P/S	Denmark
BusinessNow Sweden AB	Sweden
CeleritiFinTech Australia Pty Limited	Australia
CeleritiFinTech Italy S.r.l.	Italy
CeleritiFinTech Limited	United Kingdom
CeleritiFinTech Services Australia Pty Limited	Australia
CeleritiFinTech Services Germany GmbH	Germany
CeleritiFinTech Services India Private Limited	India
CeleritiFinTech Services Italy S.r.l.	Italy
CeleritiFinTech Services Limited	United Kingdom
CeleritiFinTech Services UK Limited	United Kingdom
CeleritiFinTech Services USA, Inc.	Delaware
CeleritiFinTech Services Vietnam Company, Limited	Vietnam
CeleritiFinTech USA, Inc.	Delaware
Century Credit Corporation	Nevada

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
Century LLC	Nevada
Century Subsidiary Corporation	Nevada
China Rapid Finance Limited	Cayman Islands
Cleartech Brasil Ltda	Brazil
Computer Sciences Canada Inc.	Canada
Computer Sciences Corporation	Nevada
Computer Sciences Corporation (NZ) Holdings Limited	New Zealand
Computer Sciences Corporation India Private Limited	India
Computer Sciences Corporation Services (Proprietary) Limited	South Africa
Concerto Cloud Services, LLC	Delaware
Continental Grand, Limited Partnership	Nevada
Continuum SOCS SAS	France
Covansys Netherlands B.V.	Netherlands
Covansys S.L.	Spain
CSA (PRC) Company Limited	Hong Kong
CSC (New Zealand & Pacific Islands) Limited	New Zealand
CSC Agility Platform Australia Pty Limited	Australia
CSC Agility Platform, Inc.	Delaware
CSC Arabia Ltd.	Saudi Arabia
CSC Asset Funding I LLC	Delaware
CSC Brazil Holdings LLC	Delaware
CSC Computer Sciences (Middle East) Limited	United Kingdom
CSC Computer Sciences (Middle East) Limited - Saudi Arabia Branch	Saudi Arabia
CSC Computer Sciences Argentina S.R.L.	Argentina
CSC Computer Sciences Bahrain Co. W.L.L	Bahrain
CSC Computer Sciences Brasil S/A	Brazil
CSC Computer Sciences Capital S.a.r.l.	Luxembourg
CSC Computer Sciences Capital US Branch, LLC	Nevada
CSC Computer Sciences Chile Inversiones Ltda.	Chile
CSC Computer Sciences Colombia SAS	Colombia
CSC Computer Sciences Corporation Chile S.A.	Chile
CSC Computer Sciences EMEA Finance Limited	United Kingdom
CSC Computer Sciences Finance Luxembourg S.a.r.l.	Luxembourg
CSC Computer Sciences Financing LLP	United Kingdom
CSC Computer Sciences Holdings S.a.r.l.	Luxembourg
CSC Computer Sciences Iberica, S.L.	Spain
CSC Computer Sciences International Holdings Limited	United Kingdom
CSC Computer Sciences International Inc.	Nevada
CSC Computer Sciences International Limited	United Kingdom
CSC Computer Sciences International Operations Limited	United Kingdom
CSC Computer Sciences International Services Limited	United Kingdom
CSC Computer Sciences Ireland Limited	Ireland
CSC Computer Sciences Ireland No. 2 Designated Activity Company	Ireland
CSC Computer Sciences Limited	United Kingdom
CSC Computer Sciences Middle East LLC	Qatar

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
CSC Computer Sciences Peru S.R.L.	Peru
CSC Computer Sciences Polska Sp. zO.O	Poland
CSC Computer Sciences Romania SRL	Romania
CSC Computer Sciences S.A.	Luxembourg
CSC Computer Sciences s.r.o.	Czech Republic
CSC Computer Sciences UK Holdings Limited	United Kingdom
CSC Computer Sciences US Holdings One LLC	Delaware
CSC Computer Sciences US Holdings Two LLC	Delaware
CSC Computer Sciences, S. de R.L. de C.V.	Mexico
CSC Consulting, Inc.	Massachusetts
CSC Covansys Corporation	Michigan
CSC Cybertek Corporation	Texas
CSC Enterprises L.P.	Delaware
CSC Finance Company LLC	Delaware
CSC Financial Services (Proprietary) Limited	South Africa
CSC Holdings (SA) (Pty) Limited	South Africa
CSC Hungary Information Technology Services Kft	Hungary
CSC Information Technology (Tianjin) Co. Ltd.	China
CSC Infotech India LLP	India
CSC International Systems Management Inc.	Nevada
CSC Japan, Ltd.	Delaware
CSC LATAM Company LLC	Nevada
CSC Life Sciences Limited	United Kingdom
CSC Logic Inc.	Texas
CSC New Zealand Limited	New Zealand
CSC Puerto Rico, LLC	Puerto Rico
CSC Services Management Ireland Limited	Ireland
CSC Servicios, S de R.L. de C.V.	Mexico
CSC Software Technology (Shanghai) Company Ltd.	China
CSC Technology (Beijing) Co., Ltd.	China
CSC UKD 4 Limited	United Kingdom
CSC UKD 4 Limited - Jamaica Branch	Jamaica
CSCA Capital Finance Pty Limited	Australia
CXD Infrastructure Solutions Inc.	Nevada
CXD Infrastructure Solutions U.K. Ltd.	United Kingdom
Data Integration Limited	United Kingdom
Datasure Holdings Limited	United Kingdom
Dawriver Pty Limited	Australia
DerivIT Solutions Private Limited	India
DXC Capital Funding Limited	Ireland
DXC Connect Pty Ltd	Australia
DXC Consulting Pty Ltd	Australia
DXC Eclipse (New Zealand) Limited	New Zealand
DXC Eclipse Pty Ltd	Australia
DXC Eclipse Pty Ltd - Fiji Branch	Fiji

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
DXC Field Delivery Holding B.V.	Netherlands
DXC Gatriam Holding B.V.	Netherlands
DXC Hague B.V.	Netherlands
DXC Hague II B.V.	Netherlands
DXC Lux 5 S.a.r.l.	Luxembourg
DXC Lux 6 S.a.r.l.	Luxembourg
DXC Luxembourg International S.a.r.l.	Luxembourg
DXC MS LLC	California
DXC Professional Solutions Pty Ltd	Australia
DXC Receivables LLC	Delaware
DXC SAE Pty Limited	Australia
DXC Technology (Middle East) FZ LLC - Abu Dhabi Branch	UAE
DXC Technology (Philippines), Inc.	Philippines
DXC Technology (South Africa) (Pty) Limited	South Africa
DXC Technology (Thailand) Co., Ltd.	Thailand
DXC Technology Airline Solutions Denmark A/S	Denmark
DXC Technology Australia Holdings Pty Limited	Australia
DXC Technology Australia Pty. Limited	Australia
DXC Technology Austria GmbH	Austria
DXC Technology B.V.	Netherlands
DXC Technology Baltic UAB	Lithuania
DXC Technology Belgium VOF/SNC	Belgium
DXC Technology Bulgaria E.O.O.D.	Bulgaria
DXC Technology Company	Nevada
DXC Technology Czech Republic s.r.o.	Czech Republic
DXC Technology Danmark A/S	Denmark
DXC Technology Delivery Centre Tunisie	Tunisia
DXC Technology Deutschland Consulting GmbH	Germany
DXC Technology Deutschland GmbH	Germany
DXC Technology Egypt SAE	Egypt
DXC Technology Enterprise Services (AP) Limited	Hong Kong
DXC Technology Enterprise Services (Hong Kong) Limited	Hong Kong
DXC Technology Financial Services Holding SAS	France
DXC Technology Financial Services SAS	France
DXC Technology Finland Oy	Finland
DXC Technology France Holding SAS	France
DXC Technology France SAS	France
DXC Technology Global Services Centre Sdn. Bhd.	Malaysia
DXC Technology Hong Kong Limited	Hong Kong
DXC Technology Hungary Ltd	Hungary
DXC Technology India Private Limited	India
DXC Technology Information Services Slovakia s.r.o	Slovakia
DXC Technology Italy S.r.l.	Italy
DXC Technology Japan LLC	Japan
DXC Technology Japan Ltd.	Japan

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
DXC Technology Korea YH	Korea
DXC Technology Luxembourg SA	Luxembourg
DXC Technology Malaysia Sdn. Bhd	Malaysia
DXC Technology Middle East FZ-LLC	UAE
DXC Technology New Asia Holdings Pte. Ltd.	Singapore
DXC Technology Norge AS	Norway
DXC Technology NZ Limited	New Zealand
DXC Technology Oy	Finland
DXC Technology Polska Sp. z o.o.	Poland
DXC Technology Portugal, Lda	Portugal
DXC Technology SARL	Morocco
DXC Technology Scandihealth A/S	Denmark
DXC Technology Sdn. Bhd	Brunei
DXC Technology Services LLC	Delaware
DXC Technology Services Puerto Rico LLC	Puerto Rico
DXC Technology Services Singapore Pte. Ltd.	Singapore
DXC Technology Services Vietnam Company Limited	Vietnam
DXC Technology Servicios Espana S.L.	Spain
DXC Technology Singapore Pte. Ltd.	Singapore
DXC Technology Slovakia s.r.o.	Slovakia
DXC Technology Spain, S.A.	Spain
DXC Technology Sverige AB	Sweden
DXC Technology Switzerland GmbH	Switzerland
DXC Technology Taiwan Limited	Taiwan
DXC Technology Tunisie SARL	Tunisia
DXC Turkey Teknoloji Hismetleri Limited Sirketi	Turkey
DXC United Pty Limited	Australia
E IT Services Co. Kazakhstan	Kazakhstan
E.D.S. International Limited	United Kingdom
eBECS Business Solutions (Ireland) Limited	Ireland
eBECS Company Limited	Saudi Arabia
eBECS Limited	United Kingdom
eBECS North America Inc.	Georgia
Eclipse Intelligent Solutions (USA) Inc.	Delaware
EDS (New Zealand) Pensions Limited	New Zealand
EDS Electronic Data Systems (Thailand) Co., Ltd	Thailand
EDS Finance (Cayman)	Cayman Islands
EDS Finance Ltd	United Kingdom
EDS Finance Partnership (Canada) L.P.	Canada
EDS Finance Partnership (Cayman), L.P.	Cayman Islands
EDS Global Contracts, LLC	Delaware
EDS Mexicana S. de R.L. de C.V.	Mexico
EDS Trustee Limited	United Kingdom
EDS World Corporation (Netherlands) LLC	Delaware
EHRO Holding Company	Delaware

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
EIT Services Co. Portugal, Lda.	Portugal
EIT Services India Private Limited	India
EIT Services India Private Limited Australia Branch	Australia
EIT Services India Private Limited Canada Branch	Canada
EIT Services India Private Limited German Branch	Germany
EIT Services India Private Limited UK Branch	United Kingdom
EIT Services India Private Limited US Branch	Massachusetts
EIT Services Taiwan Co. Ltd.	Taiwan
Ent. Services Australia Pty Ltd	Australia
Ent. Services CentroAmerica CAC, Ltda.	Costa Rica
Ent. Services Development Corporation LP	Texas
Ent. Services Hellas - IT Services Limited Liability Company	Greece
Ent. Services Zagreb d.o.o.	Croatia
Enterprise IT Services Middle East FZ LLC	UAE
Enterprise Services (AP) Limited Bangladesh Branch	Bangladesh
Enterprise Services (AP) Limited, Philippines Regional Operating Headquarters	Philippines
Enterprise Services (Thailand) Limited	Thailand
Enterprise Services Administrative Services LLC	Delaware
Enterprise Services Argentina S.R.L	Argentina
Enterprise Services Asia Pacific Corporation	Nevada
Enterprise Services Belgium BVBA	Belgium
Enterprise Services Bermuda Holding LLC	Delaware
Enterprise Services Brasil Serviços de Tecnologia Ltda	Brazil
Enterprise Services Brazil Holdings LLC	Delaware
Enterprise Services Bulgaria EOOD	Bulgaria
Enterprise Services Caribe, LLC	Puerto Rico
Enterprise Services CDG S.A.	Morocco
Enterprise Services Chile Comercial Limitada	Chile
Enterprise Services CIT LLC	Delaware
Enterprise Services Colombia S.A.S.	Colombia
Enterprise Services Communications LLC	Delaware
Enterprise Services Corporación Ven C.C.A.	Venezuela
Enterprise Services d.o.o. Beograd	Serbia
Enterprise Services DC Holdings LLC	Delaware
Enterprise Services Defence and Security UK Limited	United Kingdom
Enterprise Services Delaware LLC	Delaware
Enterprise Services Denmark ApS	Denmark
Enterprise Services Doha for Information Technology Consultancy	Qatar
Enterprise Services Energy Italia S.r.l.	Italy
Enterprise Services France SAS	France
Enterprise Services Information Security UK Limited	United Kingdom
Enterprise Services International Trade B.V, Saudi Arabian Branch	Saudi Arabia
Enterprise Services International Trade B.V.	Netherlands

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
Enterprise Services International Trade B.V. Azerbaijan Branch	Azerbaijan
Enterprise Services Italia S.r.l.	Italy
Enterprise Services Korea A DXC Technology Company	Korea
Enterprise Services Latin America Corporation	Delaware
Enterprise Services Latin America Corporation Peru Branch	Peru
Enterprise Services Luxembourg S.à r.l.	Luxembourg
Enterprise Services Nederland B.V.	Netherlands
Enterprise Services New Ireland II LLC	Delaware
Enterprise Services New Ireland LLC	Delaware
Enterprise Services New Zealand	New Zealand
Enterprise Services New Zealand Holdings Pty Ltd	Australia
Enterprise Services Norge AS	Norway
Enterprise Services Panama, S. de R.L.	Panama
Enterprise Services Peru S.R.L.	Peru
Enterprise Services Romania SRL	Romania
Enterprise Services Servicios Profesionales, S. de R.L. de C.V.	Mexico
Enterprise Services South Africa (Pty) Ltd	South Africa
Enterprise Services Sverige AB	Sweden
Enterprise Services World Corporation	Nevada
Enterprise Services World Trade LLC	Delaware
Enterprise Solutions Consultoría y Aplicaciones España, S.L.U.	Spain
Enterprise Solutions Outsourcing España, S.L.U.	Spain
Enterprise Solutions Procesos de Negocio España, S.L.U.	Spain
Enterprise Tech Partners Italia S.r.l.	Italy
EntServ (Mauritius) Limited	Mauritius
EntServ Costa Rica, Limitada	Costa Rica
EntServ Deutschland GmbH	Germany
Entserv East Africa Limited	Kenya
EntServ Enterprise Services Austria GmbH	Austria
Entserv Enterprise Services Mexico S. de R.L. de C.V.	Mexico
EntServ International Sàrl	Switzerland
EntServ International Sárl UAE Branch	UAE
Entserv Israel Ltd.	Israel
Entserv Malaysia Sdn. Bhd.	Malaysia
EntServ Nigeria Limited	Nigeria
EntServ OMS Israel Ltd	Israel
EntServ Philippines, Inc.	Philippines
EntServ Schweiz GmbH	Switzerland
EntServ Turkey Technological Solutions Limited Liability Company	Turkey
EntServ UK Limited	United Kingdom
ES Alps HoldCo B.V.	Netherlands
ES Berlin B.V.	Netherlands
ES Brasil Participações Ltda.	Brazil
ES Brielle B.V.	Netherlands

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
ES Canada HoldCo LLC	Delaware
ES Capital Co	Cayman Islands
ES Caribe y Andina B.V.	Netherlands
ES Caribe y Andina B.V.	Trinidad & Tobago
ES Caribe y Andina B.V. Sucursal Uruguay	Uruguay
ES Eastern Holding B.V.	Netherlands
ES Elysian L.P.	Bermuda
ES Field Delivery Belgium BVBA	Belgium
ES Field Delivery Deutschland GmbH	Germany
ES Field Delivery France SAS	France
ES Field Delivery Ireland Limited	Ireland
ES Field Delivery Italia S.r.l.	Italy
ES Field Delivery Luxembourg S.á r.l.	Luxembourg
ES Field Delivery Nederland B.V.	Netherlands
ES Field Delivery Portugal, Unipessoal Lda.	Portugal
ES Field Delivery Spain, S.L.U.	Spain
ES Field Delivery UK Limited	United Kingdom
ES Finance B.V.	Netherlands
ES French HoldCo B.V.	Netherlands
ES Globalsoft HoldCo B.V.	Netherlands
ES Immobilien GmbH	Germany
ES Investment Co	Cayman Islands
ES Japan HoldCo B.V.	Netherlands
ES Japan Systems HoldCo B.V.	Netherlands
ES Perseid	Cayman Islands
ES Pragma LLC	Delaware
ES Russia HoldCo B.V.	Netherlands
ES Russia HoldCo II B.V.	Netherlands
ES SHARED SERVICE CENTER S.p.A.	Italy
ES SHARED SERVICE CENTER SOCIETA PER AZIONI, Branch Austria	Austria
ES Sinope Holding B.V.	Netherlands
ES Taiwan HoldCo B.V.	Netherlands
ESIT Advanced Solutions Inc.	Canada
ESIT Canada Enterprise Services Co.	Canada
EURL CSC Computer Sciences Corporation Algeria	Algeria
Everett Merger Sub Inc.	Delaware
Excelian (Canada) Ltd.	Canada
Excelian (Singapore) Pte Limited	Singapore
Excelian Limited	United Kingdom
Excelian Ltd (Australian Branch)	Australia
Excelian Luxoft Financial Services (Switzerland) AG	Switzerland
Experteam S.A./N.V.	Belgium
Fixnetix Ltd.	United Kingdom
Fixnetix, Inc.	Delaware
Fondsdepot Bank GmbH	Germany

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
Forbes Technology Center	Maryland
Fruition Partners Australia Pty Limited	Australia
Fruition Partners B.V.	Netherlands
Fruition Partners Canada Ltd.	Canada
Fruition Partners Group B.V.	Netherlands
Fruition Partners Holding B.V.	Netherlands
Fruition Partners Inc.	Delaware
Fruition Partners UK Holdco Ltd.	United Kingdom
Fruition Partners UK Ltd.	United Kingdom
Global EntServ Solutions Galway Limited	Ireland
Global EntServ Solutions Ireland Limited	Ireland
Guizhou Bokai Technology Co. Ltd	China
HAS Solutions Pty Ltd.	Australia
High Tech Services Insurance, Ltd.	Bermuda
HouseBuilder XL Ltd.	United Kingdom
HR Holdco Limited	United Kingdom
i SOFT Limited	United Kingdom
IBA Health (Asia) Holdings Pte Ltd.	Singapore
IBA Health (Asia) Sdn. Bhd.	Malaysia
IBA Health (Middle East) LLC	Oman
Icon Technology, Inc.	Delaware
IDAPS Australia Finance N.V.	Curacao
Implementaciones Soft Sanidad Peru, S.A.C.	Peru
Implementaciones Soft Sanidad, S.A. de C.V.	Mexico
Infochimps, Inc	Delaware
Innovative Banking Solutions AG	Germany
Ins-Sure Holdings Limited	United Kingdom
Ins-Sure Services Limited	United Kingdom
INSYS Group Inc.	New Jersey
Integ Group Pty Ltd	Australia
Integ Queensland Pty Ltd	Australia
Integradora de Servicios Central, S.A. de C.V.	Mexico
Integradora de Servicios S.A. de C.V.	Mexico
IntroPro US Inc.	New Jersey
Investcare Partners Ltd.	Virginia
ISI (China) Co., Limited	China
iSOFT (Primary Care) Pty Ltd.	Australia
iSOFT Australia Pty Limited	Australia
iSOFT eHealth Pty Ltd	Australia
iSOFT Group (UK) Limited	United Kingdom
iSOFT Group Pty Limited	Australia
iSOFT Health (Asia) Pte Ltd.	Singapore
iSOFT Health (Ireland) Limited	Ireland
iSOFT Health Logic (Malaysia) Sdn. Bhd.	Malaysia
iSOFT Health Systems (Malaysia) Sdn. Bhd.	Malaysia

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
iSOFT Health Verwaltungs-GmbH	Germany
iSOFT Holdings Pty Limited	Australia
iSOFT Iberia, S.L.	Spain
iSOFT Inc.	Delaware
iSOFT Ireland Limited	Ireland
iSOFT Nederland B.V.	Netherlands
iSOFT Sanidad Dominicana, S.R.L.	Dominican Republic
iSOFT Sanidad S.A.	Spain
iSOFT Sanidad, Sucursal Ecuador	Ecuador
iSOFT Solutions (International) Pty Ltd.	Australia
iSOFT Solutions (Thailand) Limited	Thailand
iSOFT Solutions Pty Ltd	Australia
iSOFT Systems Pty Ltd.	Australia
Japan Systems Company Limited	Japan
LCO Marine Limited	United Kingdom
LCO Non-Marine and Aviation Limited	United Kingdom
LFR Technology SA	Switzerland
LFR Technology UK Ltd.	United Kingdom
Limited Liability Company "Enterprise Services Ukraine"	Ukraine
Limited Liability Company Enterprise Services	Russia
Logistica Digitale Srl	Italy
London Processing Centre Limited	United Kingdom
LPSO Limited	United Kingdom
Lucid IT Pty Ltd	Australia
Lucid IT Unit Trust	Australia
Lux 1 Holding Company Inc.	Delaware
Luxoft Bulgaria E.O.O.D.	Bulgaria
Luxoft Dubna LLC	Russia
Luxoft Eastern Europe Limited	British Virgin Islands
Luxoft Global Operations GmbH	Switzerland
Luxoft GmbH	Germany
Luxoft Holding Inc.	British Virgin Islands
Luxoft India LLP	India
Luxoft Information Technology (Singapore) Pte. Ltd.	Singapore
Luxoft Information Technology (Tianjin) Limited	China
Luxoft Information Technology (Tianjin) Limited (Shanghai)	China
Luxoft Information Technology (Tianjin) Limited Beijing (Branch)	China
Luxoft Information Technology Pte Ltd. (France branch)	France
Luxoft International Company Limited	Cyprus
Luxoft Korea LLC	Korea
Luxoft Luxembourg S.a.r.l.	Luxembourg
Luxoft Malaysia Sdn Bhd	Malaysia
Luxoft Mexico S.A. de C.V.	Mexico
Luxoft Netherlands B.V.	Netherlands
Luxoft Poland Sp.z.o.o	Poland

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
Luxoft Professional LLC	Russia
Luxoft Professional Omsk (Branch)	Russia
Luxoft Professional Romania SRL	Romania
Luxoft Professional St Petersburg (Branch)	Russia
Luxoft Singapore Pte Limited	Singapore
Luxoft Solutions Pte. Limited	Hong Kong
Luxoft Sweden AB	Sweden
Luxoft UK Limited	United Kingdom
Luxoft Ukraine LLC	Ukraine
Luxoft USA Inc.	Delaware
Luxoft Vietnam Company Limited	Vietnam
MachineShop	Delaware
Medical Facilities, Joint Venture	Virginia
MMIS Technology Services LLC	Delaware
M-Power Solutions Pty Ltd	Australia
Mynd Corporation	South Carolina
Mynd International LLC	Delaware
Mynd International LLC - Philippines Branch	Philippines
Mynd Partners (f/k/a Legalgard Partners, L.P.)	Pennsylvania
Mynd Partners, L.P. f/k/a Cybertek Solutions, L.P.	Texas
NameCo 2017, LLC	Delaware
Nexplicit Infotech India Private Limited	India
Objective Software Italia S.r.l.	Italy
OSIX Corporation	Delaware
Oxygen Business Solutions Limited	New Zealand
Oxygen Business Solutions Pty Ltd	Australia
Oxygen Business Solutions Pty Ltd - Papua New Guinea Branch	Papua New Guinea
Paxus N.V.	Curacao
Payfields Pty Ltd.	Australia
PDA Software Services, LLC	Delaware
PharmaConnect, Inc.	Florida
PRC/ORI JV	Virginia
PT DXC Technology Indonesia	Indonesia
PT EIT Services Indonesia	Indonesia
Red Rock Consulting Pty Ltd	Australia
Red Rock Limited	New Zealand
Rocksolid SQL Pty Ltd	Australia
Royal Pavilion LP	Jersey
Royal Pavilion Nominee One Limited	Jersey
Royal Pavilion Nominee Two Limited	Jersey
RPDP Limited	Jersey
Sable Systems Pty Ltd.	Australia
Sable Systems Pty Ltd. - New Zealand Branch	New Zealand
Sable Systems Unit Trust	Australia
Sable37 CRM Pty Ltd.	New Zealand

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
Sable37 DMCC	UAE
Sable37 Systems India Pvt. Ltd.	India
Sable37, Inc.	California
Saltbush Consulting Pty Ltd	Australia
Saturn Five Native LLC	Texas
SBB Services, Inc.	Delaware
Shoto, Inc.	Delaware
Smarthome Ventures LLC	Delaware
Smashing Ideas LLC	Washington
SME - Science Management and Engineering AG	Germany
Software ITCS.A.	Romania
Spikes Cavell Analytic Inc.	Delaware
Spikes Cavell Analytic Limited	United Kingdom
Spiritguide Limited	United Kingdom
Spiritmodel Limited	United Kingdom
Strategic Business Transformation Services LLC	Delaware
Symtavision GmbH	Germany
Syscom AS	Norway
System Partners Pty Ltd	Australia
TechBusiness Operaciones México, S. de R.L. de C.V.	Mexico
Technology Service Partners, Inc.	Florida
TESM Australia Pty Ltd	Australia
TESM Europe GmbH	Germany
TESM Ireland Limited	Ireland
TESM Limited	United Kingdom
TESM LLC	Delaware
TESM/NL B.V.	Netherlands
Tianjin CSA Computer Sciences Technology Company Limited	China
Total Objects Limited	United Kingdom
Training Center Luxoft Autonomous Non-commercial Organization	Russia
Tribridge EMEA Ltd.	United Kingdom
Tribridge Enterprises Canada, ULC	Canada
Tribridge Holdings, LLC	Delaware
Tribridge International, LLC	Delaware
Tribridge Italy S.r.l.	Italy
UAB ES Hague Lietuva	Lithuania
UltraGenda N.V	Belgium
UTE (Consorcio Siges Sistemas de Gestion para la Salud Ecuatoriana)	Ecuador
UTE (Multiple)	Spain
UXC BSG Holdings Pty Ltd	Australia
UXC Connect Integ Pty Ltd	Australia
UXC Connect XSI Pty Ltd	Australia
UXC Consulting Pte Ltd	Singapore
UXC Consulting SDN BHD	Malaysia
UXC Eclipse (AES) LLC	Delaware

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
UXC Eclipse (USA) LLC	Delaware
UXC Eclipse (USA), Inc.	New York
UXC Eclipse Solutions (Canada) Ltd	Canada
UXC Engineering Solutions Pty Ltd	Australia
UXC FSG Holdings Pty Ltd	Australia
UXC Holdings (NZ) Ltd	New Zealand
UXC Holdings Pty Ltd	Australia
UXC India IT Services Private Ltd	India
UXC Professional Solutions Holdings Pty Ltd	Australia
UXC Red Rock Consulting (Singapore)	Singapore
UXC Solutions Pty Ltd	Australia
ViCoS Limited	United Kingdom
ViCoS, Inc.	California
Virtual Clarity B.V.	Netherlands
Virtual Clarity Limited	United Kingdom
Virtual Clarity Singapore Pte. Ltd.	Singapore
Virtual Clarity, Inc.	California
Wendover Financial Services Corporation	North Carolina
White Labelled Pty Ltd	Australia
Wrap Media, LLC	Delaware
Xchange Limited	United Kingdom
Xchanging (Mauritius) Limited	Mauritius
Xchanging (Rebus) Pension Trustees Limited	United Kingdom
Xchanging (SEA) Pte Limited	Singapore
Xchanging Asia Pacific Sdn Bhd	Malaysia
Xchanging B.V.	Netherlands
Xchanging Broking Services Limited	United Kingdom
Xchanging Builders (India) Private Limited	India
Xchanging Business Services Limited, China Branch	China
Xchanging Claims Services Limited	United Kingdom
Xchanging EMEA Limited	United Kingdom
Xchanging Europe Holdco Limited	United Kingdom
Xchanging Global Insurance Services (US), Inc.	Delaware
Xchanging Global Insurance Solutions Limited	United Kingdom
Xchanging Global Insurance Systems Limited	United Kingdom
Xchanging Holdco No 3 Limited	United Kingdom
Xchanging Holdings Limited	United Kingdom
Xchanging Inc.	Delaware
Xchanging Integrated Services Australia Pty Limited	Australia
Xchanging Integrated Services Victoria Pty Limited	Australia
Xchanging International Limited	United Kingdom
Xchanging Italy Holding S.r.L.	Italy
Xchanging Italy S.p.A.	Italy
Xchanging Limited	United Kingdom

DXC TECHNOLOGY COMPANY
Subsidiaries as of March 31, 2020

Entity Name	Jurisdiction of Organization
Xchanging Malaysia Sdn Bhd	Malaysia
Xchanging Outsourcing Private Limited	India
Xchanging Procurement Services (Holdco) Limited	United Kingdom
Xchanging Procurement Services Limited	United Kingdom
Xchanging Procurement Services Pty Limited	Australia
Xchanging Pty Limited	Australia
Xchanging Resourcing Services Limited	United Kingdom
Xchanging Services, Inc.	Delaware
Xchanging Software Europe (Regional Hub) Limited	United Kingdom
Xchanging Software Europe Limited	United Kingdom
Xchanging Software Services, Inc.	Delaware
Xchanging Solutions (Europe) Limited	United Kingdom
Xchanging Solutions (Malaysia) Sdn Bhd	Malaysia
Xchanging Solutions (Singapore) Pte Limited	Singapore
Xchanging Solutions (USA), Inc.	Delaware
Xchanging Solutions Limited	India
Xchanging Systems and Services, Inc.	Delaware
Xchanging Technology for Intermediaries Pty Limited	Australia
Xchanging Technology Services India Pvt Limited	India
Xchanging Technology Services Limited	United Kingdom
Xchanging UK Limited	United Kingdom
Xchanging US Funding Limited	United Kingdom
Xchanging US Holdings Limited	United Kingdom
Xlpro Limited	United Kingdom
Xpanse Limited	United Kingdom
Xpanse No 2 Limited	United Kingdom
XS (Int) Limited	United Kingdom
XUK Holdco (No. 2) Limited	United Kingdom

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements No. 333-217053 and No. 333-217054 on Form S-8 and No. 333-219941 on Form S-3 of our reports dated June 1, 2020, relating to the consolidated financial statements of DXC Technology Company and subsidiaries (the “Company”), and the effectiveness of the Company's internal control over financial reporting, appearing in this Annual Report on Form 10-K of DXC Technology Company for the year ended March 31, 2020.

/s/ DELOITTE & TOUCHE LLP

McLean, Virginia
June 1, 2020

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael J. Salvino, certify that:

1. I have reviewed this Annual Report on Form 10-K of DXC Technology Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 1, 2020

/s/ Michael J. Salvino

Michael J. Salvino President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Paul N. Saleh, certify that:

1. I have reviewed this Annual Report on Form 10-K of DXC Technology Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 1, 2020

/s/ Paul N. Saleh

Paul N. Saleh
Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Michael J. Salvino, President and Chief Executive Officer of DXC Technology Company (the "Company"), hereby certify that, to my knowledge:

(1) The Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2020, (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 1, 2020

/s/ Michael J. Salvino

Michael J. Salvino
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Paul N. Saleh, Executive Vice President and Chief Financial Officer of DXC Technology Company (the "Company"), hereby certify that, to my knowledge:

(1) The Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2020, (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 1, 2020

/s/ Paul N. Saleh

Paul N. Saleh
Executive Vice President and Chief Financial Officer