

# 2022 Enterprise Computing Solutions (ECS) Expectations

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- As noted on the 4Q21 earnings call, we expect 2022 ECS revenue to be down high single digits or low double digits year over year due to the anticipated 2022 ClearPath Forward (“CPF”) license renewal schedule
  - As additional color, we expect approximately 15-20% of this ECS segment revenue to be earned in 1Q22 based on the anticipated CPF renewal schedule
- ECS cost of revenue is somewhat agnostic to the renewal schedule, given that a key driver of this expense is amortization of software development costs
  - As a result, we expect similar ECS cost of revenue in 2022 as in 2021
  - We also expect this to be relatively evenly split across the quarters in 2022