

DXC Technology Completes Sale of U.S. State and Local Health and Human Services Business to Veritas Capital, Creating Gainwell Technologies

NEW YORK and TYSONS, Va., Oct. 1, 2020 – [DXC Technology](#) (NYSE: DXC) today announced that it has completed the sale of its U.S. State and Local Health and Human Services business to [Veritas Capital](#), a leading investor in government and healthcare technology businesses, to form [Gainwell Technologies](#).

DXC intends to use the net proceeds from the \$5 billion cash consideration to strengthen its balance sheet and reduce debt by about \$3.5 billion. Following the repayment of debt, DXC will have approximately \$6.0 billion of total debt on its balance sheet and net-debt of about \$3.0 billion.

“On behalf of everyone at DXC, I would like to thank our people who are joining Gainwell for their service and commitment to DXC. I would also like to thank our customers who are in great hands going forward,” said Mike Salvino, President and CEO, DXC. “I am very pleased that we have delivered on our plan in completing this transaction, which strengthens our balance sheet and allows us to bring the ‘new DXC’ to the market. Our focus on our people and our customers combined with our improved financial flexibility better positions DXC for long-term success.”

“Today marks the beginning of an exciting new chapter for Gainwell, and we thank DXC for its partnership and stewardship in establishing the company as a true technology leader,” said Ramzi Musallam, CEO and Managing Partner of Veritas Capital. “With the invigoration and focus of a standalone company, Gainwell is poised as an innovative partner in the evolving healthcare technology market. We are proud to build upon Gainwell’s deep heritage and experience to continue to support clients in achieving essential outcomes in their communities nationwide.”

Gainwell will operate as a standalone company with over 7,500 employees who support clients across 42 U.S. states and territories with offerings including Medicaid Management Information Systems (MMIS), fiscal agent services, program integrity, care management, immunization registry and eligibility services. With over 50 years of proven experience, Gainwell carries forward a reputation for technological innovation, service excellence and unparalleled industry expertise in offering clients scalable and flexible solutions for their most complex challenges. For more information on Gainwell, visit www.gainwelltechnologies.com.

About Veritas Capital

Veritas is a leading private investment firm that invests in companies that provide critical products and services, primarily technology and technology-enabled solutions, to government and commercial customers worldwide, including those operating in the healthcare, aerospace & defense, software, national security, communications, energy, government services and education industries. Veritas seeks to create value by strategically transforming the companies in which it invests through organic and inorganic means. For more information on Veritas, visit www.veritascapital.com.

About DXC Technology

DXC Technology (NYSE: DXC) 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. Learn more about the DXC story and our focus on people, customers and operational execution at www.dxc.technology.

Contacts

Veritas Capital

Julie Rudnick/Julie Casale, Sard Verbinen & Co, (212) 687-8080, veritascapital-SVC@sardverb.com

Gainwell Technologies

Kelly Hirner, (612) 201-6870, Kelly.hirner@gainwelltechnologies.com

DXC Technology

Rich Adamonis, Corporate Media Relations, (862) 228-3481, radamonis@dxc.com
Shailesh Murali, M&A and Investor Relations, (703) 245-9700, shailesh.murali@dxc.com

Cautionary Note Regarding Forward-looking Statements

All statements in this press release that do not directly and exclusively relate to historical facts constitute “forward-looking statements.” These statements represent DXC’s intentions, plans, expectations and beliefs, and are subject to risks, uncertainties and other factors many of which are outside DXC’s control. Many factors could cause actual results to differ materially from such forward-looking statements with respect to the transaction announced above, including risks relating to: the completion of the transaction on anticipated timing, including obtaining regulatory and third-party approvals; conditions in the credit markets; anticipated tax treatment for the proposed transaction; unforeseen liabilities; loss of revenues; the potential impact of announcement or consummation of the proposed transaction on relationships with third parties, including clients, employees and competitors; and the delay or business disruption caused by difficulties in separating the divested business from DXC’s remaining businesses. For a written description of the factors that could cause actual results of DXC’s business to differ materially from these forward-looking statements, see the section titled “Risk Factors” in DXC’s Annual Report on Form 10-K for the fiscal year ended March 31, 2020, as updated in subsequent SEC filings including the Company’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2020, which readers are urged to review in detail, as it contains important information regarding risks, uncertainties and other factors that could cause actual results to differ from the plans, expectations and other matters described in this press release. 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. DXC disclaims any intention or obligation to update these forward-looking statements whether as a result of subsequent events or otherwise, except as required by law.