



## **KYNDRYL UPDATES REPORTABLE SEGMENTS**

### **Australia/New Zealand operations move to the Strategic Markets segment**

On July 16, 2024, Kyndryl Holdings, Inc. (NYSE: KD) announced a minor change to its geographic reportable segments effective June 1, 2024 to reflect how the Company manages its operations and measures business performance. Kyndryl's operations in Australia/New Zealand transitioned from Principal Markets to Strategic Markets. Kyndryl's updated reportable segments are now defined as:

- United States
- Japan
- Principal Markets – comprised of its operations in Canada, France, Germany, India, Italy, Spain/Portugal and the United Kingdom/Ireland
- Strategic Markets – comprised of all other geographic locations

The Company's reporting of first quarter 2025 results will reflect this update to its reportable segments. The tables below provide the historical financial data as previously reported, the changes to the previously reported amounts and the recast historical financial data, reflecting our updated reportable segments. The unaudited recast historical information is being furnished solely to aid investors by providing supplemental information, has no impact on the Company's previously reported consolidated financial position or results of operations, and does not represent a restatement of the Company's previously issued consolidated financial statements that were included in the Company's annual report on Form 10-K for the year ended March 31, 2024.

**Table 1**  
**PREVIOUSLY REPORTED SEGMENT INFORMATION (UNAUDITED)**  
(dollars in millions)

For informational purposes only, the following table presents the previously reported revenue and adjusted EBITDA by segment for the years ended March 31, 2023 and 2024. Certain amounts may not add due to the use of rounded numbers.

|                                | Fiscal 2023        |                   |                  |                  |                                       | Fiscal 2024        |                   |                  |                  |                                       |
|--------------------------------|--------------------|-------------------|------------------|------------------|---------------------------------------|--------------------|-------------------|------------------|------------------|---------------------------------------|
|                                | Three Months Ended |                   |                  |                  | Fiscal Year Ended<br>Mar. 31,<br>2023 | Three Months Ended |                   |                  |                  | Fiscal Year Ended<br>Mar. 31,<br>2024 |
|                                | June 30,<br>2022   | Sept. 30,<br>2022 | Dec. 31,<br>2022 | Mar. 31,<br>2023 |                                       | June 30,<br>2023   | Sept. 30,<br>2023 | Dec. 31,<br>2023 | Mar. 31,<br>2024 |                                       |
| <b>Revenue</b>                 |                    |                   |                  |                  |                                       |                    |                   |                  |                  |                                       |
| United States                  | \$ 1,168           | \$ 1,149          | \$ 1,265         | \$ 1,145         | \$ 4,726                              | \$ 1,164           | \$ 1,108          | \$ 1,032         | \$ 990           | \$ 4,295                              |
| Japan                          | 634                | 614               | 606              | 648              | 2,502                                 | 610                | 569               | 581              | 584              | 2,344                                 |
| Principal Markets              | 1,516              | 1,472             | 1,472            | 1,497            | 5,957                                 | 1,484              | 1,465             | 1,446            | 1,428            | 5,823                                 |
| Strategic Markets              | 970                | 944               | 961              | 966              | 3,840                                 | 935                | 930               | 877              | 848              | 3,590                                 |
| <b>Segment adjusted EBITDA</b> |                    |                   |                  |                  |                                       |                    |                   |                  |                  |                                       |
| United States                  | \$ 200             | \$ 167            | \$ 271           | \$ 200           | \$ 839                                | \$ 236             | \$ 176            | \$ 194           | \$ 174           | \$ 781                                |
| Japan                          | 115                | 113               | 90               | 89               | 407                                   | 100                | 84                | 94               | 83               | 361                                   |
| Principal Markets              | 100                | 57                | 91               | 123              | 371                                   | 167                | 185               | 207              | 180              | 740                                   |
| Strategic Markets              | 96                 | 111               | 145              | 84               | 436                                   | 133                | 150               | 144              | 152              | 579                                   |

**Table 2**  
**CHANGE IN SEGMENT INFORMATION (UNAUDITED)**  
(dollars in millions)

For informational purposes only, the following table presents the change to the previously reported revenue and adjusted EBITDA by segment resulting from the transition of Australia/New Zealand from Principal Markets to Strategic Markets, for the years ended March 31, 2023 and 2024. Certain amounts may not add due to the use of rounded numbers.

|                                | Fiscal 2023        |                   |                  |                  |                                       | Fiscal 2024        |                   |                  |                  |                                       |
|--------------------------------|--------------------|-------------------|------------------|------------------|---------------------------------------|--------------------|-------------------|------------------|------------------|---------------------------------------|
|                                | Three Months Ended |                   |                  |                  | Fiscal Year Ended<br>Mar. 31,<br>2023 | Three Months Ended |                   |                  |                  | Fiscal Year Ended<br>Mar. 31,<br>2024 |
|                                | June 30,<br>2022   | Sept. 30,<br>2022 | Dec. 31,<br>2022 | Mar. 31,<br>2023 |                                       | June 30,<br>2023   | Sept. 30,<br>2023 | Dec. 31,<br>2023 | Mar. 31,<br>2024 |                                       |
| <b>Revenue</b>                 |                    |                   |                  |                  |                                       |                    |                   |                  |                  |                                       |
| United States                  | \$ —               | \$ —              | \$ —             | \$ —             | \$ —                                  | \$ —               | \$ —              | \$ —             | \$ —             | \$ —                                  |
| Japan                          | —                  | —                 | —                | —                | —                                     | —                  | —                 | —                | —                | —                                     |
| Principal Markets              | (112)              | (100)             | (93)             | (96)             | (401)                                 | (93)               | (89)              | (86)             | (78)             | (345)                                 |
| Strategic Markets              | 112                | 100               | 93               | 96               | 401                                   | 93                 | 89                | 86               | 78               | 345                                   |
| <b>Segment adjusted EBITDA</b> |                    |                   |                  |                  |                                       |                    |                   |                  |                  |                                       |
| United States                  | \$ —               | \$ —              | \$ —             | \$ —             | \$ —                                  | \$ —               | \$ —              | \$ —             | \$ —             | \$ —                                  |
| Japan                          | —                  | —                 | —                | —                | —                                     | —                  | —                 | —                | —                | —                                     |
| Principal Markets              | (23)               | (5)               | (15)             | (5)              | (48)                                  | (16)               | (16)              | (16)             | (15)             | (63)                                  |
| Strategic Markets              | 23                 | 5                 | 15               | 5                | 48                                    | 16                 | 16                | 16               | 15               | 63                                    |

**Table 3**  
**RECAST SEGMENT INFORMATION (UNAUDITED)**  
(dollars in millions)

The following table presents a recast of revenue and adjusted EBITDA by segment resulting from the transition of Australia/New Zealand from Principal Markets to Strategic Markets, for the years ended March 31, 2023 and 2024. The recast of our segment results impacts only the Company's segment reporting and does not affect Kyndryl's previously published consolidated results. Certain amounts may not add due to the use of rounded numbers.

|                                | Fiscal 2023        |                   |                  |                  |                                       | Fiscal 2024        |                   |                  |                  |                                       |
|--------------------------------|--------------------|-------------------|------------------|------------------|---------------------------------------|--------------------|-------------------|------------------|------------------|---------------------------------------|
|                                | Three Months Ended |                   |                  |                  | Fiscal Year Ended<br>Mar. 31,<br>2023 | Three Months Ended |                   |                  |                  | Fiscal Year Ended<br>Mar. 31,<br>2024 |
|                                | June 30,<br>2022   | Sept. 30,<br>2022 | Dec. 31,<br>2022 | Mar. 31,<br>2023 |                                       | June 30,<br>2023   | Sept. 30,<br>2023 | Dec. 31,<br>2023 | Mar. 31,<br>2024 |                                       |
| <b>Revenue</b>                 |                    |                   |                  |                  |                                       |                    |                   |                  |                  |                                       |
| United States                  | \$ 1,168           | \$ 1,149          | \$ 1,265         | \$ 1,145         | \$ 4,726                              | \$ 1,164           | \$ 1,108          | \$ 1,032         | \$ 990           | \$ 4,295                              |
| Japan                          | 634                | 614               | 606              | 648              | 2,502                                 | 610                | 569               | 581              | 584              | 2,344                                 |
| Principal Markets              | 1,404              | 1,373             | 1,379            | 1,401            | 5,556                                 | 1,391              | 1,376             | 1,361            | 1,350            | 5,479                                 |
| Strategic Markets              | 1,082              | 1,043             | 1,053            | 1,062            | 4,241                                 | 1,027              | 1,019             | 962              | 926              | 3,934                                 |
| <b>Segment adjusted EBITDA</b> |                    |                   |                  |                  |                                       |                    |                   |                  |                  |                                       |
| United States                  | \$ 200             | \$ 167            | \$ 271           | \$ 200           | \$ 839                                | \$ 236             | \$ 176            | \$ 194           | \$ 174           | \$ 781                                |
| Japan                          | 115                | 113               | 90               | 89               | 407                                   | 100                | 84                | 94               | 83               | 361                                   |
| Principal Markets              | 77                 | 52                | 76               | 118              | 323                                   | 151                | 169               | 191              | 166              | 677                                   |
| Strategic Markets              | 119                | 116               | 160              | 89               | 484                                   | 149                | 166               | 161              | 166              | 642                                   |