

Supplemental slides



Forward looking statements

This presentation may contain forward-looking statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of Hewlett-Packard Company and its consolidated subsidiaries may differ materially from those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including but not limited to any projections of revenue, margins, expenses, tax provisions, earnings, cash flows, benefit obligations, share repurchases, acquisition synergies or other financial items; any statements of the plans, strategies and objectives of management for future operations, including the execution of cost reduction programs and restructuring and integration plans; any statements concerning expected development, performance or market share relating to products or services; any statements regarding future economic conditions or performance, including the impact of fluctuations of currency exchange rates; any statements regarding pending investigations, claims or disputes; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Risks, uncertainties and assumptions include macroeconomic and geopolitical trends and events; the execution and performance of contracts by customers, suppliers and partners; the challenge of managing asset levels, including inventory; the difficulty of aligning expense levels with revenue changes; assumptions related to pension and other post-retirement costs; expectations and assumptions relating to the execution and timing of cost reduction programs and restructuring and integration plans; the possibility that the expected benefits of business combination transactions may not materialize as expected; the outcome of pending legislation and accounting pronouncements; the resolution of pending investigations, claims and disputes; and other risks that are described in HP's Annual Report on Form 10-K for the fiscal year ended October 31, 2007 and HP's other filings with the Securities and Exchange Commission, including HP's Quarterly Report on Form 10-Q for the fiscal quarter ended July 31, 2008. HP assumes no obligation and does not intend to update these forward-looking statements.

Use of non-GAAP financial information

HP has included non-GAAP financial measures in these materials to supplement HP's consolidated condensed financial statements presented on a GAAP basis. Definitions of these non-GAAP financial measures and reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included elsewhere in these materials.

HP's management uses non-GAAP operating expense, non-GAAP OI&E, non-GAAP operating profit, non-GAAP net income, non-GAAP diluted earnings per share, and HP's non-GAAP tax rate to evaluate and forecast HP's performance before gains, losses or other charges that are considered by HP's management to be outside of HP's core business segment operating results. Gross cash, net cash and free cash flow are liquidity measures that provide useful information to management about the amount of cash available for investment in HP's businesses, funding strategic acquisitions, repurchasing stock and other purposes.

These non-GAAP financial measures may have limitations as analytical tools, and these measures should not be considered in isolation or as a substitute for analysis of HP's results as reported under GAAP. For example, items such as restructuring charges that are excluded from non-GAAP operating expense, non-GAAP operating profit, non-GAAP net income, non-GAAP diluted earnings per share and HP's non-GAAP tax rate and items such as gains or losses on investments that are excluded from non-GAAP net income and non-GAAP diluted earnings per share can have a material impact on cash flows. HP may not be able to liquidate the long-term investments included in gross cash immediately, which may limit the usefulness of gross cash as a liquidity measure. In addition, free cash flow does not represent the total increase or decrease in the cash balance for the period. The non-GAAP financial information that we provide also may differ from the non-GAAP information provided by other companies.

We compensate for the limitations on our use of these non-GAAP financial measures by relying primarily on our GAAP financial statements and using non-GAAP financial measures only supplementally. We also provide robust and detailed reconciliations of each non-GAAP financial measure to the most directly comparable GAAP measure, and we encourage investors to review carefully those reconciliations.

We believe that providing these non-GAAP financial measures in addition to the related GAAP measures provides investors with greater transparency to the information used by HP's management in its financial and operational decision-making and allows investors to see HP's results "through the eyes" of management. We further believe that providing this information better enables investors to understand HP's operating performance and to evaluate the efficacy of the methodology and information used by management to evaluate and measure such performance.



Important information

Use of financial forecasts and projections

These materials contain forecasts and projections of the potential impact of the integration of the business and operations of Electronic Data Systems Corporation on HP's future financial results. Although sometimes presented with numerical specificity, these forecasts and projections are based upon a variety of estimates and hypothetical assumptions made by HP's management. These forecasts and projections are subjective in many respects and thus susceptible to interpretation and periodic revision based on actual experience and developments occurring since the date the forecasts and projections were prepared. While HP's management believes that these estimates and assumptions are reasonable under the circumstances, some or all of those estimates and assumptions may not be realized, and they are inherently subject to significant business and economic uncertainties and contingencies, and such uncertainties and contingencies can generally be expected to increase with the passage of time. Should any of the estimates and assumptions change or prove to have been incorrect, it could materially affect the ultimate accuracy of these forecasts and projections. For these reasons, the inclusion of these forecasts and projections in these materials should not be regarded as an indication that the forecasts and projections will be an accurate prediction of future events, and they should not be relied on as such. These forecasts and projections are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those shown below and should be read with caution. See "Forward-Looking Statements" on slide 3 of this presentation. HP assumes no obligation and does not intend to update these forecasts and projections.

Consultations with employee representatives

For those countries that require consultation with works councils and other employee representatives in relation to the local implementation of any restructuring plans or organizational changes, these materials are not intended to provide country-specific information and in no way reflect final decisions at a local level. Where required by law, final decisions will be subject to prior consultation with works councils and other employee representatives.



HP FY07 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of intangibles	Restructurin g charges	In- process R&D	Pensio n curtail.	Non-GAAP
Revenue	104,286					104,286
Cost of sales	78,887					78,887
Total OpEx	16,680	(783)	(387)	(190)	517	15,837
Operating profit	8,719	783	387	190	(517)	9,562
Interest & other, net	458					458
Pre-tax earnings	9,177	783	387	190	(517)	10,020
Income tax	1,913	197	136		(180)	2,066
Tax rate	20.8%					20.6%
Net earnings	7,264					7,954
EPS	\$2.68					\$2.93

EDS FY04 GAAP to non-GAAP bridge

In millions	GAAP	Restructuring charges	(Losses)/Gains on Divestiture	Estimated Option Expense	Non-GAAP
Revenue	19,863				19,863
Operating profit	(102)	481	(106)	(212)	61
Operating margin	(0.5%)				0.3%



EDS FY05 GAAP to non-GAAP bridge

In millions	GAAP	Reversal of '04 & Prior Restructuring charges	(Losses)/Gains on Divestiture	'05 Shareholder Lawsuit reserve	Non-GAAP
Revenue	19,757				19,757
Operating profit	542	(32)	(94)	24	440
Operating margin	2.7%				2.2%



EDS FY06 GAAP to non-GAAP bridge

In millions	GAAP	Reversal of '04 & Prior Restructuring charges	(Losses)/Gains on Divestiture	Non-GAAP
Revenue	21,268			21,268
Operating profit	816	(7)	22	831
Operating margin	3.8%			3.9%



EDS FY07 GAAP to non-GAAP bridge

In millions	GAAP	Reversal of '04 & Prior Restructuring charges	Restructuring charges	(Losses)/ Gains on Divestiture	Early Retirement Option	Non-GAAP
Revenue	22,134					22,134
Operating profit	1,132	(4)	6	-	154	1,288
Operating margin	5.1%					5.8%



