




Q4 FY08 Earnings Announcement

November 24, 2008



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Use of non-GAAP financial information

HP has included non-GAAP financial measures in this presentation 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 this presentation.

HP's management uses non-GAAP operating expense, non-GAAP OI&E, non-GAAP operating profit, non-GAAP net earnings, 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. Items such as amortization of purchased intangible assets, though not directly affecting HP's cash position, represent the loss in value of intangible assets over time. The expense associated with this loss in value is not included in non-GAAP operating profit, non-GAAP net earnings, non-GAAP diluted earnings per share and HP's non-GAAP tax rate and therefore does not reflect the full economic effect of the loss in value of those intangible assets. In addition, items such as restructuring charges that are excluded from non-GAAP operating expense, non-GAAP operating profit, non-GAAP net earnings, non-GAAP diluted earnings per share and HP's non-GAAP tax rate can have a material impact on cash flows and earnings per share. 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.

Q4 & FY08 Results overview

Q4 FY08

FY08

Financials Highlights

- Net revenue of \$33.6B, growth of \$5.3B, up 19% Y/Y or 16% in constant currency
- Non-GAAP diluted EPS of \$1.03; up 20% from \$0.86 in Q4 FY07
- GAAP diluted EPS of \$0.84; up 4% from \$0.81 in Q4 FY07
- Cash flow from operations of \$3.3B
- \$1.9B in share repurchases, and \$196M in dividends

- Net revenue of \$118.4B, growth of \$14.1B, up 13% Y/Y or 8% in constant currency
- Non-GAAP diluted EPS of \$3.62; up 24% from \$2.93 in FY07
- GAAP diluted EPS of \$3.25; up 21% from \$2.68 in FY07
- Cash flow from operations of \$14.6B
- \$9.6B in share repurchases, and \$796M in dividends

\$ in millions	Q4 Revenue	Growth Y/Y%	OP \$	OP % of rev	OP \$ Y/Y	OP % Y/Y	FY08 Revenue	Growth Y/Y%	OP \$	OP % of rev	OP \$ Y/Y	OP % Y/Y
Imaging and Printing Group	\$7,503	(1%)	\$1,162	15.5%	\$68	1.0 pts	\$29,385	3%	\$4,590	15.6%	\$275	0.4 pts
Personal Systems Group	\$11,179	10%	\$616	5.5%	\$27	(0.3 pts)	\$42,295	16%	\$2,375	5.6%	\$436	0.3 pts
Enterprise Storage and Servers	\$5,059	(1%)	\$705	13.9%	(\$31)	(0.5 pts)	\$19,400	4%	\$2,577	13.3%	\$429	1.8 pts
HP Software	\$855	13%	\$195	22.8%	\$50	3.7 pts	\$3,029	20%	\$461	15.2%	\$240	6.5 pts
HP Services	\$8,639	99%	\$920	10.6%	\$405	(1.2 pts)	\$22,397	35%	\$2,491	11.1%	\$704	0.3pts
HP Financial Services	\$691	5%	\$51	7.4%	\$3	0.1 pts	\$2,698	15%	\$192	7.1%	\$37	0.5 pts
Total HP ⁽²⁾	\$33,603	19%	\$3,402⁽¹⁾	10.1%⁽¹⁾	\$599⁽¹⁾	0.2 pts⁽¹⁾	\$118,364	13%	\$11,796⁽¹⁾	10.0%⁽¹⁾	\$2,234⁽¹⁾	0.8 pts⁽¹⁾

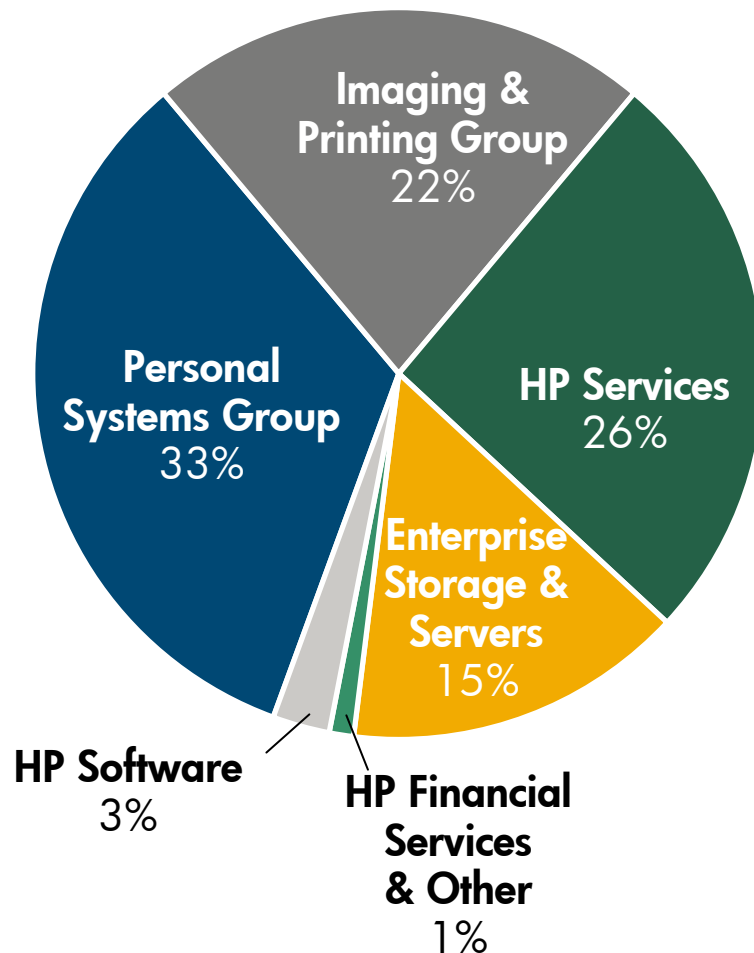
1. All non-GAAP numbers have been adjusted to exclude certain items. A reconciliation of specific adjustments to GAAP results for this quarter and prior periods is included on slide 18 and in the GAAP to non-GAAP slides that appear as part of the supplemental slides of this presentation. A description of HP's use of non-GAAP information is provided on slide 3 under "Use of non-GAAP Financial Information."

2. Includes Corporate Investments & Eliminations

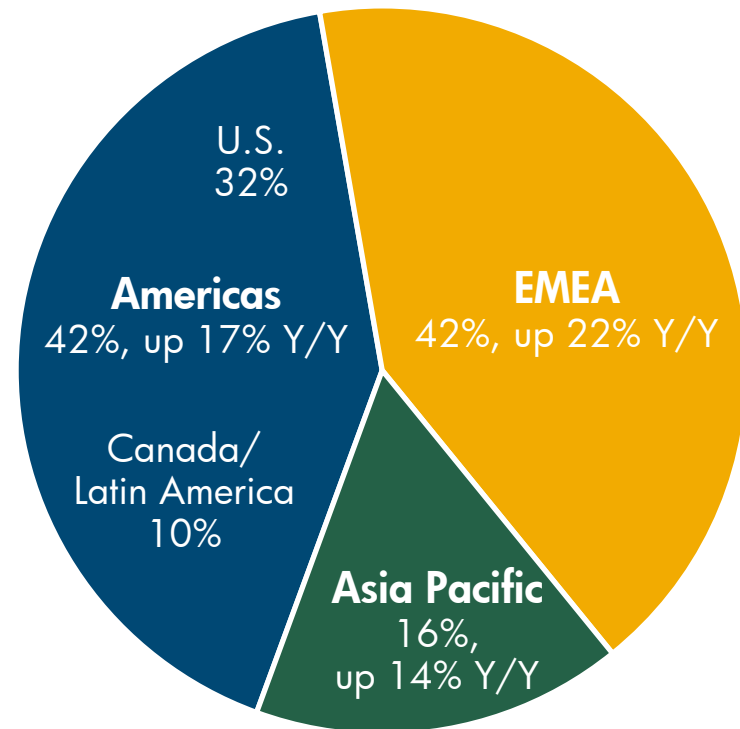
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Q4 FY08 revenue

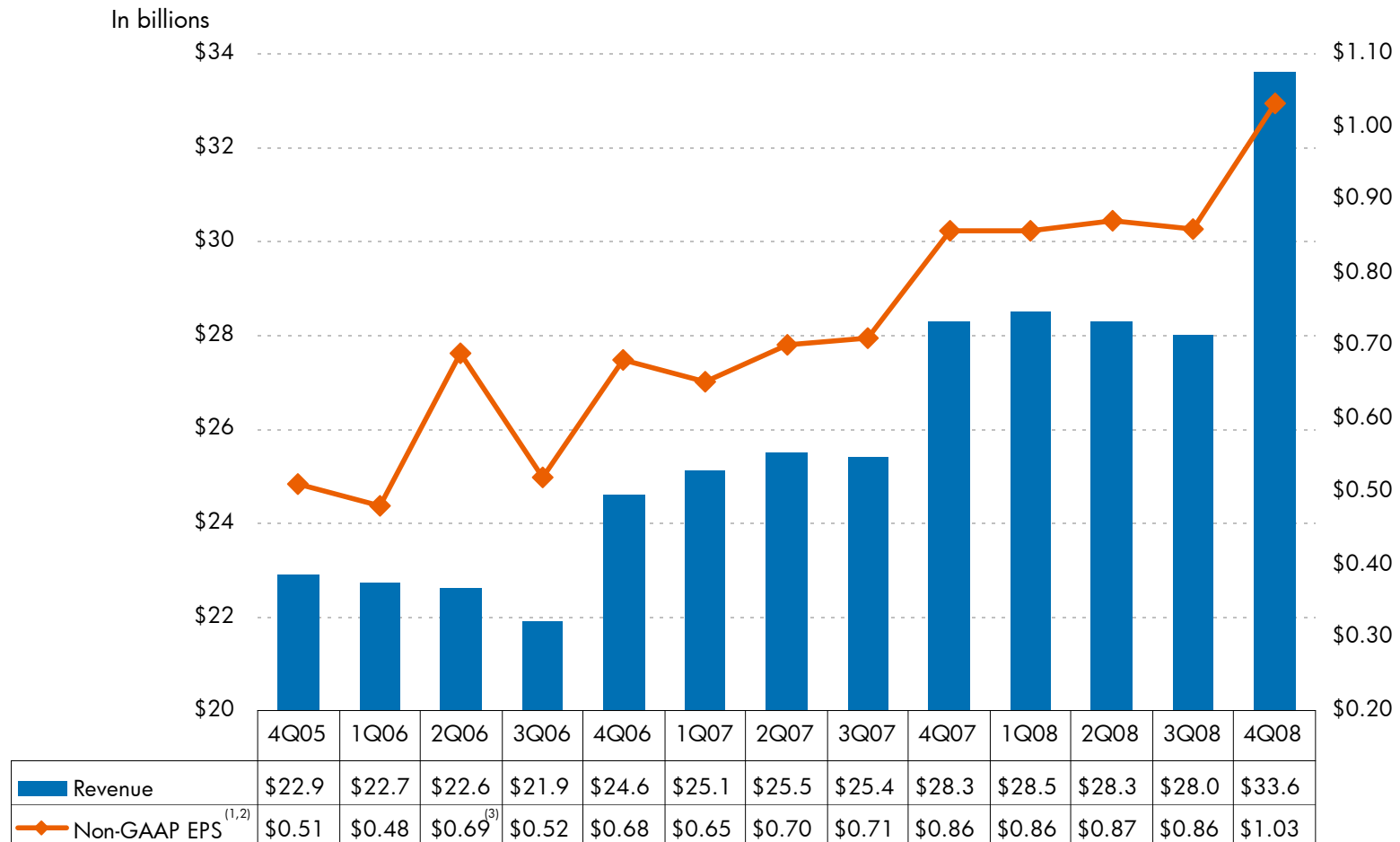
By segment



By region



Revenue & EPS performance



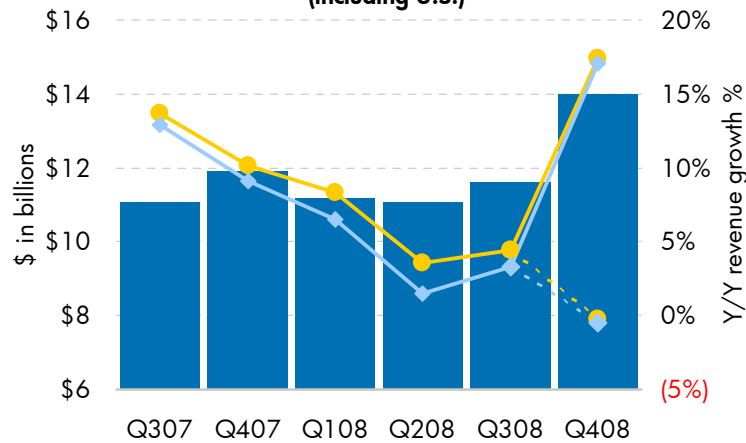
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2. FY05 results do not include the effects of stock-based compensation, which are included in FY06 and beyond.

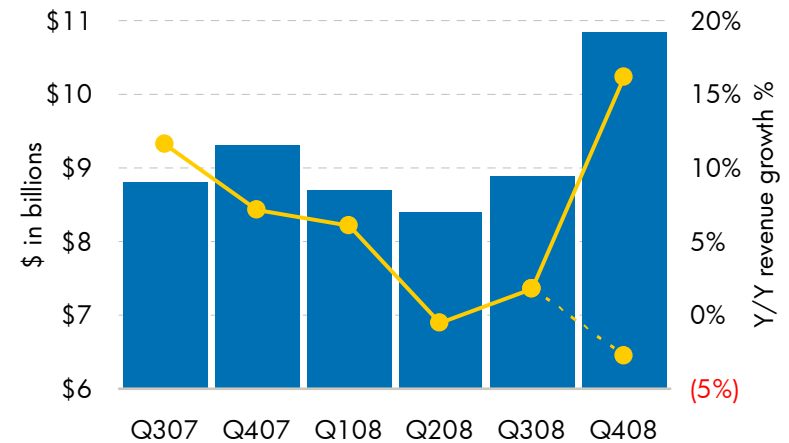
3. On June 6, 2006, HP upwardly revised Q2 FY06 earnings following the signing of a settlement agreement by the Internal Revenue Service resolving federal income tax matters for HP's 1996 through 1998 tax years. Non-GAAP EPS for Q2 FY06 was previously reported as \$0.54. Notification from the IRS on June 1 prior to the filing of HP's Q2 FY06 Form 10-Q required this revision to HP's reported Q2 FY06 results.

Regional revenue trends

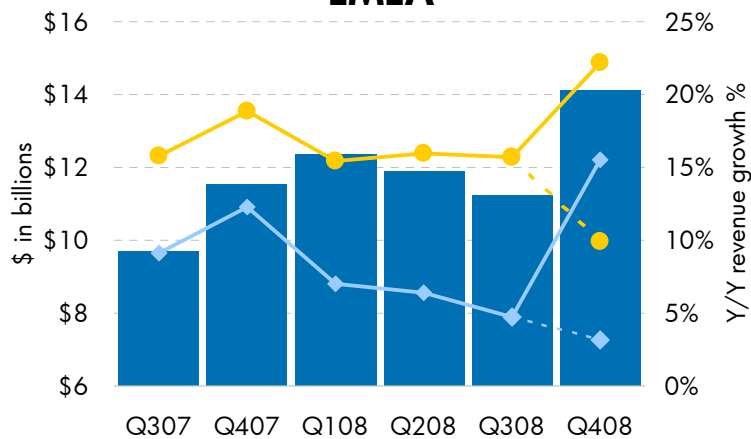
Americas (including U.S.)



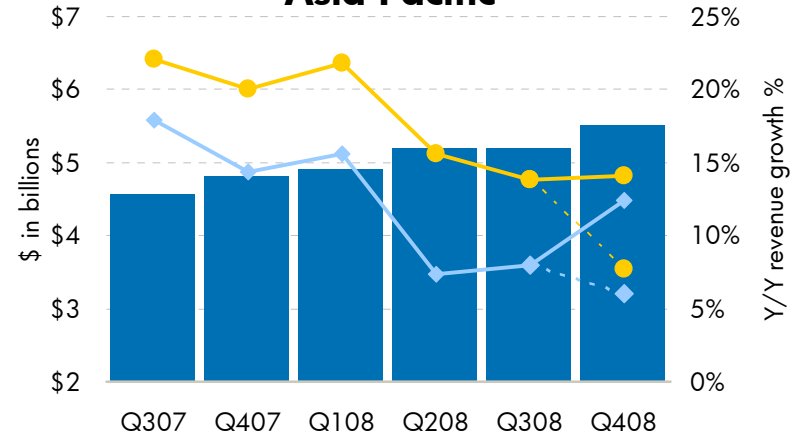
United States



EMEA



Asia Pacific

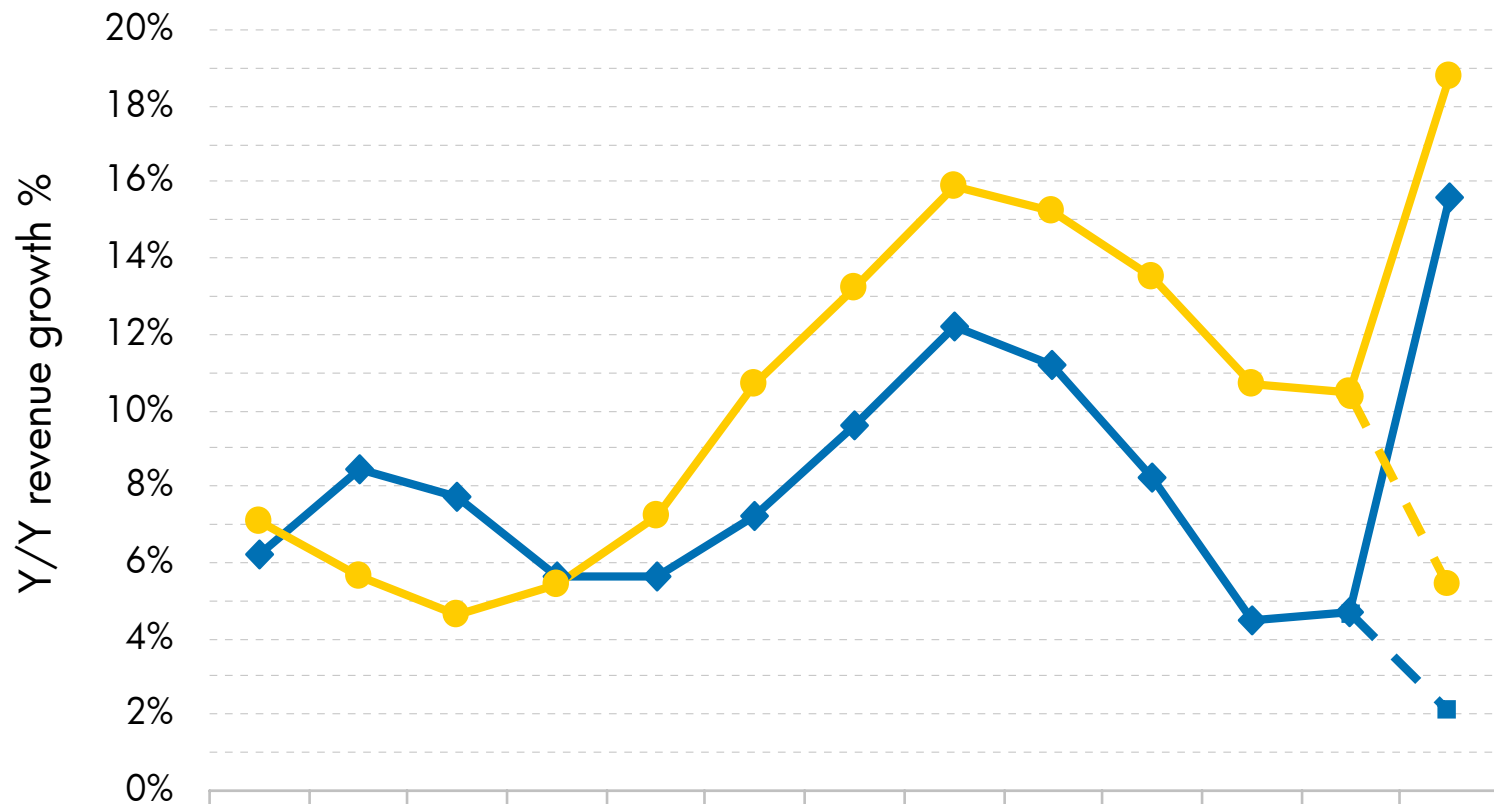


●— Y/Y revenue growth %
◆— Y/Y constant currency revenue growth %

●- - - Y/Y revenue growth % without EDS
◆- - - Y/Y constant currency revenue growth % without EDS



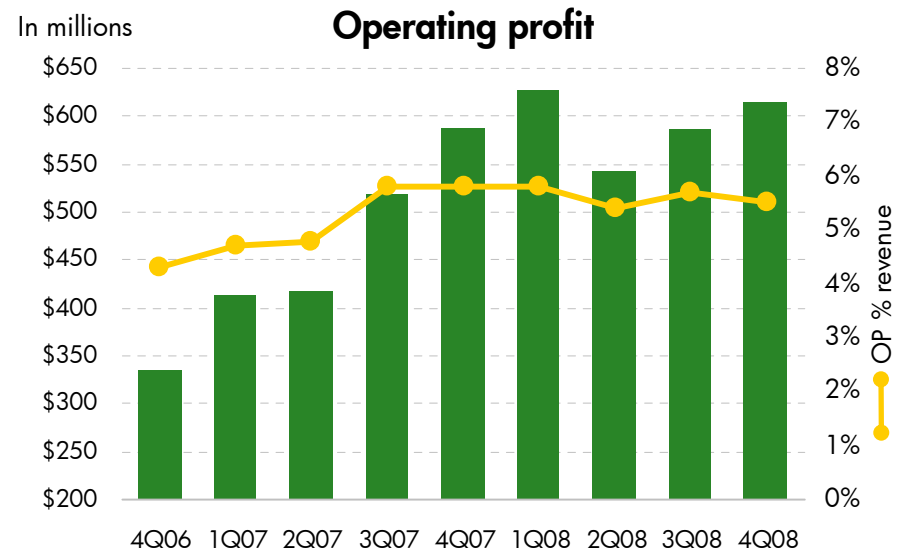
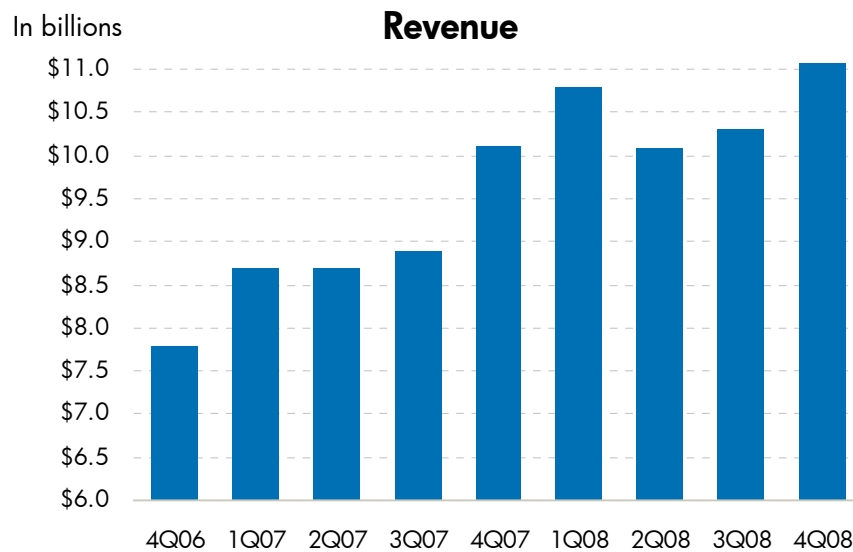
Revenue growth



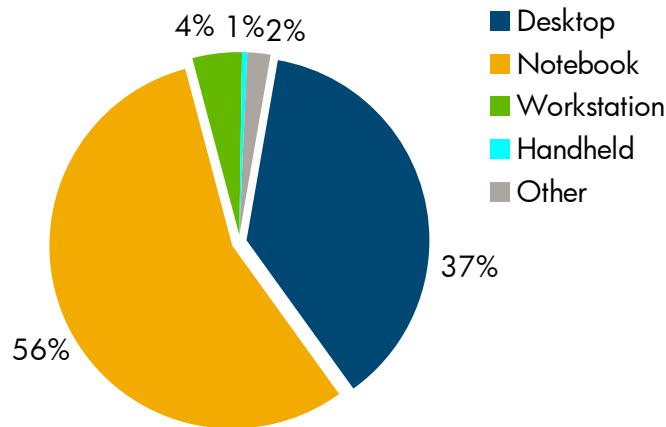
	4Q05	1Q06	2Q06	3Q06	4Q06	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08
◆ Constant currency	6.2%	8.5%	7.7%	5.6%	5.6%	7.2%	9.6%	12.2%	11.2%	8.2%	4.5%	4.7%	15.6%
● As reported	7.1%	5.6%	4.6%	5.4%	7.2%	10.7%	13.2%	15.9%	15.2%	13.5%	10.7%	10.5%	18.8%

● Y/Y As reported without EDS
◆ Y/Y Constant Currency without EDS

Personal Systems Group (PSG)

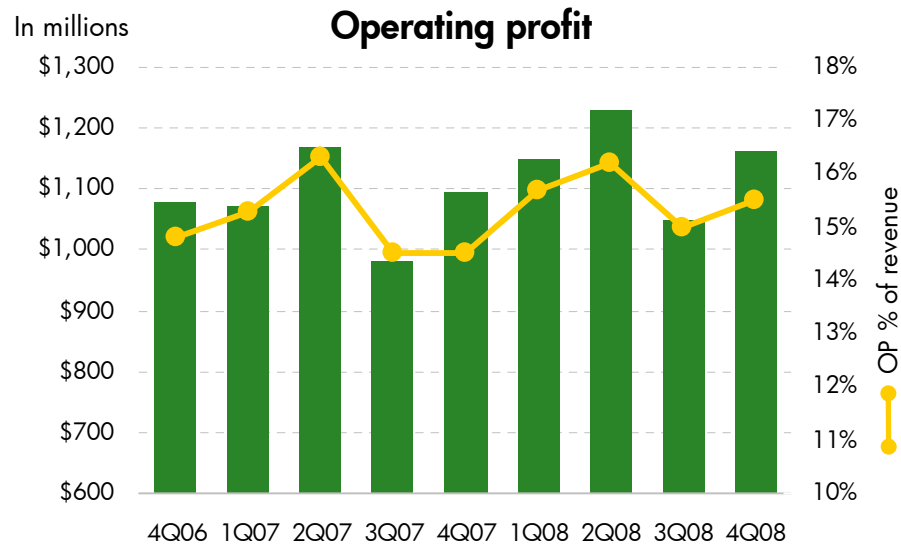
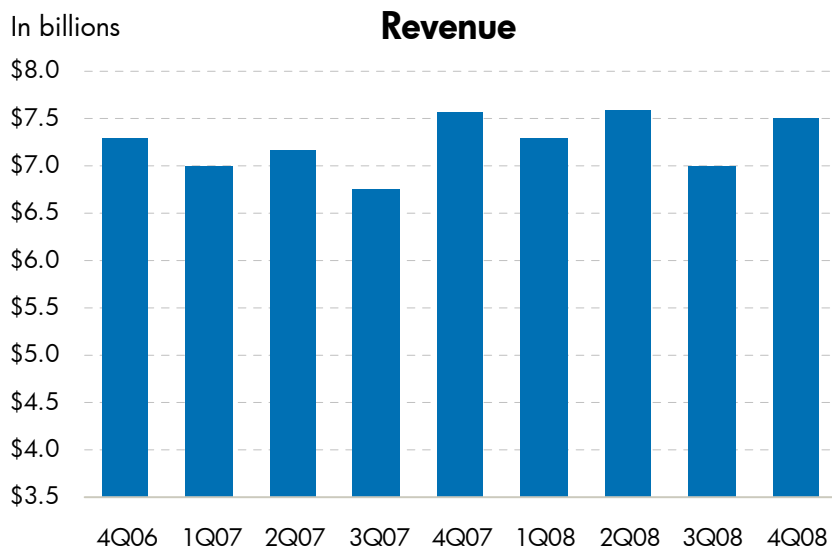


Q4 FY08 revenue by business

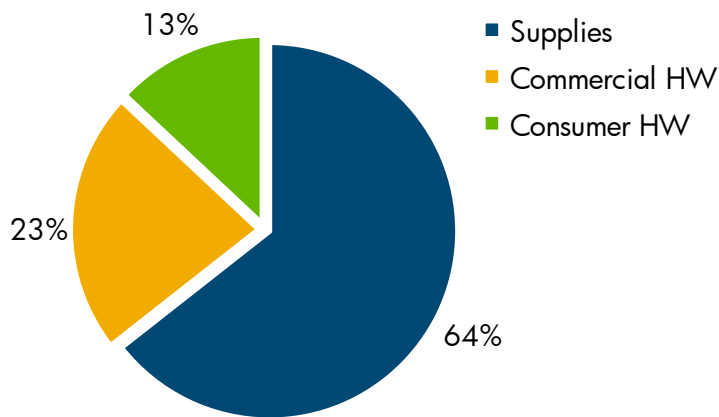


- PSG revenue of \$11.2B; up 10% Y/Y
- Operating profit of \$616M; 5.5% of revenue
- Total units up 19% Y/Y
- Notebook revenue up 21% & units up 38% Y/Y; Desktop revenue down 2% & units up 3% Y/Y
- Consumer client revenue up 15% Y/Y; Commercial client revenue up 7% Y/Y

Imaging and Printing Group (IPG)

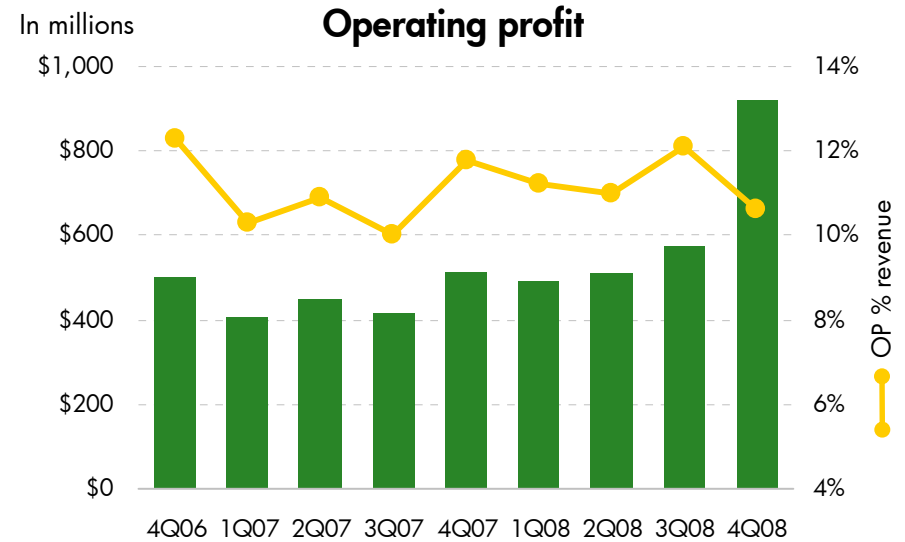
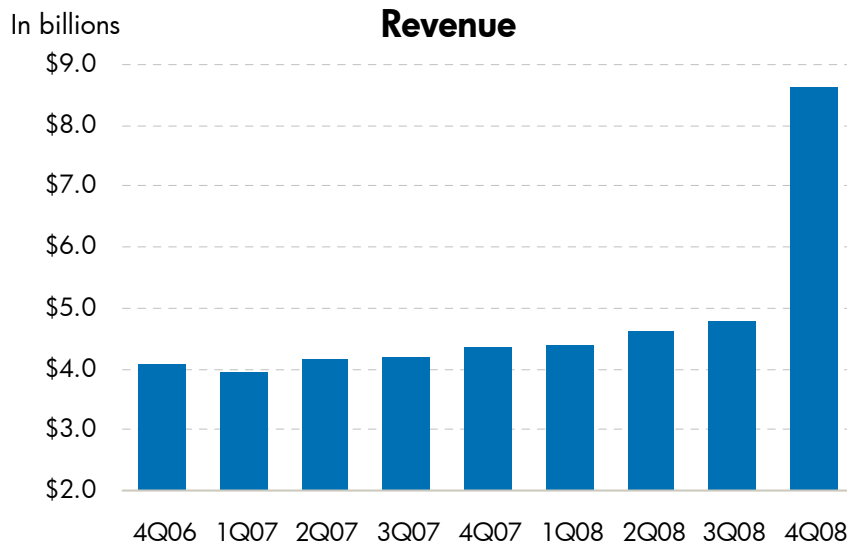


Q4 FY08 revenue by business

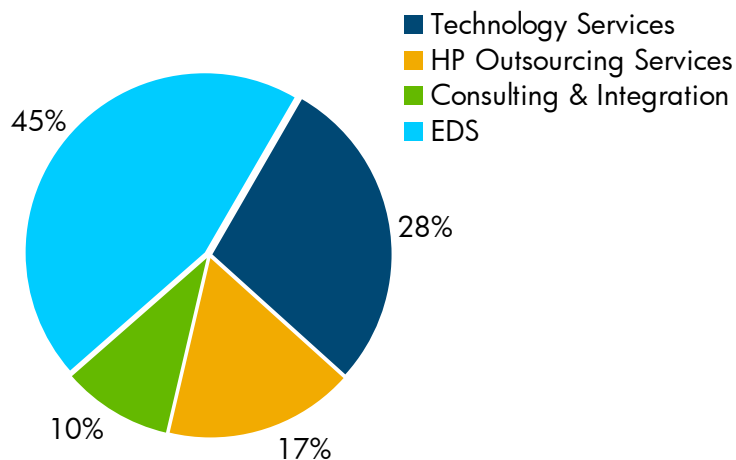


- IPG revenue of \$7.5B; down 1% Y/Y
- Operating profit of \$1,162M; 15.5% of revenue
- Supplies revenue up 9% Y/Y
- Total printer hardware units down 8% Y/Y;
Consumer printer hardware units down 8% Y/Y;
Commercial printer hardware units down 9% Y/Y
- Color LaserJet units down 3% Y/Y
- Printer-based MFP units up 25% Y/Y
- Indigo digital press page volume up 30% Y/Y

HP Services (HPS)

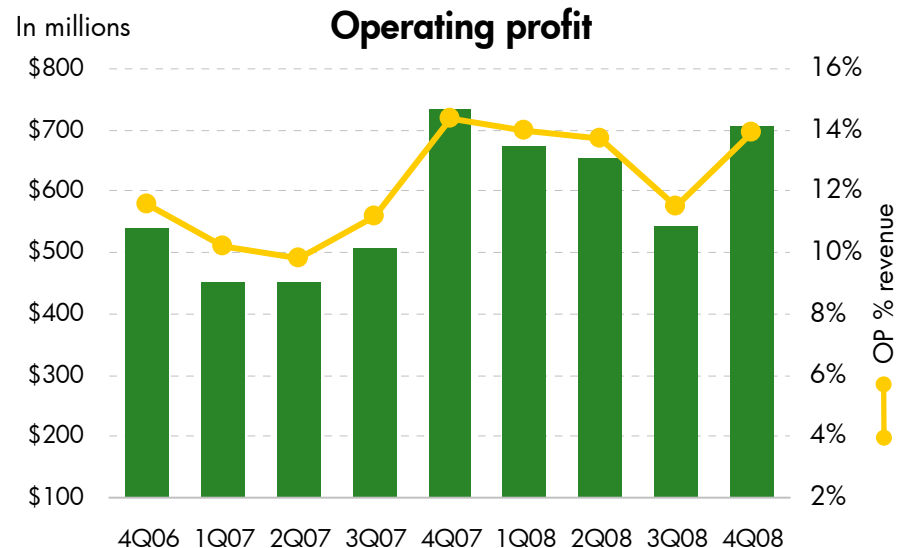
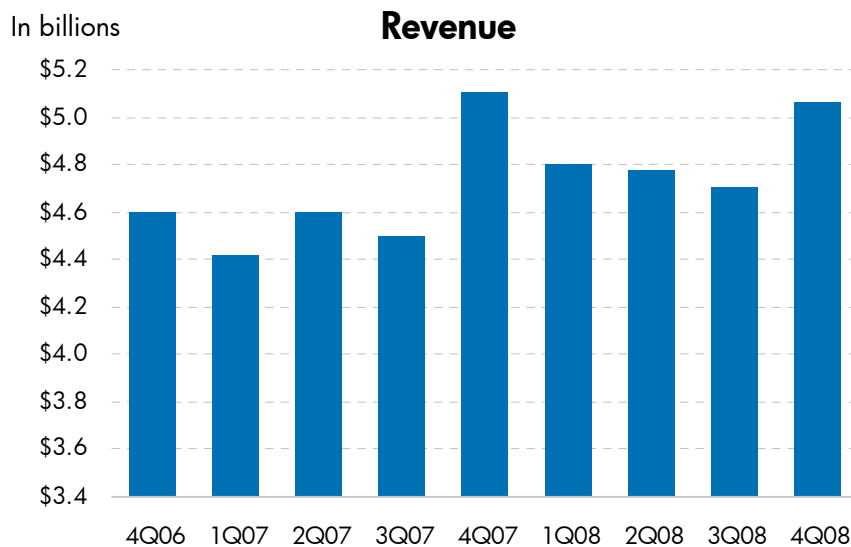


Q4 FY08 revenue by business

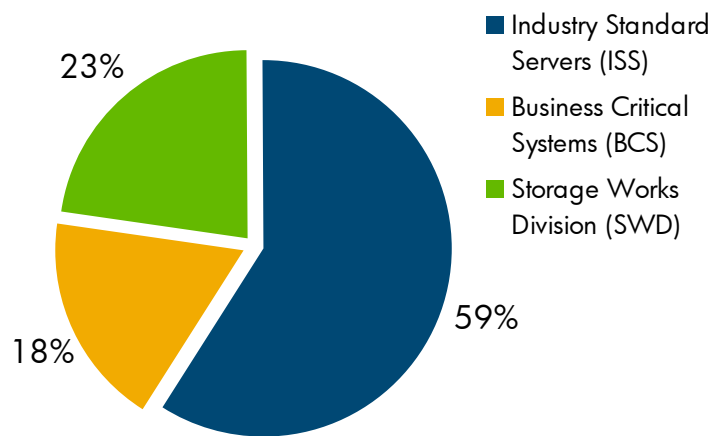


- HPS revenue of \$8.6B, up 99% Y/Y
- Operating profit of \$920M; 10.6% of revenue
- HP Outsourcing Services revenue up 15% Y/Y
- Consulting & Integration revenue up 2% Y/Y
- Technology Services revenue up 10% Y/Y
- EDS revenue of \$3.9B

Enterprise Storage and Servers (ESS)

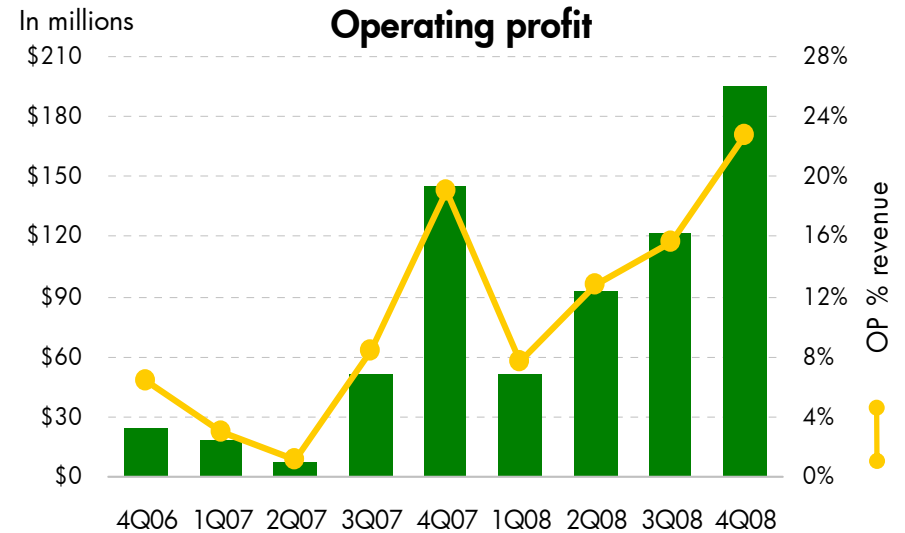
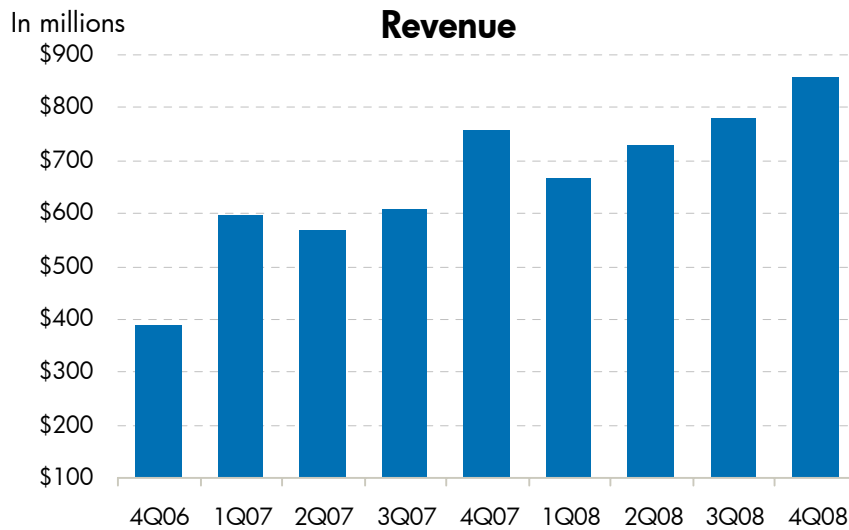


Q4 FY08 revenue by business

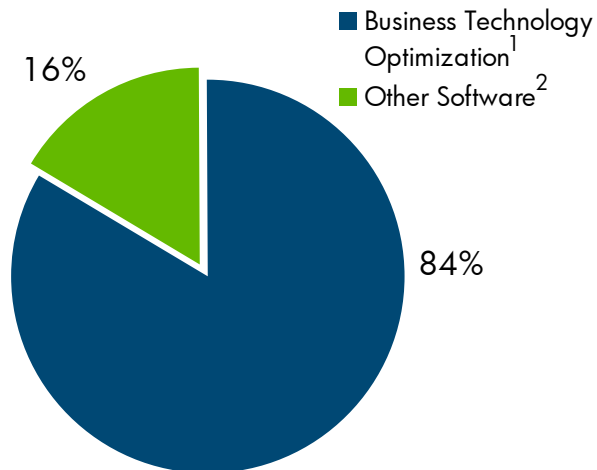


- ESS revenue of \$5.1B, down 1% Y/Y
- Operating profit of \$705M; 13.9% of revenue
- ISS revenue down 3% Y/Y; ISS Blades up 33% Y/Y
- BCS revenue down 10% Y/Y; Integrity revenue up 6% Y/Y, 83% of BCS revenue
- Storage revenue up 13% Y/Y; mid-range storage arrays (EVA) up 16% & high-end storage (XP) up 9% Y/Y
- ESS Blades revenue up 43% Y/Y

HP Software



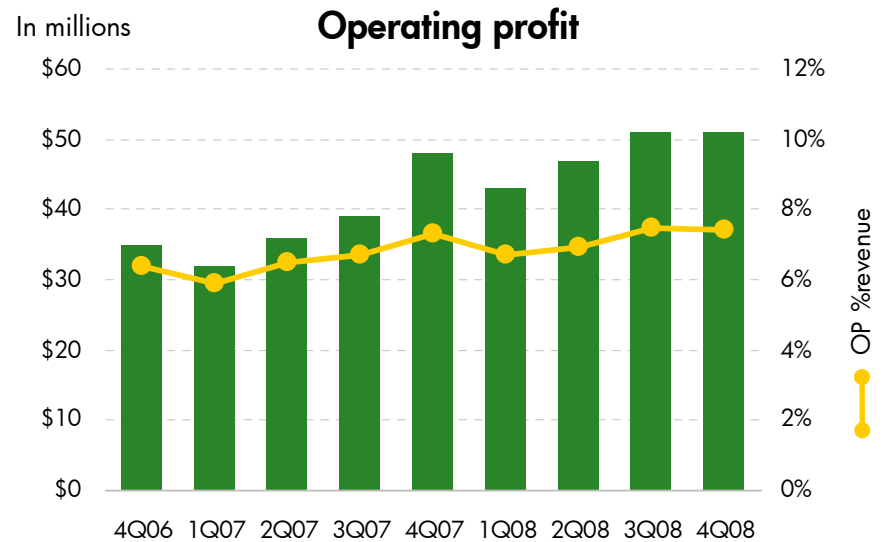
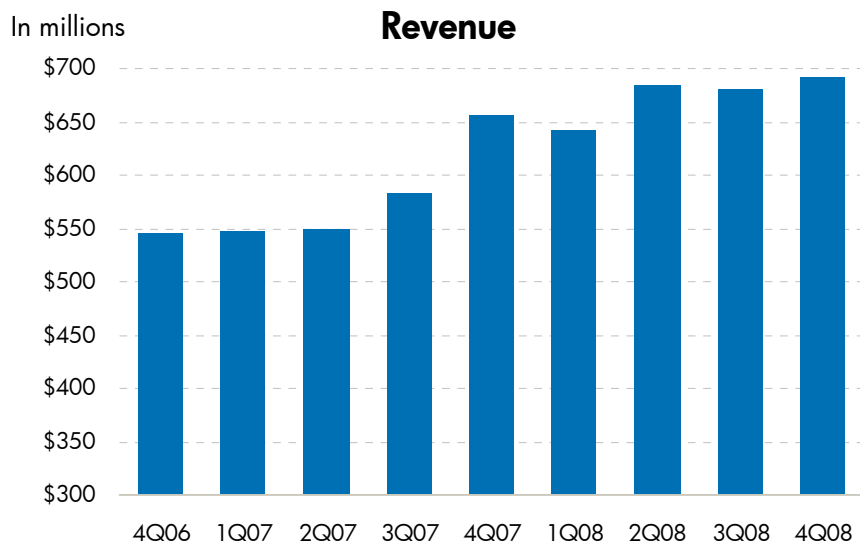
Q4 FY08 revenue by business



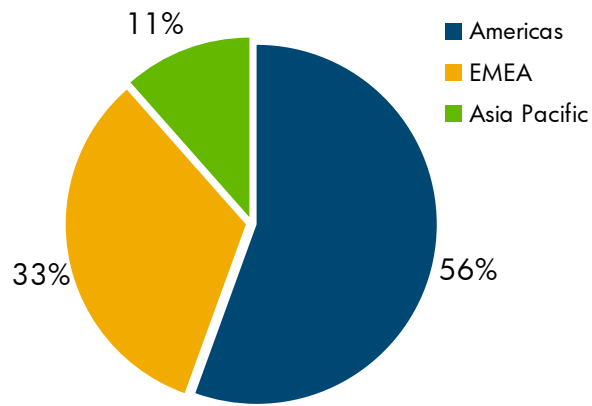
- Software revenue of \$855M, up 13% Y/Y
- Operating profit of \$195M; 22.8% of revenue
- Business Technology Optimization revenue up 15% Y/Y
- Other Software revenue up 1% Y/Y

1. BTO: Formerly reported as Openview, includes legacy Openview + Opware + SPI Dynamics
 2. Other SW: Includes OpenCall, Business Intelligence and Information Management businesses

HP Financial Services (HPFS)



Q4 FY08 revenue by region



- HPFS revenue of \$691M, up 5% Y/Y
- Operating profit of \$51M; 7.4% of revenue
- Financing volume up 5% Y/Y
- Net portfolio assets \$8.1B, down 2% Y/Y

HPFS supplemental data

In millions

	Q4 FY08	Q4 FY07	Q3 FY08
Depreciation⁽¹⁾	\$286	\$263	\$288
Net capital expenditures⁽¹⁾	\$438	\$402	\$383
Sequential increase (decrease) in net financing receivables	(\$333)	\$300	(\$23)

1. Depreciation and net capital expenditures are shown net of inter-company eliminations

Non-GAAP⁽¹⁾ financial information

In millions except
per share amounts

	Q4 FY08		Q3 FY08		Q4 FY07	
Revenue	\$33,603	100%	\$28,032	100%	\$28,293	100%
Cost of sales	25,908	77.1%	21,253	75.8%	21,304	75.3%
Total OpEx	4,293	12.8%	4,032	14.4%	4,186	14.8%
Operating profit	3,402	10.1%	2,747	9.8%	2,803	9.9%
Interest & other, net	(98)		23		67	
Pre-tax earnings	3,304	9.8%	2,770	9.9%	2,870	10.1%
Income tax	710		582		574	
EPS	\$1.03		\$0.86		\$0.86	

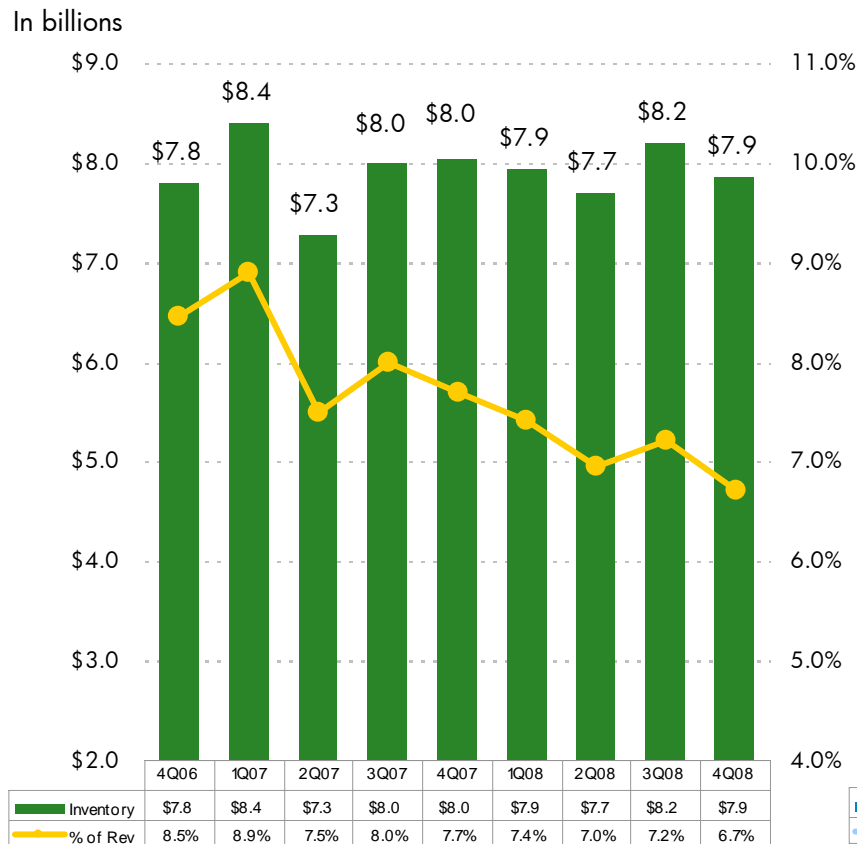
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Q4 FY08 GAAP to non-GAAP bridge

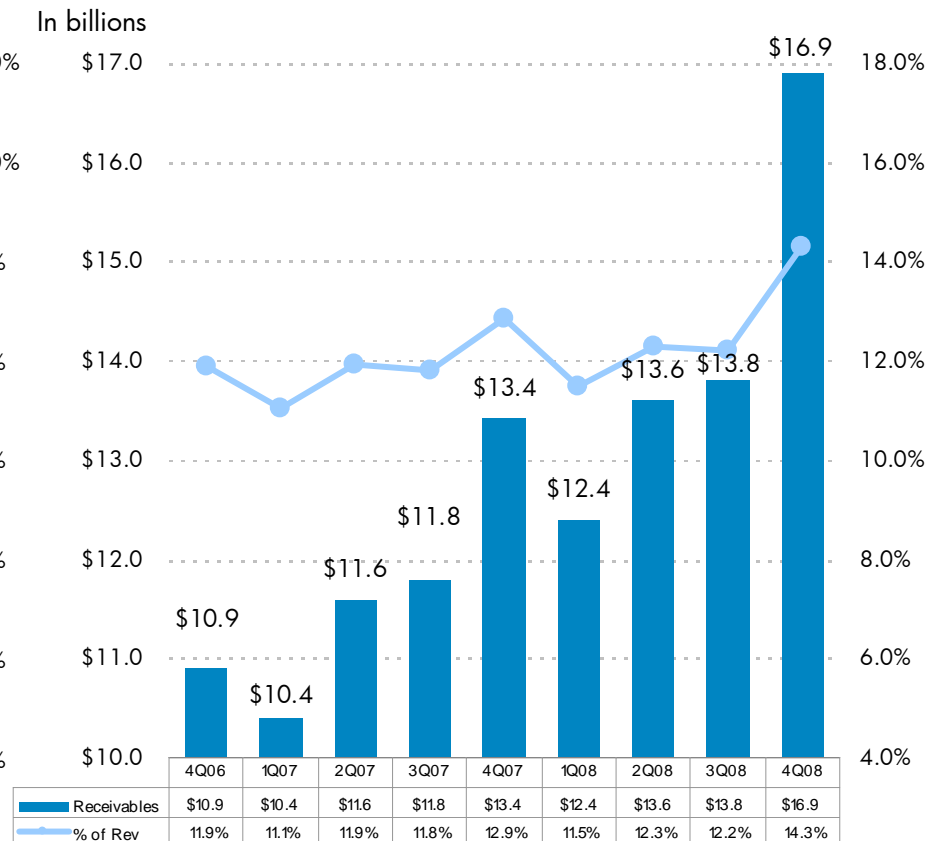
In millions except per share amounts	GAAP	Amort. of Intangibles	Re- Structuring	In-Process R&D	Acquisition related charges	Non-GAAP
Revenue	33,603					33,603
Cost of sales	25,908					25,908
Total OpEx	4,954	(337)	(251)	(32)	(41)	4,293
Operating profit	2,741	337	251	32	41	3,402
Interest & other, net	(98)					(98)
Pre-tax earnings	2,643	337	251	32	41	3,304
Income tax	531	96	69	-	14	710
Tax rate	20.1%					21.5%
Net earnings	2,112					2,594
EPS	\$0.84					\$1.03

Inventory and accounts receivable

Inventory

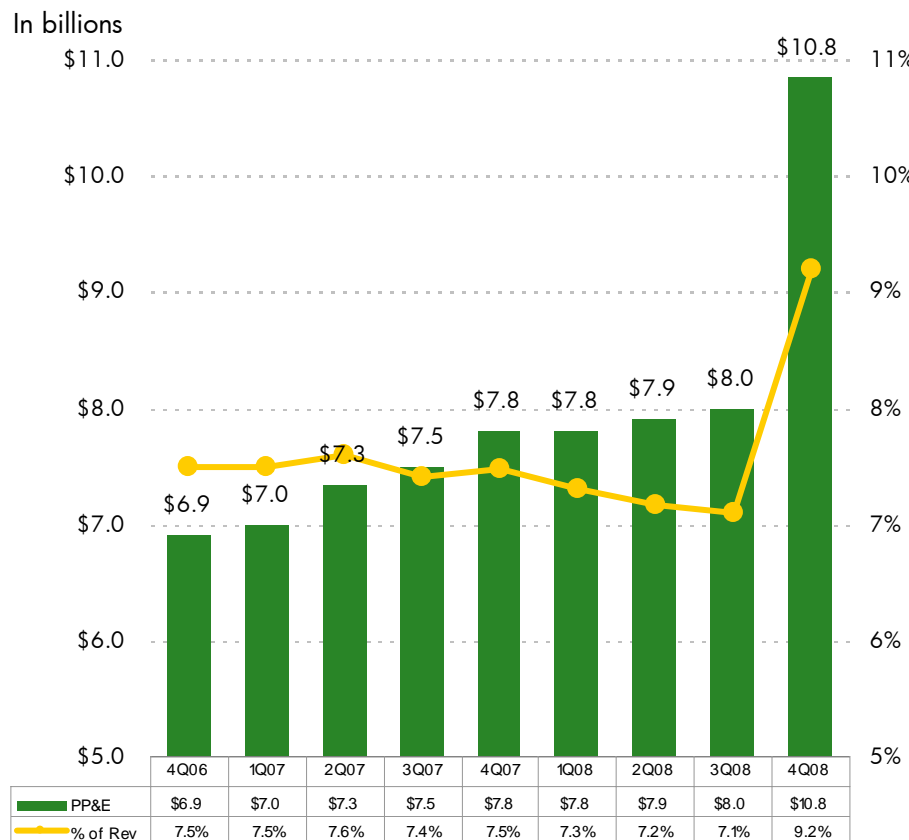


Accounts receivable

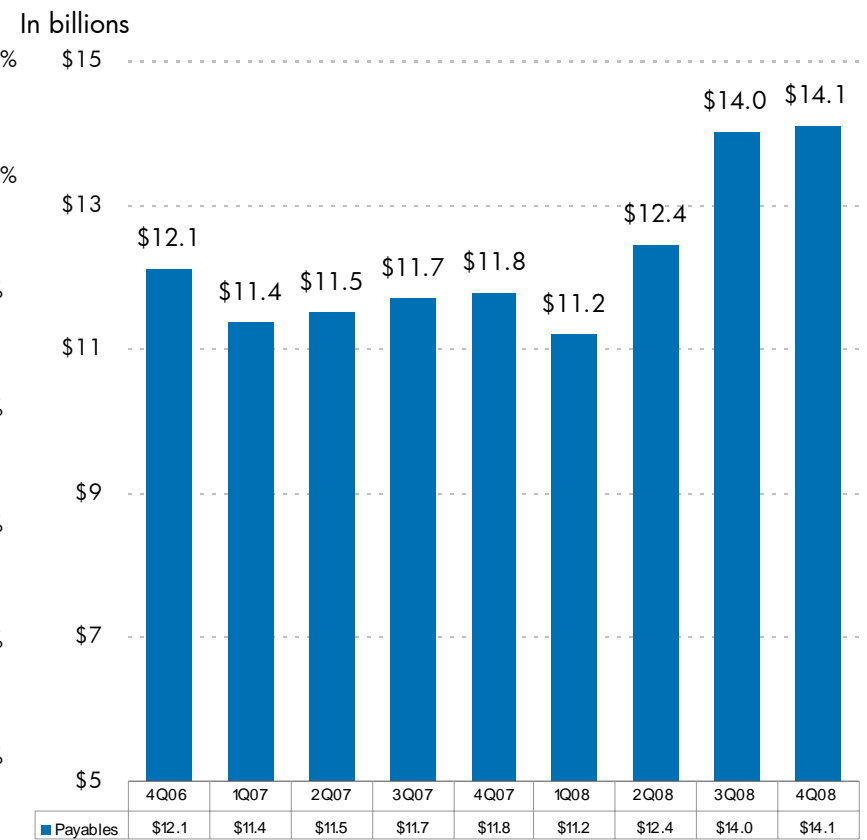


PP&E and accounts payable

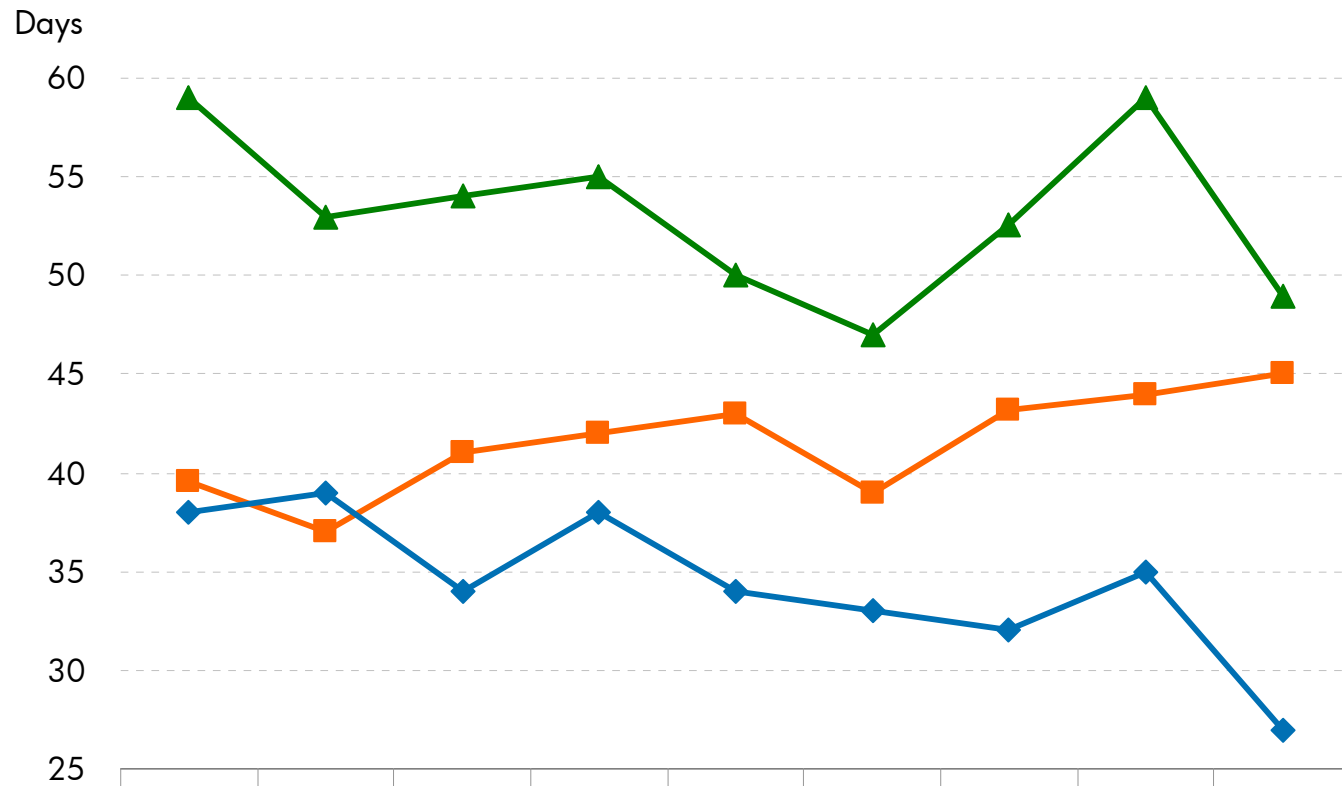
Net PP&E



Accounts payable



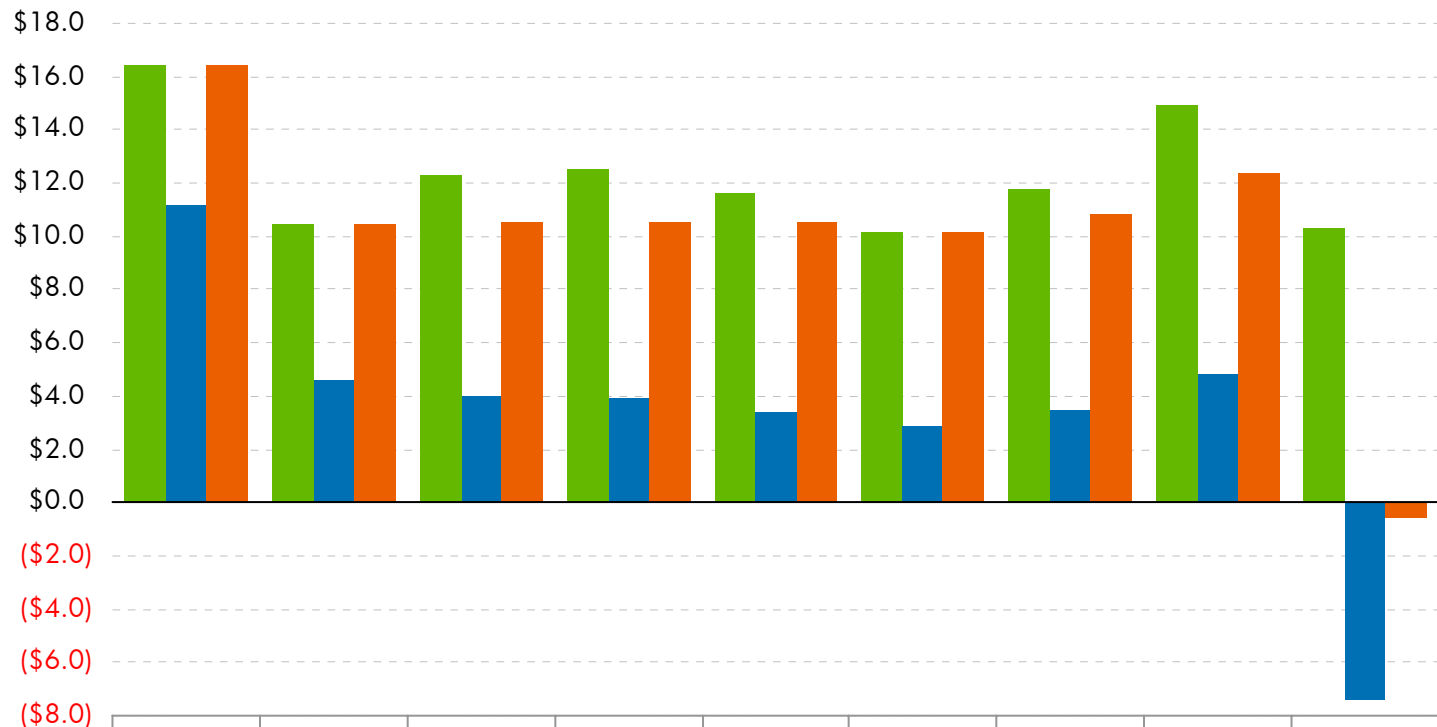
Working capital metrics



	4Q06	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08
Days receivables	40	37	41	42	43	39	43	44	45
Days inventory	38	39	34	38	34	33	32	35	27
Days payable	59	53	54	55	50	47	53	59	49

Gross cash and net cash

In billions



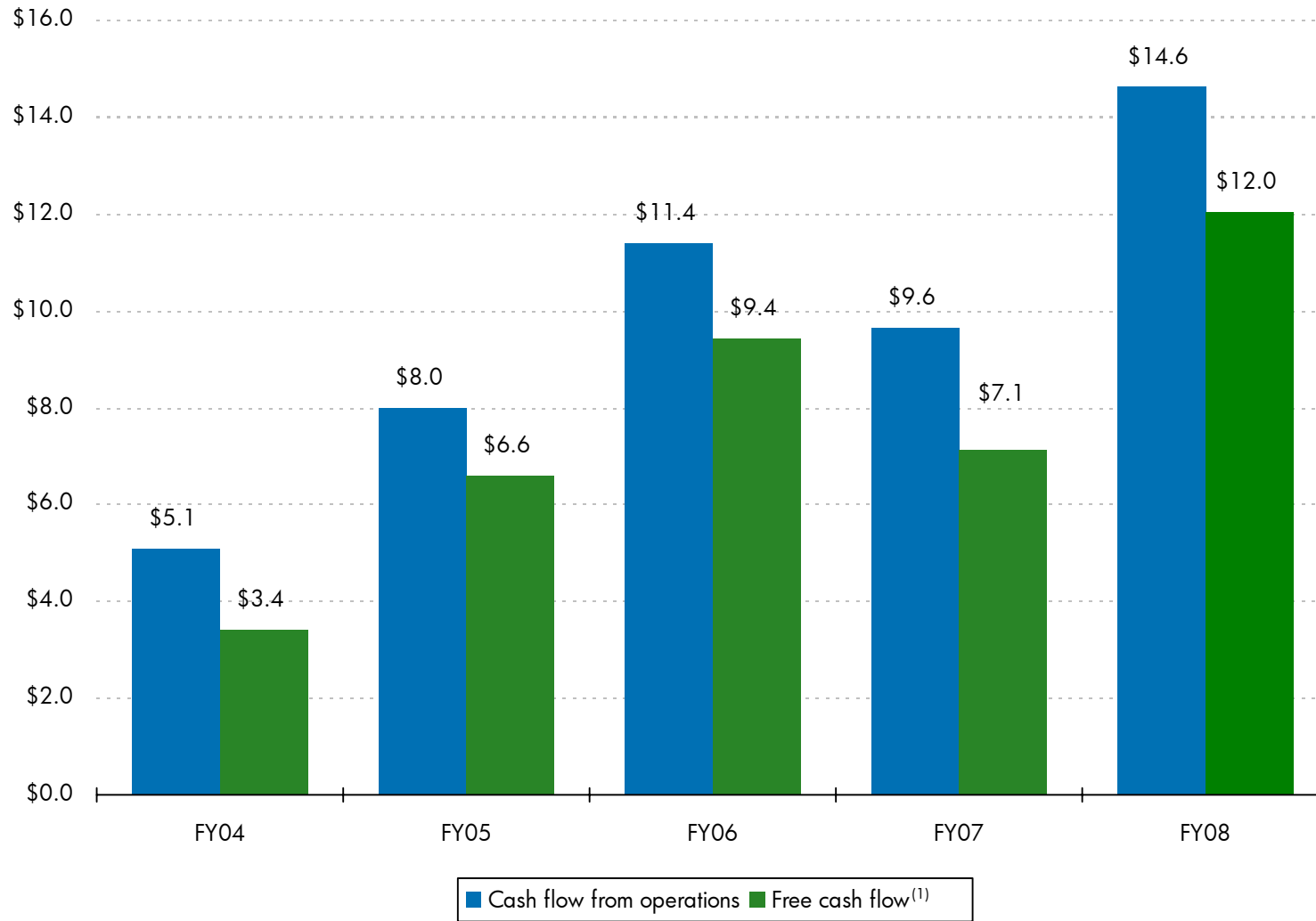
	4Q06	1Q07	2Q07	3Q07	4Q07	1Q08	2Q08	3Q08	4Q08
■ Gross cash ⁽¹⁾	\$16.4	\$10.4	\$12.3	\$12.5	\$11.6	\$10.1	\$11.8	\$14.9	\$10.3
■ Net cash ⁽²⁾	\$11.2	\$4.6	\$4.0	\$3.9	\$3.4	\$2.9	\$3.5	\$4.8	(\$7.4)
■ Net cash excl. HPFS Debt ⁽³⁾	\$16.4	\$10.4	\$10.5	\$10.5	\$10.5	\$10.1	\$10.8	\$12.4	(\$0.6)

1. Includes cash and cash equivalents, short-term investments, and certain liquid long-term investments
 2. Net cash is defined as gross cash less total company debt including the effect of hedging
 3. Net cash excluding HPFS debt is calculated as net cash + lower of HP total company debt or HPFS debt



Cash flow

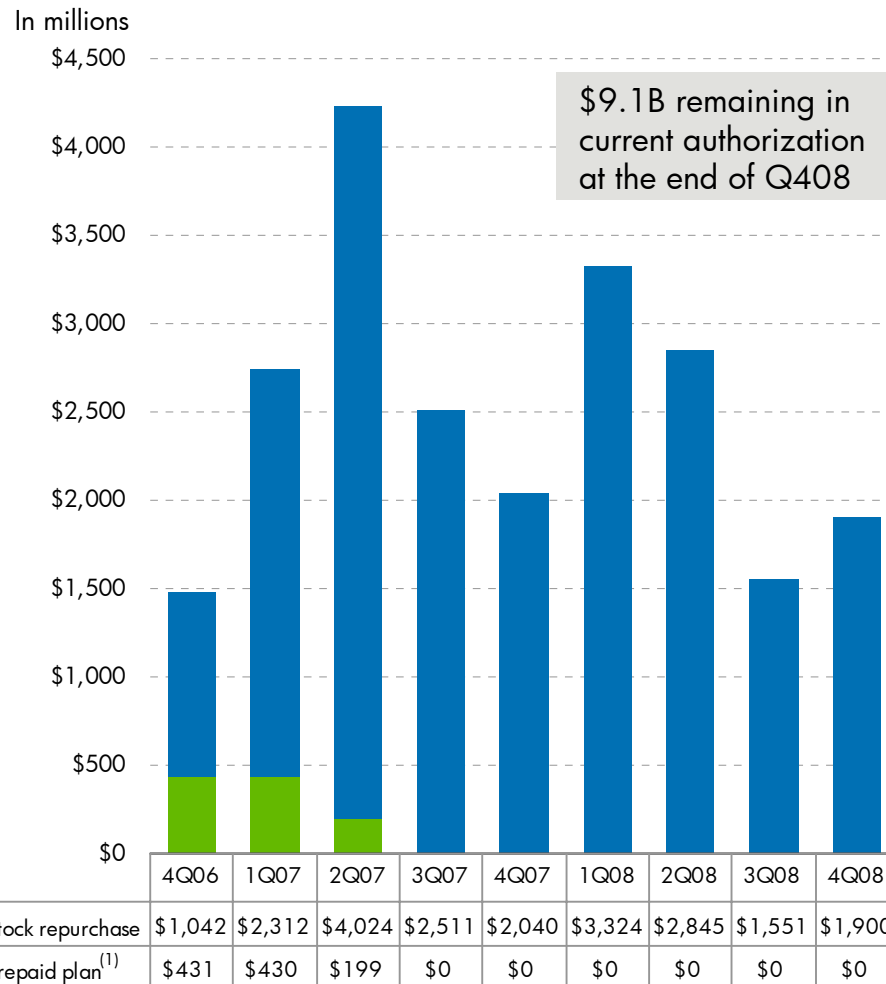
In billions



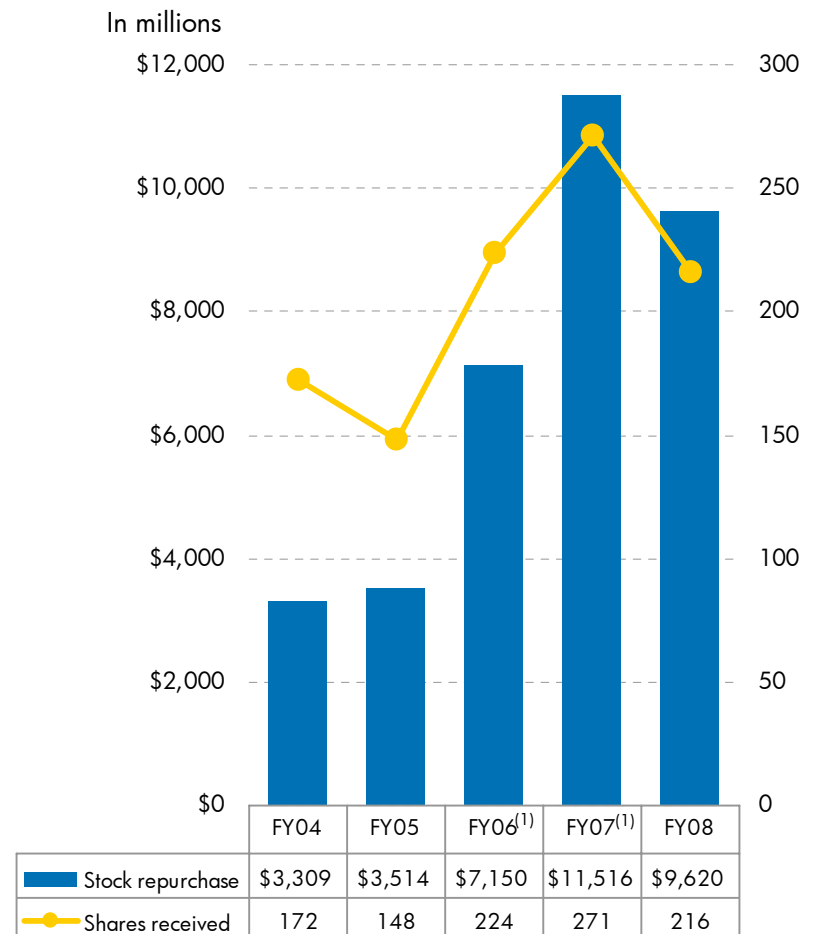
1. Free cash flow = cash flow from operations less net capital expenditures

Stock repurchase

Quarterly trends



FY04 – FY08



1. In Q1 FY06, HP entered into a prepaid variable share purchase program. \$1.7 billion in cash was used in Q1 FY06 to fully fund this plan. See our Form 10-Q for the period ended January 31, 2006 for more information. HP completed all repurchases under this plan in March 2007 and received a total of 53M shares

Outlook

Q1 FY09 guidance

Revenue	\$32.0 - \$32.5 billion
GAAP EPS	\$0.80 - \$0.82
Non-GAAP EPS ⁽¹⁾	\$0.93 - \$0.95

Full year FY09 guidance

Revenue	\$127.5 - \$130.0 billion
GAAP EPS	\$3.38 – \$3.53
Non-GAAP EPS ⁽²⁾	\$3.88 – \$4.03

1. Q1 FY09 non-GAAP diluted earnings per share estimates exclude after-tax costs of approximately \$0.13 per share, related primarily to the amortization of purchased intangible assets.
2. Full year FY09 non-GAAP diluted earnings per share estimates exclude after-tax costs of approximately \$0.50 per share, related primarily to the amortization of purchased intangible assets.

Supplemental slides



Q3 FY08 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- Structuring	In-Process R&D	Non-GAAP
Revenue	28,032				28,032
Cost of sales	21,253				21,253
Total OpEx	4,250	(213)	(5)	-	4,032
Operating profit	2,529	213	5	-	2,747
Interest & other, net	23				23
Pre-tax earnings	2,552	213	5	-	2,770
Income tax	525	56	1		582
Tax rate	20.6%				21.0%
Net earnings	2,027				2,188
EPS	\$0.80				\$0.86

Q2 FY08 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- Structuring	In-Process R&D	Non-GAAP
Revenue	28,262				28,262
Cost of sales	21,261				21,261
Total OpEx	4,411	(211)	(4)	(13)	4,183
Operating profit	2,590	211	4	13	2,818
Interest & other, net	3				3
Pre-tax earnings	2,593	211	4	13	2,821
Income tax	536	55	1		592
Tax rate	20.7%				21.0%
Net earnings	2,057				2,229
EPS	\$0.80				\$0.87

Q1 FY08 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring	Non-GAAP
Revenue	28,467			28,467
Cost of sales	21,499			21,499
Total OpEx	4,355	(206)	(10)	4,139
Operating profit	2,613	206	10	2,829
Interest & other, net	72			72
Pre-tax earnings	2,685	206	10	2,901
Income tax	552	55	3	610
Tax rate	20.6%			21.0%
Net earnings	2,133			2,291
EPS	\$0.80			\$0.86

FY07 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring charges	In-process R&D	Pension 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

Q4 FY07 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring	In-process R&D	Non-GAAP
Revenue	28,293				28,293
Cost of sales	21,304				21,304
Total OpEx	4,357	(187)	20	(4)	4,186
Operating profit	2,632	187	(20)	4	2,803
Interest & other, net	67				67
Pre-tax earnings	2,699	187	(20)	4	2,870
Income tax	535	46	(7)		574
Tax rate	19.8%				20.0%
Net earnings	2,164				2,296
EPS	\$0.81				\$0.86

Q3 FY07 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring	In-process R&D	Non-GAAP
Revenue	25,377				25,377
Cost of sales	19,164				19,164
Total OpEx	4,097	(183)	5		3,919
Operating profit	2,116	183	(5)		2,294
Interest & other, net	170				170
Pre-tax earnings	2,286	183	(5)		2,464
Income tax	508	48	(4)		552
Tax rate	22.2%				22.4%
Net earnings	1,778				1,912
EPS	\$0.66				\$0.71

Q2 FY07 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring	In-process R&D	Pension curtail- ment	Non-GAAP
Revenue	25,534					25,534
Cost of sales	19,283					19,283
Total OpEx	4,123	(212)	(453)	(19)	508	3,947
Operating profit	2,128	212	453	19	(508)	2,304
Interest & other, net	100					100
Pre-tax earnings	2,228	212	453	19	(508)	2,404
Income tax	453	53	155	–	(177)	484
Tax rate	20.3%					20.1%
Net earnings	1,775					1,920
EPS	\$0.65					\$0.70

Q1 FY07 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring	In-process R&D	Pension curtail- ment	Non-GAAP
Revenue	25,082					25,082
Cost of sales	19,136					19,136
Total OpEx	4,103	(201)	41	(167)	9	3,785
Operating profit	1,843	201	(41)	167	(9)	2,161
Interest & other, net	121					121
Pre-tax earnings	1,964	201	(41)	167	(9)	2,282
Income tax	417	50	(8)	–	(3)	456
Tax rate	21.2%					20%
Net earnings	1,547					1,826
EPS	\$0.55					\$0.65

FY06 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring charges	In-process R&D	(G)/L Invest.	Non-GAAP
Revenue	91,658					91,658
Cost of sales	69,427					69,427
Total OpEx	15,671	(604)	(158)	(52)		14,857
Operating profit	6,560	604	158	52		7,374
Interest & other, net	631				(25)	606
Pre-tax earnings	7,191	604	158	52	(25)	7,980
Income tax	993	175	45		(10)	1,203
Tax rate	13.8%					15.1%
Net earnings	6,198					6,777
EPS	\$2.18					\$2.38

Q4 FY06 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring	(G)/L Invest.	Non-GAAP
Revenue	24,555				24,555
Cost of sales	18,593				18,593
Total OpEx	4,061	(153)	(152)		3,756
Operating profit	1,901	153	152		2,206
Interest & other, net	204			(14)	190
Pre-tax earnings	2,105	153	152	(14)	2,396
Income tax	408	45	43	(5)	491
Tax rate	19.4%				20.5%
Net earnings	1,697				1,905
EPS	\$0.60				\$0.68

Q3 FY06 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring	(G)/L Invest.	Non-GAAP
Revenue	21,890				21,890
Cost of sales	16,472				16,472
Total OpEx	3,908	(153)	(5)		3,750
Operating profit	1,510	153	5		1,668
Interest & other, net	228			(7)	221
Pre-tax earnings	1,738	153	5	(7)	1,889
Income tax	363	43	2	(2)	406
Tax rate	20.9%				21.5%
Net earnings	1,375				1,483
EPS	\$0.48				\$0.52

Q2 FY06 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring	In-process R&D	(G)/L Invest.	Non-GAAP
Revenue	22,554					22,554
Cost of sales	16,970					16,970
Total OpEx	3,927	(151)	14	(2)		3,788
Operating profit	1,657	151	(14)	2		1,796
Interest & other, net	163				(6)	157
Pre-tax earnings	1,820	151	(14)	2	(6)	1,953
Income tax ⁽¹⁾	(79)	44	(4)		(4)	(43)
Tax rate ⁽¹⁾	NM					NM
Net earnings ⁽¹⁾	1,899					1,996
EPS ⁽¹⁾	\$0.66					\$0.69

1. On June 6, HP upwardly revised Q2 FY06 earnings following the signing of a settlement agreement by the Internal Revenue Service resolving federal income tax matters for HP's 1996 through 1998 tax years. GAAP and Non-GAAP EPS for Q2 FY06 were previously reported as \$0.51 and \$0.54, respectively. Notification from the IRS on June 1 prior to the filing of HP's Q2 FY06 Form 10-Q required this revision to HP's reported Q2 FY06 results.

Q1 FY06 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring charges	In-process R&D	(G)/L Invest.	Non-GAAP
Revenue	22,659					22,659
Cost of sales	17,392					17,392
Total OpEx	3,775	(147)	(15)	(50)		3,563
Operating profit	1,492	147	15	50		1,704
Interest & other, net	36				2	38
Pre-tax earnings	1,528	147	15	50	2	1,742
Income tax	301	43	4		1	349
Tax rate	20%					20%
Net earnings	1,227					1,393
EPS	\$0.42					\$0.48

FY05 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring charges	In-process R&D	(G)/L Invest.	Pension curtail- ment	AJCA Adj	Non-GAAP
Revenue	86,696							86,696
Cost of sales	66,440							66,440
Total OpEx	16,783	(622)	(1,684)	(2)		199		14,674
Operating profit	3,473	622	1,684	2		(199)		5,582
Settlement	(106)							(106)
Interest & other, net	176				13			189
Pre-tax earnings	3,543	622	1,684	2	13	(199)		5,665
Income tax	1,145	185	466		3	(54)	(788)	957
Tax rate	32%							17%
Net earnings	2,398							4,708
EPS	\$0.82							\$1.62

Q4 FY05 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring charges	In-process R&D	(G)/L Invest.	Pension curtail- ment	Non-GAAP
Revenue	22,913						22,913
Cost of sales	17,532						17,532
Total OpEx	5,149	(136)	(1,565)	(2)		199	3,645
Operating profit	232	136	1,565	2		(199)	1,736
Settlement	3						3
Interest & other, net	146				(14)		132
Pre-tax earnings	381	136	1,565	2	(14)	(199)	1,871
Income tax	(35)	40	429		(5)	(54)	375
Tax rate	(9%)						20%
Net earnings	416						1,496
EPS	\$0.14						\$0.51

Q3 FY05 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring charges	(G)/L Invest.	AJCA Tax Adj.	Non-GAAP
Revenue	20,759					20,759
Cost of sales	15,942					15,942
Total OpEx	3,904	(168)	(112)			3,624
Operating profit	913	168	112			1,193
Settlement	7					7
Interest & other, net	113			6		119
Pre-tax earnings	1,033	168	112	6		1,319
Income tax	960	50	34	2	(788)	258
Tax rate	93%					20%
Net earnings	73					1,061
EPS	\$0.03					\$0.36

Q2 FY05 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring charges	(G)/L Invest.	Non-GAAP
Revenue	21,570				21,570
Cost of sales	16,429				16,429
Total OpEx	3,978	(151)	(4)		3,823
Operating profit	1,163	151	4		1,318
Interest & other, net	(84)			(3)	(87)
Pre-tax earnings	1,079	151	4	(3)	1,231
Income tax	113	46	1	(2)	158
Tax rate	10%				13%
Net earnings	966				1,073
EPS	\$0.33				\$0.37

Q1 FY05 GAAP to non-GAAP bridge

In millions except per share amounts	GAAP	Amort. of Intangibles	Re- structuring charges	(G)/L Invest.	Non-GAAP
Revenue	21,454				21,454
Cost of sales	16,537				16,537
Total OpEx	3,752	(167)	(3)		3,582
Operating profit	1,165	167	3		1,335
Settlement	(116)				(116)
Interest & other, net	1			24	25
Pre-tax earnings	1,050	167	3	24	1,244
Income tax	107	49	2	8	166
Tax rate	10%				13%
Net earnings	943				1,078
EPS	\$0.32				\$0.37



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