



HP Securities Analyst Meeting 2012

Meg Whitman

President and Chief Executive Officer

The great things about HP



Customers / Partners

Customers who want us to win

Unparalleled distribution and scale

Integrated customer solutions



Innovation

Alive and well

Culture of engineering innovation

Open architecture, standards based



Powerful Assets

HP is a diversified IT company

#1 or #2 in most major markets

Well positioned in strategic growth areas



Our Foundation

Trusted brand

Breadth of portfolio

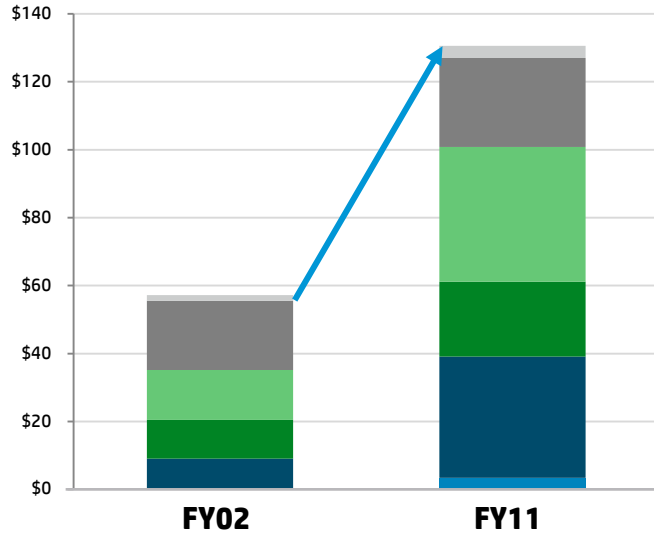
HP people

Commitment to customers / partners

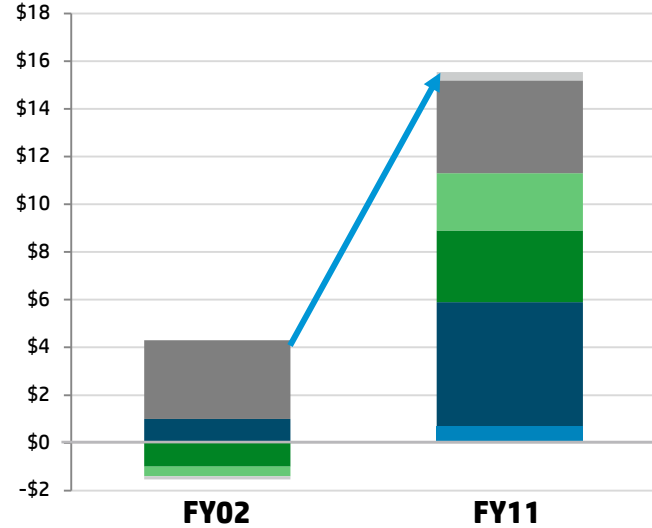


HP has shifted to a diversified technology company

HP segment revenues \$B¹



HP segment operating profit \$B¹



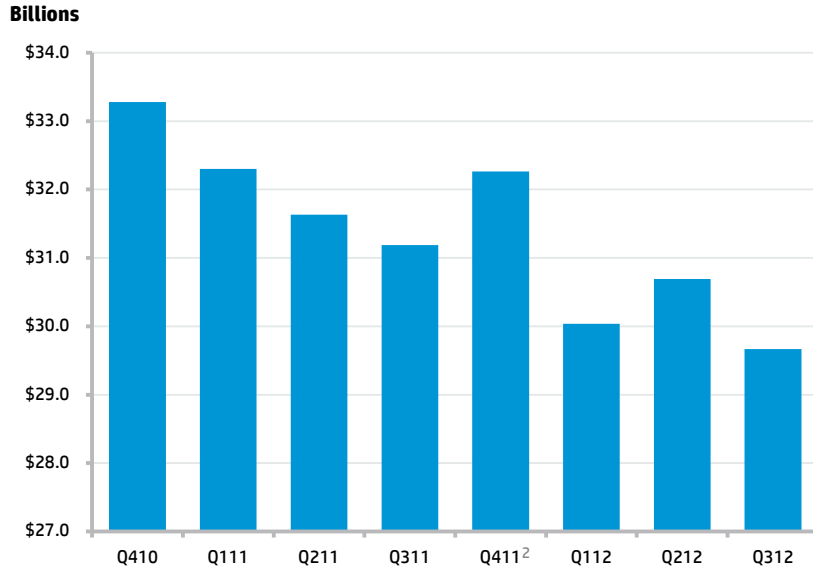
■ Software ■ HP Services ■ ESSN ■ PSG ■ IPG ■ HPFS

1. Segment revenue and operating profit exclude eliminations and corporate unallocated costs

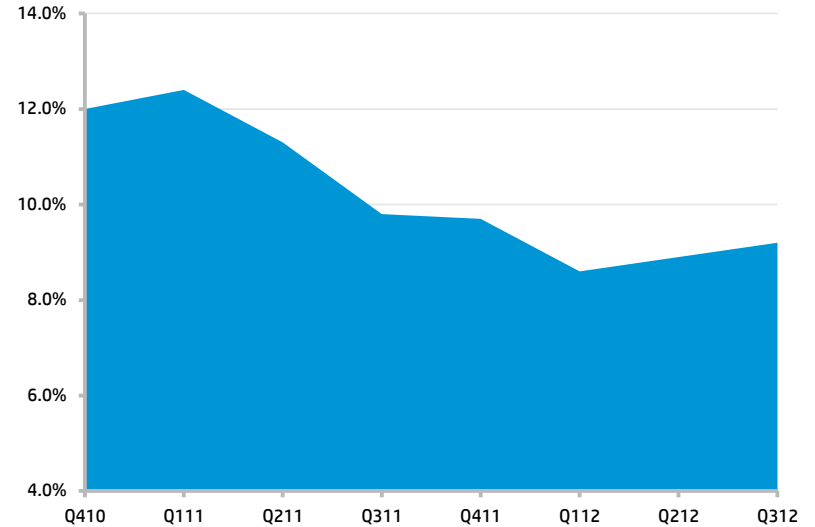


Recent financial performance

Revenue



Non-GAAP operating margin¹



1. All non-GAAP financial measures have been adjusted to exclude certain items. A reconciliation of these non-GAAP financial measures to the related GAAP financial measures and an explanation of HP's use of non-GAAP financial measures is included in the supplemental slides available at www.hp.com/investor/SAM2012

2. Q411 amount shown is non-GAAP revenue; all other amounts are GAAP revenue



HP challenges

Organization & leadership

- Changes in CEO and executive leadership caused multiple inconsistent strategic plans and executional miscues limiting speed of recovery

Execution

- Lack of sharp competitive focus
- Too many areas of focus (products, services, geographies)
- Cost structure not aligned with revenue trajectory
- Operating model, accountability and compensation linkage not optimized
- Significant underinvestment in R&D and IT impacting the businesses
- Direct and partner go-to-market model needs renewed focus

Technology industry shifts

- Dynamic market trends and technology disruptions
- Aggressive competition

Macroeconomic headwinds

- Commercial demand in Europe
- Consumer demand globally
- China slowdown



The journey

Diagnosis & foundation

FY12

- Stabilization
- Deep situational understanding
- Organizational and leadership changes
- Crisp business strategies
- Product and service focus
- Cost reduction begun
- Operational excellence begun
- Capital allocation discipline

Fix & rebuild

FY13

- Worsening macroeconomic environment
- Disruption from changes in FY12
- Broad-based profit decline but more contained than in FY12
- Cost reduction continues
- Continued capital allocation discipline
- Investments being made
- Instrumentation for the business

Recovery & expansion

FY14

- New product / service focus kicks in
- Investments begin to pay off
- ES stabilized and growing
- Other businesses recovering
- Proven ability to manage cost
- Improved capital structure

Acceleration

FY15

- Sustained growth from service / product focus and investments
- Revenues growing faster than cost
- Operational excellence in our DNA

Industry-leading company

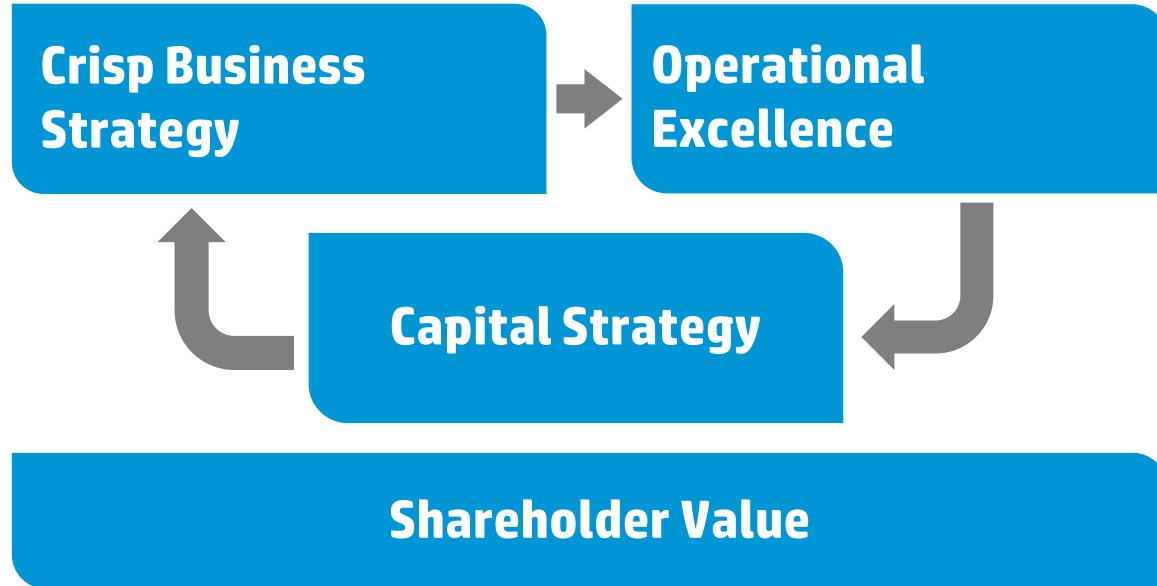
FY16

- Clear industry leadership in key areas
- Revenues growing at GDP; OP faster than revenues
- Industry-leading margins
- Proven capital allocation discipline



Our opportunity

Make it matter.



HP is the world's largest provider of **information technology infrastructure, software, services and solutions** to individuals and organizations of all sizes.



HP strategy

Solutions

Customer-centric solutions that make it all work

Services

Industry and technology services solving key customer problems

Software

Best-in-class software that provides confidence, insight and agility

Infrastructure

World's largest provider of technology hardware infrastructure



HP Business Strategy

Solutions

Services

Software

Infrastructure



Cloud



Security



Information

Portfolio of businesses

Enterprise Services



- Turnaround, with a plan
- Moderate growth with improved margins expected over time

- **Strong share position**
- **New leadership team**

Printing & Personal Systems



- Low-growth business
- Clear opportunities to improve cash generation over time

- **Significant leading share positions**
- **Experienced management**
- **Unmatched scale and distribution**

Enterprise Group



- Moderate growth business
- Opportunity for fast growth business with margin expansion over time

- **Excellent assets**
- **Experienced leadership**
- **TS fully integrated**
- **Great R&D and engineering capabilities**

Software



- Moderate growth business
- Ability to grow faster with margin expansion

- **Strong assets**
- **Seasoned leadership**

1. Trailing 12-month (TTM) Enterprise Services segment revenue; includes ITO and ABS revenue

2. TTM Printing and Personal Systems revenue; includes PSG and IPG revenue

3. TTM Enterprise Group revenue; includes ESSN and Technology Service revenue

4. TTM Software revenue; includes Autonomy revenue



Portfolio of businesses: Action plan

Enterprise Services



- Entirely different operating model
- Systems investments to drive results
- Innovate and grow core portfolio

Printing & Personal Systems



- Product gaps addressed, design focus
- Business model innovation
- Simplification of operating model

Enterprise Group



- More excellent product innovation
- Innovation in software-defined world
- Leader in cloud

Software



- New consumption models for shift to the cloud

Products, services and solutions

Infrastructure

Software

Services

Solutions



HP 3PAR

HP StoreOnce



HP Networking



Multifunction Printers



ePrint



Autonomy



ArcSight



Cloud Services



VERTICA



Envy x2



Achieving operational excellence



Focus

- Choose key products and services to win
- Focus on key geographies
- Sharp competitive focus



Go to market

- Consistent sales model
- Consistent world-class partner programs
- Sales force effectiveness
- Deep customer connection
- Fix China sales



Cost leverage

- IT and business process optimization
- Supply chain, SKU / platform rationalization, quality
- LEAN



Operations

- New metrics-focused operating model; accountability and compensation linked
- Centralized marketing and communications
- Cash conversion cycle, including inventory management



Culture

Right people, right job, right time | Clear, consistent direction | The HP Way now; transparency and authenticity



Point of arrival

World-class technology leader delivering unrivaled integrated customer solutions



Thought leader



Market leader



Leader in operational excellence

Improved Financial Performance

Increased Shareholder Value





Make it matter.