



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
CONSOLIDATED CONDENSED STATEMENTS OF EARNINGS  
(Unaudited)  
(In millions except per share amounts)

	Three months ended		
	April 30, 2013	January 31, 2013	April 30, 2012
Net revenue	\$ 27,582	\$ 28,359	\$ 30,693
Costs and expenses:			
Cost of sales	21,055	22,029	23,541
Research and development	815	794	850
Selling, general and administrative	3,342	3,300	3,540
Amortization of purchased intangible assets	350	350	470
Restructuring charges	408	130	53
Acquisition-related charges	11	4	17
Total costs and expenses	<u>25,981</u>	<u>26,607</u>	<u>28,471</u>
Earnings from operations	1,601	1,752	2,222
Interest and other, net	<u>(193)</u>	<u>(179)</u>	<u>(243)</u>
Earnings before taxes	1,408	1,573	1,979
Provision for taxes	<u>(331)</u>	<u>(341)</u>	<u>(386)</u>
Net earnings	<u>\$ 1,077</u>	<u>\$ 1,232</u>	<u>\$ 1,593</u>
Net earnings per share:			
Basic	\$ 0.56	\$ 0.63	\$ 0.80
Diluted	\$ 0.55	\$ 0.63	\$ 0.80
Cash dividends declared per share	\$ -	\$ 0.26	\$ -
Weighted-average shares used to compute net earnings per share:			
Basic	1,935	1,953	1,979
Diluted	1,947	1,956	1,987



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CONSOLIDATED CONDENSED STATEMENTS OF EARNINGS  
(Unaudited)  
(In millions except per share amounts)

	Six months ended April 30,	
	2013	2012
Net revenue	\$ 55,941	\$ 60,729
Costs and expenses:		
Cost of sales	43,084	46,854
Research and development	1,609	1,636
Selling, general and administrative	6,642	6,907
Amortization of purchased intangible assets	700	936
Restructuring charges	538	93
Acquisition-related charges	15	39
Total costs and expenses	<u>52,588</u>	<u>56,465</u>
Earnings from operations	3,353	4,264
Interest and other, net	<u>(372)</u>	<u>(464)</u>
Earnings before taxes	2,981	3,800
Provision for taxes	<u>(672)</u>	<u>(739)</u>
Net earnings	<u>\$ 2,309</u>	<u>\$ 3,061</u>
Net earnings per share:		
Basic	\$ 1.19	\$ 1.55
Diluted	\$ 1.18	\$ 1.53
Cash dividends declared per share	\$ 0.26	\$ 0.24
Weighted-average shares used to compute net earnings per share:		
Basic	1,944	1,980
Diluted	1,952	1,995



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
 ADJUSTMENTS TO GAAP NET EARNINGS, EARNINGS FROM OPERATIONS,  
 OPERATING MARGIN AND EARNINGS PER SHARE  
 (Unaudited)  
 (In millions except per share amounts)

	Three months ended April 30, 2013	Diluted earnings per share	Three months ended January 31, 2013	Diluted earnings per share	Three months ended April 30, 2012	Diluted earnings per share
GAAP net earnings	\$ 1,077	\$ 0.55	\$ 1,232	\$ 0.63	\$ 1,593	\$ 0.80
Non-GAAP adjustments:						
Amortization of purchased intangible assets	350	0.17	350	0.18	470	0.23
Restructuring charges	408	0.21	130	0.07	53	0.03
Acquisition-related charges	11	0.01	4	-	17	0.01
Wind down of the webOS device business <sup>(a)</sup>	-	-	-	-	(36)	(0.02)
Adjustments for taxes	(148)	(0.07)	(111)	(0.06)	(148)	(0.07)
Non-GAAP net earnings	<u>\$ 1,698</u>	<u>\$ 0.87</u>	<u>\$ 1,605</u>	<u>\$ 0.82</u>	<u>\$ 1,949</u>	<u>\$ 0.98</u>
GAAP earnings from operations	\$ 1,601		\$ 1,752		\$ 2,222	
Non-GAAP adjustments:						
Amortization of purchased intangible assets	350		350		470	
Restructuring charges	408		130		53	
Acquisition-related charges	11		4		17	
Wind down of the webOS device business <sup>(a)</sup>	-		-		(36)	
Non-GAAP earnings from operations	<u>\$ 2,370</u>		<u>\$ 2,236</u>		<u>\$ 2,726</u>	
GAAP operating margin	6%		6%		7%	
Non-GAAP adjustments	3%		2%		2%	
Non-GAAP operating margin	<u>9%</u>		<u>8%</u>		<u>9%</u>	

(a) For the period ended April 30, 2012, primarily includes adjustments to expenses for supplier -related obligations related to winding down the webOS device business.



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
ADJUSTMENTS TO GAAP NET EARNINGS, EARNINGS FROM OPERATIONS,  
OPERATING MARGIN AND EARNINGS PER SHARE  
(Unaudited)  
(In millions except per share amounts)

	Six months ended April 30, 2013	Diluted earnings per share	Six months ended April 30, 2012	Diluted earnings per share
GAAP net earnings	\$ 2,309	\$ 1.18	\$ 3,061	\$ 1.53
Non-GAAP adjustments:				
Amortization of purchased intangible assets	700	0.35	936	0.47
Restructuring charges	538	0.28	93	0.05
Acquisition-related charges	15	0.01	39	0.02
Wind down of the webOS device business <sup>(a)</sup>	-	-	(36)	(0.02)
Adjustments for taxes	(259)	(0.13)	(312)	(0.15)
Non-GAAP net earnings	<u>\$ 3,303</u>	<u>\$ 1.69</u>	<u>\$ 3,781</u>	<u>\$ 1.90</u>
GAAP earnings from operations	\$ 3,353		\$ 4,264	
Non-GAAP adjustments:				
Amortization of purchased intangible assets	700		936	
Restructuring charges	538		93	
Acquisition-related charges	15		39	
Wind down of the webOS device business <sup>(a)</sup>	-		(36)	
Non-GAAP earnings from operations	<u>\$ 4,606</u>		<u>\$ 5,296</u>	
GAAP operating margin	6%		7%	
Non-GAAP adjustments	2%		2%	
Non-GAAP operating margin	<u>8%</u>		<u>9%</u>	

(a) For the period ended April 30, 2012, primarily includes adjustments to expenses for supplier -related obligations related to winding down the webOS device business.



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
CONSOLIDATED CONDENSED BALANCE SHEETS  
(In millions)

	April 30, 2013 (Unaudited)	October 31, 2012
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 13,240	\$ 11,301
Accounts receivable	14,606	16,407
Financing receivables	3,212	3,252
Inventory	5,999	6,317
Other current assets	12,514	13,360
<b>Total current assets</b>	<b>49,571</b>	<b>50,637</b>
Property, plant and equipment	11,476	11,954
Long-term financing receivables and other assets	10,205	10,593
Goodwill and purchased intangible assets	35,002	35,584
<b>Total assets</b>	<b>\$ 106,254</b>	<b>\$ 108,768</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Notes payable and short-term borrowings	\$ 6,928	\$ 6,647
Accounts payable	12,313	13,350
Employee compensation and benefits	3,836	4,058
Taxes on earnings	1,015	846
Deferred revenue	6,757	7,494
Other accrued liabilities	13,809	14,271
<b>Total current liabilities</b>	<b>44,658</b>	<b>46,666</b>
Long-term debt	19,863	21,789
Other liabilities	17,801	17,480
<b>Stockholders' equity:</b>		
HP stockholders' equity	23,533	22,436
Non-controlling interests	399	397
<b>Total stockholders' equity</b>	<b>23,932</b>	<b>22,833</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 106,254</b>	<b>\$ 108,768</b>



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS  
(Unaudited)  
(In millions)

	Three months ended April 30, 2013	Six months ended April 30, 2013
<b>Cash flows from operating activities:</b>		
Net earnings	\$ 1,077	\$ 2,309
<b>Adjustments to reconcile net earnings to net cash provided by operating activities:</b>		
Depreciation and amortization	1,170	2,333
Stock-based compensation expense	107	291
Provision for bad debt and inventory	93	217
Restructuring charges	408	538
Deferred taxes on earnings	(28)	472
Other, net	59	226
<b>Changes in operating assets and liabilities:</b>		
Accounts and financing receivables	(98)	2,148
Inventory	289	140
Accounts payable	640	(1,050)
Taxes on earnings	(3)	(426)
Restructuring	(165)	(402)
Other assets and liabilities	7	(678)
Net cash provided by operating activities	<u>3,556</u>	<u>6,118</u>
<b>Cash flows from investing activities:</b>		
Investment in property, plant and equipment	(767)	(1,400)
Proceeds from sale of property, plant and equipment	147	274
Purchases of available-for-sale securities and other investments	(198)	(497)
Maturities and sales of available-for-sale securities and other investments	431	592
Payments made in connection with business acquisitions, net of cash acquired	(167)	(167)
Net cash used in investing activities	<u>(554)</u>	<u>(1,198)</u>
<b>Cash flows from financing activities:</b>		
Repayment of commercial paper and notes payable, net	(28)	(133)
Issuance of debt	154	199
Payment of debt	(1,554)	(1,668)
Issuance of common stock under employee stock plans	157	212
Repurchase of common stock	(797)	(1,050)
Cash dividends paid	(283)	(541)
Net cash used in financing activities	<u>(2,351)</u>	<u>(2,981)</u>
Increase in cash and cash equivalents	651	1,939
Cash and cash equivalents at beginning of period	12,589	11,301
Cash and cash equivalents at end of period	<u>\$ 13,240</u>	<u>\$ 13,240</u>



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
SEGMENT INFORMATION  
(Unaudited)  
(In millions)

	Three months ended		
	April 30, 2013	January 31, 2013	April 30, 2012
Net revenue: <sup>(a)</sup>			
Personal Systems	\$ 7,584	\$ 8,204	\$ 9,470
Printing	6,081	5,926	6,132
Total Printing and Personal Systems Group <sup>(b)</sup>	13,665	14,130	15,602
Enterprise Group	6,819	6,984	7,546
Enterprise Services	5,999	5,919	6,489
Software	941	926	970
HP Financial Services	881	957	968
Corporate Investments	10	4	7
Total segments	28,315	28,920	31,582
Elimination of intersegment net revenue and other	(733)	(561)	(889)
Total HP consolidated net revenue	<u>\$ 27,582</u>	<u>\$ 28,359</u>	<u>\$ 30,693</u>
Earnings before taxes: <sup>(a)</sup>			
Personal Systems	\$ 239	\$ 223	\$ 516
Printing	958	953	808
Total Printing and Personal Systems Group <sup>(b)</sup>	1,197	1,176	1,324
Enterprise Group	1,082	1,084	1,352
Enterprise Services	156	76	237
Software	180	157	172
HP Financial Services	97	101	96
Corporate Investments	(56)	(65)	(48)
Total segment earnings from operations	2,656	2,529	3,133
Corporate and unallocated costs and eliminations	(179)	(109)	(203)
Unallocated costs related to stock-based compensation expense	(107)	(184)	(168)
Amortization of purchased intangible assets	(350)	(350)	(470)
Restructuring charges	(408)	(130)	(53)
Acquisition-related charges	(11)	(4)	(17)
Interest and other, net	(193)	(179)	(243)
Total HP consolidated earnings before taxes	<u>\$ 1,408</u>	<u>\$ 1,573</u>	<u>\$ 1,979</u>

(a) HP has implemented certain organizational realignments in the first quarter of fiscal 2013. As a result of these realignments, HP has re-evaluated its segment financial reporting structure and, effective in the first quarter of fiscal 2013, created two new financial reporting segments, the Enterprise Group segment and the Enterprise Services segment, and eliminated two other financial reporting segments, the Enterprise Servers, Storage and Networking (“ESSN”) segment and the Services segment. The Enterprise Group segment consists of the business units within the former ESSN segment and most of the services offerings of the Technology Services (“TS”) business unit, which was previously a part of the former Services segment. The Enterprise Services segment consists of the Applications and Business Services (“ABS”) and Infrastructure Technology Outsourcing (“ITO”) business units from the former Services segment, along with the end-user workplace support services business that was previously a part of the TS business unit. Taking into account these changes, HP has the following seven financial reporting segments: Personal Systems, Printing, the Enterprise Group, Enterprise Services, Software, HP Financial Services and Corporate Investments.

Also as a result of these realignments, the financial results of the Personal Systems commercial products support business, which were previously reported as part of the TS business unit, will now be reported as part of the Other business unit within the Personal Systems segment, and the financial results of the portion of the business intelligence services business that had continued to be reported as part of the Corporate Investments segment following the implementation of prior realignment actions will now be reported as part of the ABS business unit. In addition, the end-user workplace support services business, which, as noted above, was previously a part of the TS business unit and will now become a part of the Enterprise Services segment, will be reported as part of the ITO business unit within that segment.

To provide improved visibility and comparability, HP has reflected these changes to its reporting structure in prior financial reporting periods on an as-if basis, which has resulted in the transfer of revenue and operating profit among the Personal Systems, the Enterprise Group, Enterprise Services and Corporate Investments segments. These changes had no impact on the previously reported financial results for the Printing, Software or HP Financial Services segments. In addition, none of these changes impacted HP’s previously reported consolidated net revenue, earnings from operations, net earnings or net earnings per share.

(b) The Personal Systems segment and the Printing segment are structured beneath a broader Printing and Personal Systems Group (“PPS”). While PPS is not a financial reporting segment, HP provides financial data aggregating the segments within it in order to provide a supplementary view of its business.



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
SEGMENT INFORMATION  
(Unaudited)  
(In millions)

	Six months ended April 30,	
	2013	2012
<b>Net revenue:<sup>(a)</sup></b>		
Personal Systems	\$ 15,788	\$ 18,362
Printing	12,007	12,390
Total Printing and Personal Systems Group <sup>(b)</sup>	27,795	30,752
Enterprise Group	13,803	14,828
Enterprise Services	11,918	12,860
Software	1,867	1,916
HP Financial Services	1,838	1,918
Corporate Investments	14	37
Total Segments	57,235	62,311
Elimination of intersegment net revenue and other	(1,294)	(1,582)
Total HP consolidated net revenue	<u>\$ 55,941</u>	<u>\$ 60,729</u>
<b>Earnings before taxes:<sup>(a)</sup></b>		
Personal Systems	\$ 462	\$ 975
Printing	1,911	1,569
Total Printing and Personal Systems Group <sup>(b)</sup>	2,373	2,544
Enterprise Group	2,166	2,681
Enterprise Services	232	382
Software	337	334
HP Financial Services	198	187
Corporate Investments	(121)	(98)
Total segment earnings from operations	5,185	6,030
Corporate and unallocated costs and eliminations	(288)	(356)
Unallocated costs related to stock-based compensation expense	(291)	(342)
Amortization of purchased intangible assets	(700)	(936)
Restructuring charges	(538)	(93)
Acquisition-related charges	(15)	(39)
Interest and other, net	(372)	(464)
Total HP consolidated earnings before taxes	<u>\$ 2,981</u>	<u>\$ 3,800</u>

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(b) The Personal Systems segment and the Printing segment are structured beneath a broader Printing and Personal Systems Group (“PPS”). While PPS is not a financial reporting segment, HP provides financial data aggregating the segments within it in order to provide a supplementary view of its business.





HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
SEGMENT / BUSINESS UNIT INFORMATION

(Unaudited)  
(In millions)

	Three months ended			Growth rate (%)	
	April 30, 2013	January 31, 2013	April 30, 2012	Q/Q	Y/ Y
Net revenue: <sup>(a)</sup>					
Printing and Personal Systems Group <sup>(b)</sup>					
Personal Systems					
Notebooks	\$ 3,718	\$ 4,128	\$ 4,900	(10%)	(24%)
Desktops	3,103	3,321	3,827	(7%)	(19%)
Workstations	521	535	537	(3%)	(3%)
Other	242	220	206	10%	17%
Total Personal Systems	<u>7,584</u>	<u>8,204</u>	<u>9,470</u>	(8%)	(20%)
Printing					
Supplies	4,122	3,893	4,060	6%	2%
Commercial Hardware	1,398	1,354	1,479	3%	(5%)
Consumer Hardware	561	679	593	(17%)	(5%)
Total Printing	<u>6,081</u>	<u>5,926</u>	<u>6,132</u>	3%	(1%)
Total Printing and Personal Systems Group	<u>13,665</u>	<u>14,130</u>	<u>15,602</u>	(3%)	(12%)
Enterprise Group					
Industry Standard Servers	2,806	2,994	3,186	(6%)	(12%)
Technology Services	2,272	2,243	2,335	1%	(3%)
Storage	857	833	990	3%	(13%)
Networking	618	608	614	2%	1%
Business Critical Systems	266	306	421	(13%)	(37%)
Total Enterprise Group	<u>6,819</u>	<u>6,984</u>	<u>7,546</u>	(2%)	(10%)
Enterprise Services					
Infrastructure Technology Outsourcing	3,721	3,736	3,954	0%	(6%)
Application and Business Services	2,278	2,183	2,535	4%	(10%)
Total Enterprise Services	<u>5,999</u>	<u>5,919</u>	<u>6,489</u>	1%	(8%)
Software	<u>941</u>	<u>926</u>	<u>970</u>	2%	(3%)
HP Financial Services	<u>881</u>	<u>957</u>	<u>968</u>	(8%)	(9%)
Corporate Investments	<u>10</u>	<u>4</u>	<u>7</u>	150%	43%
Total segments	<u>28,315</u>	<u>28,920</u>	<u>31,582</u>	(2%)	(10%)
Elimination of intersegment net revenue and other	<u>(733)</u>	<u>(561)</u>	<u>(889)</u>	31%	(18%)
Total HP consolidated net revenue	<u>\$ 27,582</u>	<u>\$ 28,359</u>	<u>\$ 30,693</u>	(3%)	(10%)

(a) HP has implemented certain organizational realignments in the first quarter of fiscal 2013. As a result of these realignments, HP has re-evaluated its segment financial reporting structure and, effective in the first quarter of fiscal 2013, created two new financial reporting segments, the Enterprise Group segment and the Enterprise Services segment, and eliminated two other financial reporting segments, the Enterprise Servers, Storage and Networking (“ESSN”) segment and the Services segment. The Enterprise Group segment consists of the business units within the former ESSN segment and most of the services offerings of the Technology Services (“TS”) business unit, which was previously a part of the former Services segment. The Enterprise Services segment consists of the Applications and Business Services (“ABS”) and Infrastructure Technology Outsourcing (“ITO”) business units from the former Services segment, along with the end-user workplace support services business that was previously a part of the TS business unit. Taking into account these changes, HP has the following seven financial reporting segments: Personal Systems, Printing, the Enterprise Group, Enterprise Services, Software, HP Financial Services and Corporate Investments.

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(b) The Personal Systems segment and the Printing segment are structured beneath a broader Printing and Personal Systems Group (“PPS”). While PPS is not a financial reporting segment, HP provides financial data aggregating the segments within it in order to provide a supplementary view of its business.



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
SEGMENT / BUSINESS UNIT INFORMATION  
(Unaudited)  
(In millions)

	Six months ended April 30,	
	2013	2012
Net revenue: <sup>(a)</sup>		
Printing and Personal Systems Group <sup>(b)</sup>		
Personal Systems		
Notebooks	\$ 7,846	\$ 9,842
Desktops	6,424	7,033
Workstations	1,056	1,072
Other	462	415
Total Personal Systems	<u>15,788</u>	<u>18,362</u>
Printing		
Supplies	8,015	8,139
Commercial Hardware	2,752	2,968
Consumer Hardware	1,240	1,283
Total Printing	<u>12,007</u>	<u>12,390</u>
Total Printing and Personal Systems Group	<u>27,795</u>	<u>30,752</u>
Enterprise Group		
Industry Standard Servers	5,800	6,258
Technology Services	4,515	4,599
Storage	1,690	1,945
Networking	1,226	1,200
Business Critical Systems	572	826
Total Enterprise Group	<u>13,803</u>	<u>14,828</u>
Enterprise Services		
Infrastructure Technology Outsourcing	7,457	7,934
Application and Business Services	4,461	4,926
Total Enterprise Services	<u>11,918</u>	<u>12,860</u>
Software		
	<u>1,867</u>	<u>1,916</u>
HP Financial Services		
	<u>1,838</u>	<u>1,918</u>
Corporate Investments		
	<u>14</u>	<u>37</u>
Total segments	<u>57,235</u>	<u>62,311</u>
Elimination of intersegment net revenue and other	<u>(1,294)</u>	<u>(1,582)</u>
Total HP consolidated net revenue	<u>\$ 55,941</u>	<u>\$ 60,729</u>

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To provide improved visibility and comparability, HP has reflected these changes to its reporting structure in prior financial reporting periods on an as-if basis, which has resulted in the transfer of revenue and operating profit among the Personal Systems, the Enterprise Group, Enterprise Services and Corporate Investments segments. These changes had no impact on the previously reported financial results for the Printing, Software or HP Financial Services segments. In addition, none of these changes impacted HP’s previously reported consolidated net revenue, earnings from operations, net earnings or net earnings per share.

(b) The Personal Systems segment and the Printing segment are structured beneath a broader Printing and Personal Systems Group (“PPS”). While PPS is not a financial reporting segment, HP provides financial data aggregating the segments within it in order to provide a supplementary view of its business.



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
SEGMENT NON-GAAP OPERATING MARGIN SUMMARY DATA  
(Unaudited)

	Three months ended	Change in Operating Margin (pts)	
	April 30, 2013	Q/Q	Y/Y
<b>Non-GAAP operating margin:<sup>(a)</sup></b>			
Personal Systems	3.2%	0.5 pts	(2.2 pts)
Printing	15.8%	(0.3 pts)	2.6 pts
Printing and Personal Systems Group <sup>(b)</sup>	8.8%	0.5 pts	0.3 pts
Enterprise Group	15.9%	0.4 pts	(2.0 pts)
Enterprise Services	2.6%	1.3 pts	(1.1 pts)
Software	19.1%	2.1 pts	1.4 pts
HP Financial Services	11.0%	0.4 pts	1.1 pts
Corporate Investments	(560.0%)	NM	NM
Total segments	9.4%	0.7 pts	(0.4 pts)
<b>Total HP consolidated non-GAAP operating margin</b>	<b>8.6%</b>	<b>0.7 pts</b>	<b>(0.3 pts)</b>

(a) HP has implemented certain organizational realignments in the first quarter of fiscal 2013. As a result of these realignments, HP has re-evaluated its segment financial reporting structure and, effective in the first quarter of fiscal 2013, created two new financial reporting segments, the Enterprise Group segment and the Enterprise Services segment, and eliminated two other financial reporting segments, the Enterprise Servers, Storage and Networking (“ESSN”) segment and the Services segment. The Enterprise Group segment consists of the business units within the former ESSN segment and most of the services offerings of the Technology Services (“TS”) business unit, which was previously a part of the former Services segment. The Enterprise Services segment consists of the Applications and Business Services (“ABS”) and Infrastructure Technology Outsourcing (“ITO”) business units from the former Services segment, along with the end-user workplace support services business that was previously a part of the TS business unit. Taking into account these changes, HP has the following seven financial reporting segments: Personal Systems, Printing, the Enterprise Group, Enterprise Services, Software, HP Financial Services and Corporate Investments.

Also as a result of these realignments, the financial results of the Personal Systems commercial products support business, which were previously reported as part of the TS business unit, will now be reported as part of the Other business unit within the Personal Systems segment, and the financial results of the portion of the business intelligence services business that had continued to be reported as part of the Corporate Investments segment following the implementation of prior realignment actions will now be reported as part of the ABS business unit. In addition, the end-user workplace support services business, which, as noted above, was previously a part of the TS business unit and will now become a part of the Enterprise Services segment, will be reported as part of the ITO business unit within that segment.

To provide improved visibility and comparability, HP has reflected these changes to its reporting structure in prior financial reporting periods on an as-if basis, which has resulted in the transfer of revenue and operating profit among the Personal Systems, the Enterprise Group, Enterprise Services and Corporate Investments segments. These changes had no impact on the previously reported financial results for the Printing, Software or HP Financial Services segments. In addition, none of these changes impacted HP’s previously reported consolidated net revenue, earnings from operations, net earnings or net earnings per share.

(b) The Personal Systems segment and the Printing segment are structured beneath a broader Printing and Personal Systems Group (“PPS”). While PPS is not a financial reporting segment, HP provides financial data aggregating the segments within it in order to provide a supplementary view of its business.



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
CALCULATION OF NET EARNINGS PER SHARE  
(Unaudited)  
(In millions except per share amounts)

	Three months ended		
	April 30, 2013	January 31, 2013	April 30, 2012
<b>Numerator:</b>			
GAAP net earnings	\$ 1,077	\$ 1,232	\$ 1,593
Non-GAAP net earnings	\$ 1,698	\$ 1,605	\$ 1,949
<b>Denominator:</b>			
Weighted-average shares used to compute basic net earnings per share	1,935	1,953	1,979
Dilutive effect of employee stock plans	12	3	8
Weighted-average shares used to compute diluted net earnings per share	1,947	1,956	1,987
<b>GAAP net earnings per share:</b>			
Basic <sup>(a)</sup>	\$ 0.56	\$ 0.63	\$ 0.80
Diluted <sup>(c)</sup>	\$ 0.55	\$ 0.63	\$ 0.80
<b>Non-GAAP net earnings per share:</b>			
Basic <sup>(b)</sup>	\$ 0.88	\$ 0.82	\$ 0.98
Diluted <sup>(c)</sup>	\$ 0.87	\$ 0.82	\$ 0.98

- (a) GAAP basic earnings per share were calculated based on GAAP net earnings and the weighted -average number of shares outstanding during the reporting period.
- (b) Non-GAAP basic earnings per share were calculated based on non -GAAP net earnings and the weighted -average number of shares outstanding during the reporting period.
- (c) Diluted net earnings per share includes any dilutive effect of outstanding stock options, performance -based restricted units, restricted stock units and restricted stock.



HEWLETT-PACKARD COMPANY AND SUBSIDIARIES  
CALCULATION OF NET EARNINGS PER SHARE  
(Unaudited)  
(In millions except per share amounts)

	Six months ended April 30,	
	2013	2012
<b>Numerator:</b>		
GAAP net earnings	\$ 2,309	\$ 3,061
Non-GAAP net earnings	\$ 3,303	\$ 3,781
<b>Denominator:</b>		
Weighted-average shares used to compute basic net earnings per share	1,944	1,980
Dilutive effect of employee stock plans	8	15
Weighted-average shares used to compute diluted net earnings per share	1,952	1,995
<b>GAAP net earnings per share:</b>		
Basic <sup>(a)</sup>	\$ 1.19	\$ 1.55
Diluted <sup>(c)</sup>	\$ 1.18	\$ 1.53
<b>Non-GAAP net earnings per share:</b>		
Basic <sup>(b)</sup>	\$ 1.70	\$ 1.91
Diluted <sup>(c)</sup>	\$ 1.69	\$ 1.90

- (a) GAAP basic earnings per share were calculated based on GAAP net earnings and the weighted -average number of shares outstanding during the reporting period.
- (b) Non-GAAP basic earnings per share were calculated based on non -GAAP net earnings and the weighted -average number of shares outstanding during the reporting period.
- (c) Diluted net earnings per share includes any dilutive effect of outstanding stock options, performance -based restricted units, restricted stock units and restricted stock.
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