

HEWLETT PACKARD CO

Form DFAN14A

December 05, 2001

**SCHEDULE 14A**  
**(RULE 14a-101)**  
**INFORMATION REQUIRED IN PROXY STATEMENT**  
**SCHEDULE 14A INFORMATION**  
**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement  
 Definitive  
Proxy  
Statement   
Confidential, for  
Use of the  
Commission Only  
(as permitted by  
Rule 14a-6(e)(2))   
Definitive  
Additional  
Materials   
Soliciting  
Material Pursuant  
to Rule 14a-12

**HEWLETT-PACKARD COMPANY**

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(Name of Registrant as Specified In Its Charter)

**WALTER B. HEWLETT**

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

Fee not required.  
 Fee  
computed on  
table below per  
Exchange Act  
Rules 14a-6(i)(4)  
and 0-11.  
(1) Title of each  
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to which  
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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount

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(4) Date Filed:

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The exhibits in the attached three pages compare key financial statistics for HP and Compaq as of 11/30/01 with those of 8/31/01. The key financial statistics include share prices, market values, consensus EPS estimates, price-earnings ratios and pro forma EPS. The following bullet points highlight some of the changes that occurred between 8/31/01 and 11/30/01:

Compaq's share price has declined 17.8% from \$12.35 to \$10.15 while HP's share price has declined 5.3% from \$23.21 to \$21.99. As a result, the market value of the combined companies has been reduced by \$6.2 billion.

Consensus estimates of Compaq's CY2002 and CY2003 EPS have declined 77.3% and 60.2%, respectively, while consensus estimates of HP's CY2002 and CY2003 EPS have declined 17.1% and 20.0%, respectively. (See page 2 for graphic presentation.)

The price-earnings ratios paid for Compaq (calculated based on the announced exchange ratio, HP's share price and the consensus estimate of Compaq's EPS) have increased to 92.7x and 39.7x for CY2002 and CY2003, respectively, from 22.2x and 16.7x.

HP's pro forma EPS (based on cost savings and revenue loss assumptions consistent with management guidance and certain other assumptions) would be 34.0% and 0.6% dilutive in CY2002 and CY2003, respectively, based on earnings estimates as of 11/30/01. Based on earnings estimates as of 8/31/01, HP's pro forma EPS would have been 9.1% dilutive in CY2002 and 10.7% accretive in CY2003. (See page 3 for graphic presentation.)

Per original Compaq share, HP's pro forma EPS would be 163.6% and 134.6% accretive in CY2002 and CY2003, respectively, based on earnings estimates as of 11/30/01. Based on earnings estimates as of 8/31/01, HP's pro forma EPS per original Compaq share would have been 0.6% dilutive in CY2002 and 29.9% accretive in CY2003 (See page 3 for graphic presentation.)

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**IMPORTANT INFORMATION**

Walter B. Hewlett plans to file a proxy statement with the Securities and Exchange Commission relating to a solicitation of proxies from the stockholders of Hewlett-Packard Company in connection with a meeting of stockholders of Hewlett-Packard to be held for the purpose of voting on various matters relating to the possible merger transaction involving Hewlett-Packard and Compaq Computer Corporation. SECURITY HOLDERS ARE ADVISED TO READ THAT PROXY STATEMENT WHEN IT BECOMES AVAILABLE, BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION. The proxy statement, along with any other relevant documents, will be available for free at [www.sec.gov](http://www.sec.gov). You may also obtain a free copy of the proxy statement, when it becomes available, by contacting MacKenzie Partners at 212-929-5500, or by sending an email to [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com). Information regarding the names, affiliation and interests of persons who may be deemed to be participants in the solicitation of proxies of Hewlett-Packard's stockholders is available in the Soliciting Materials on Schedule 14A filed by Walter B. Hewlett with the SEC. Quantified information relating to the security holdings of persons who may be deemed to be participants in the solicitation of Hewlett-Packard's stockholders may be found in the Schedule 13D filed by Walter B. Hewlett, Edwin E. van Bronkhorst, Eleanor Hewlett Gimon and Mary Hewlett Jaffe on November 14, 2001.