

HP to Acquire 3Com

HP and 3Com signed a definitive agreement on November 11, 2009 for HP to acquire 3Com

Purchase price of \$7.90 per share in cash, or an enterprise value of approximately \$2.7B

Expected to close in the first half of calendar 2010



Executive Summary

Transformational Deal in Enterprise Networking

- Would create a new global networking leader in a \$40B market
- Would make HP the #2 enterprise networking vendor worldwide
- Would make HP a networking leader in one of the world's fastest-growing IT markets, China
- Combines HP strengths in the LAN edge with 3Com strengths in core switching, routing, and security
- Combined HP and 3Com solutions would further accelerate HP Converged Infrastructure for next generation data centers

Combination Would Create an End-to-End Enterprise Networking Leader

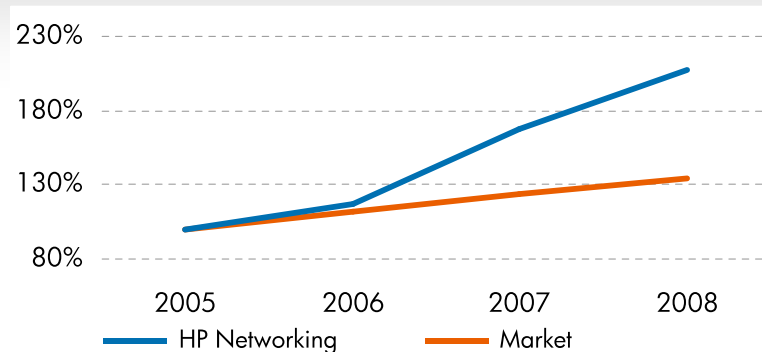
- Best-in-class products based on open industry standards and innovative technology
- Broadens HP Networking capabilities adding core switching, routing, and security
- R&D design center with ~2,400 highly skilled engineers in China to fuel continued innovation and compelling TCO advantages
- Enhances the capabilities and global reach of the largest technology company in the world
- Enables HP to deliver a full spectrum of products from edge of the network to the heart of the data center



HP and 3Com – Unmatched Momentum in Networking

HP Networking Outpacing the Market Globally

base 2005 = 100%

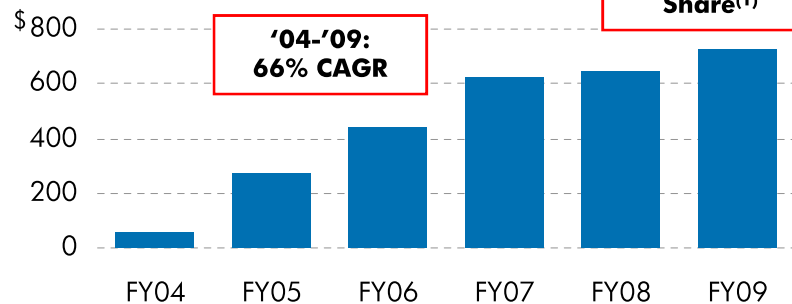


Source Dell'Oro Group data 2005-2008

- Build upon industry standards and HP's extensive market reach
- Fastest growing Networking vendor since 2005 (Dell'Oro Group data)
- Price performance leadership
- Ecosystem support through ProCurve ONE alliance

3Com Quickly Established Leadership in China

3Com China Revenue (\$M)

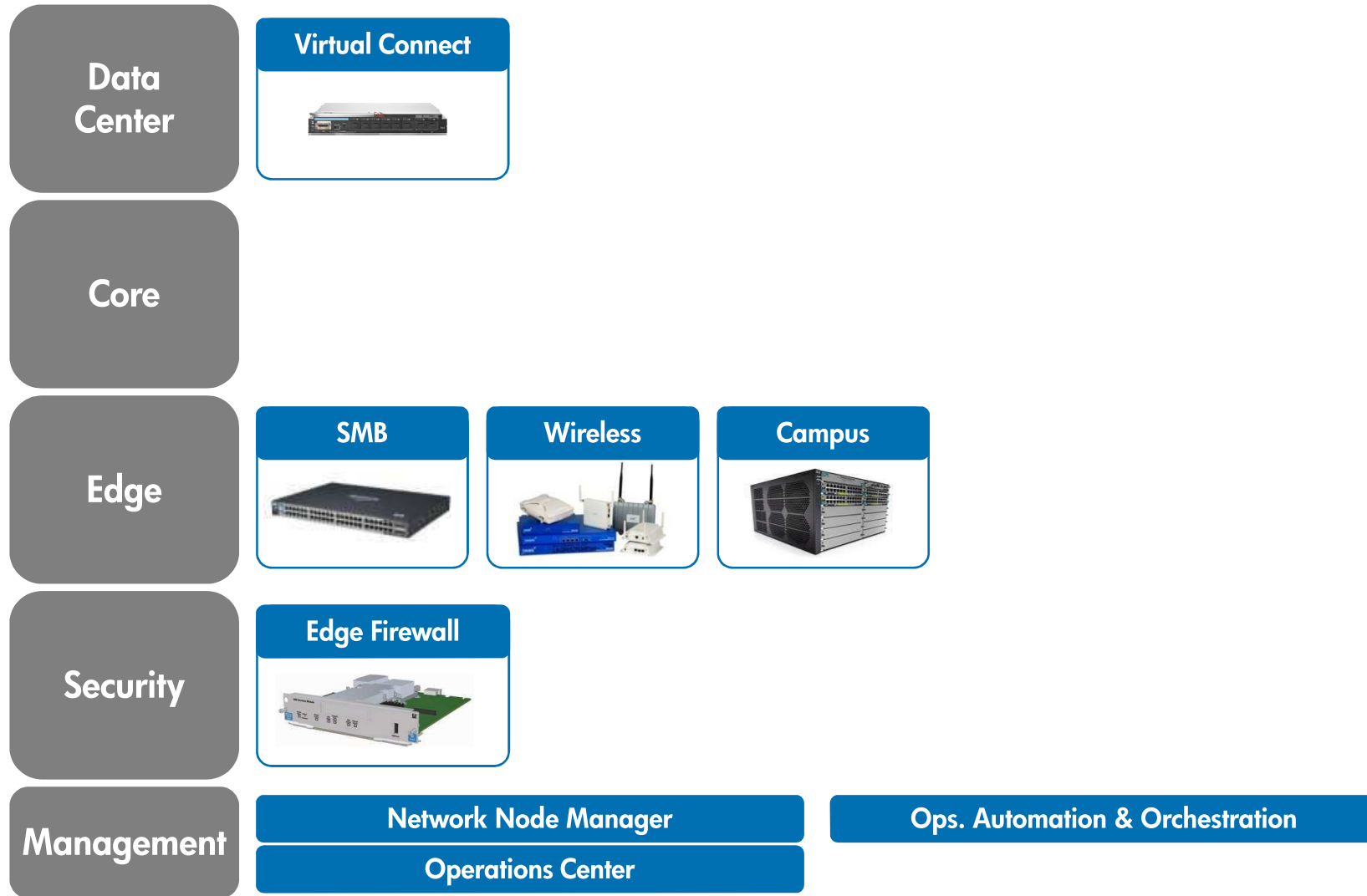


- 21st century global operating model (design and R&D centralized in China)
- Industry leading solutions (switching, routing, security) with differentiated high-end core switching
- Proven enterprise deployments
 - Over 300 of the top 500 enterprises in China
- Approximately 50% of revenue in China in FY09

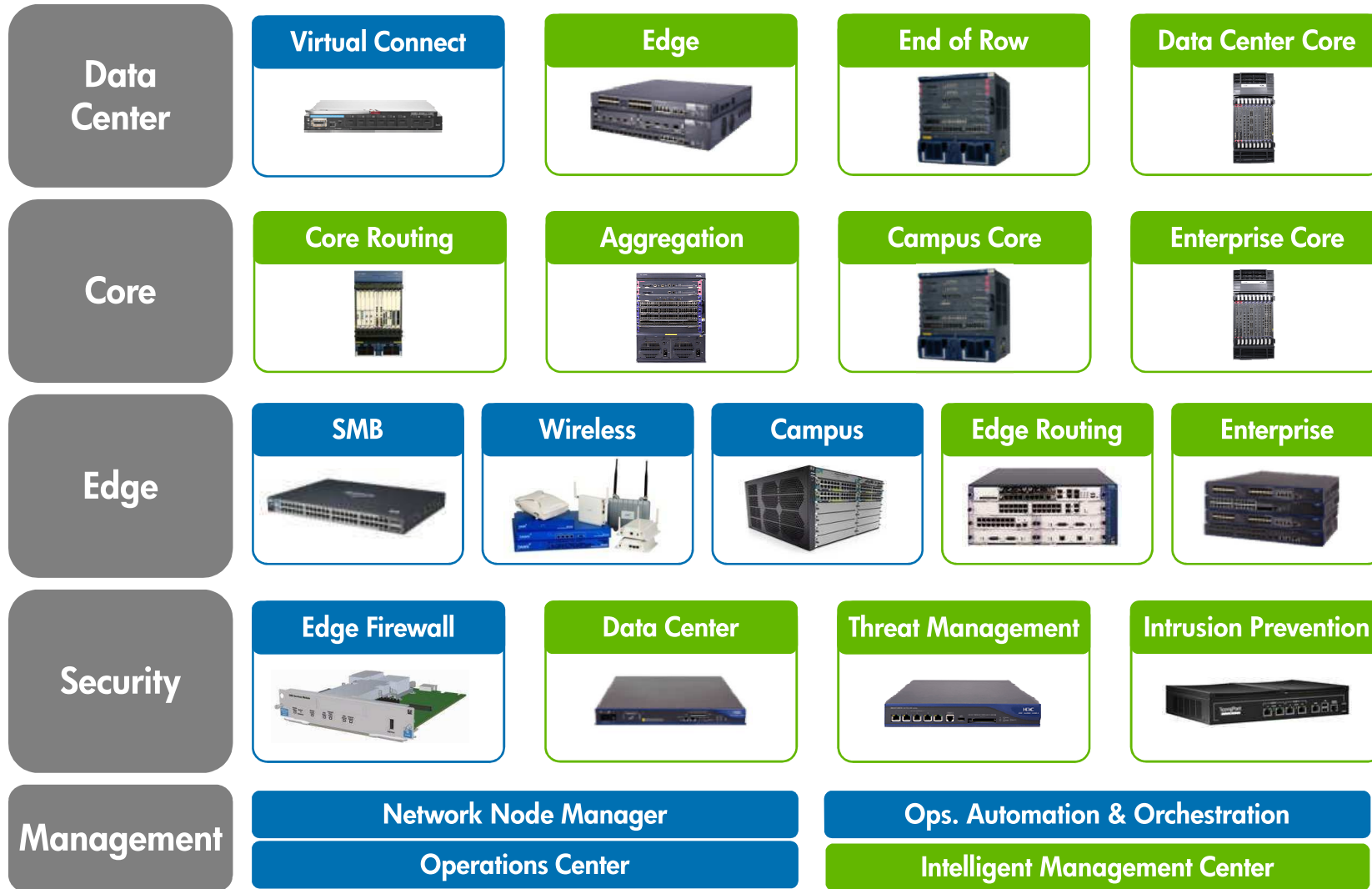
1. Source IDC, 1h '09 Enterprise switching market share in China



HP Networking – Leadership in Edge



HP + 3Com – Leadership from Edge to Data Center Core



3Com: Technology Innovation and Leadership

- New product family introduced May, 2009
- World's most scalable and highest performing data center switch
- Leverages a common operating system and open architecture
- Unified management
- Double the performance
- 2x the density of competitive switches
- Uses $\frac{1}{3}$ less energy
- Lower total cost of ownership



**Data Center Core Switch
S12500**