



HP Redefines Personal Digital Entertainment Experience with Expanded Portfolio for Consumers

LAS VEGAS, Jan. 7, 2007 – HP today expanded its portfolio of digital entertainment offerings with a new consumer PC category and a broad lineup of digital entertainment products and services that aim to fundamentally change the way people connect, access and enjoy high-definition and personal digital content.

Announced at the 2007 International Consumer Electronics Show (CES), the offerings include the industry's first all-in-one touch-screen PC and touch-screen consumer tablet PC based on Microsoft Windows Vista™, ⁽¹⁾ HP's first home media server, nine new high-definition TVs, a Blu-ray disc writer, new digital content delivery services and home automation solutions.

Editorial contacts:

Pat Kinley, HP
+1 515 222 1323
+1 515 418 7708 (mobile)
pat.kinley@hp.com

Elisa Greene
Porter Novelli for HP
+1 415 975 2226
+1 415 279 8758 (mobile)
elisa.greene@porternovelli.com

HP Media Hotline
+1 866 266 7272
pr@hp.com
www.hp.com/go/newsroom

Hewlett-Packard Company
3000 Hanover Street
Palo Alto, CA 94304
www.hp.com

Additionally, the company's online photo service, Snapfish by HP, has released a new software tool that will enable members to bypass the photo upload process and send their pictures to their PCs or Snapfish accounts without a single click of a mouse.

"People are rapidly moving to a high-definition lifestyle, generating and sharing their own personal digital content and enjoying higher quality movies and music," said Todd Bradley, executive vice president, Personal Systems Group, HP. "HP has the broadest portfolio of digital entertainment products and partnerships that can transform the way people experience TV, music, movies, photographs and other entertainment content, from instant access to movies and photos with HP QuickPlay to our HP MediaSmart HDTVs to a new touch-screen category that enables walk-up computing."

New touch-screen PCs for computing wherever life happens in the home

To meet the changing ways in which people want to access and enjoy their digital content, HP, the worldwide PC sales leader, ⁽²⁾ has introduced its latest innovation in PC design.

The new HP TouchSmart PC is the industry's first all-in-one PC based on Microsoft Windows Vista. It provides users with one-touch wireless access to information, communication and entertainment through HP SmartCenter, a new customizable user interface that includes HP SmartCalendar for family calendaring and HP PhotoSmart Touch to manage digital photos. Featuring a 19-inch HD widescreen with adjustable touch-screen display, Vista remote control and personal video recorder with HD and SD TV programming, the HP TouchSmart PC enables "walk-up computing," the ability to quickly and easily have touch access to digital content wherever life happens in the home.

HP also introduced the industry's first consumer tablet PC optimized for Microsoft Windows Vista and on-the-go entertainment. The HP Pavilion tx1000 Entertainment

Notebook PC features a touch-screen display, built-in miniature remote control, HP QuickPlay instant movie viewing feature, karaoke and a screen that swivels 180 degrees and folds flat for working or enjoying movies in tight travel spaces such as airplanes or trains.

By partnering with Sling Media, creators of the industry-leading Slingbox, HP has enhanced its QuickPlay offering on consumer notebooks with “place shifting,” which allows consumers to instantly access their live television programming and DVR content – as easy as turning on a TV.

Delivering the high-def lifestyle

HP's new line of high-definition TVs, home media server and digital content delivery services allows consumers to easily view and share their high-definition content throughout their homes.

The 2007 HP HDTV lineup includes nine new plasma, LCD and MediaSmart TV models, all of which feature an improved Visual Fidelity Engine for enhanced image quality with finer picture detail.

HP MediaSmart TVs merge the PC and the TV with the ability to wirelessly⁽³⁾ stream digital photos, music and videos from a PC onto a stylish HP high-definition LCD display. The latest models feature 1080p performance and the new HP Entertainment Services Portal, which provides access to a variety of online photo, video and music services with the click of a remote. Services include Snapfish, Real Networks' Rhapsody and CinemaNow, which allows consumers to begin watching movies from its library of more than 4,000 titles before the download is even complete.

The new HP MediaSmart Server is designed to help people get the most out of their home networks by connecting them to their digital assets both at home and on the go. Based on Microsoft's new Windows® Home Server platform and an AMD processor, the server enables users to access, back up, share and enjoy digital music, home videos and photos from any computer or entertainment system on a home network. The server also has the expandability and extensibility to grow with a family's changing needs.

HP also released its first Blu-ray disc player, the HP bd135 Blu-ray Disc Writer. The device delivers the crystal-clear picture quality of Blu-ray Disc movies and allows users to record high-definition TV broadcasts as well as store data, digital photos, music and camcorder footage.

In collaboration with Best Buy For Business and Exceptional Innovation, HP additionally debuted ConnectedLife.Home, a packaged digital home solution designed to bring digital entertainment and home automation to mainstream consumer audiences. Demonstrated at the NextGen Home at CES 2007, attendees will have their first chance to see and buy the ConnectedLife.Home package.

Powering the solution is an HP Digital Entertainment Center that enables users to record and view TV shows anywhere in the home and enjoy other digital content such as photos, music or videos. Life|ware software from Exceptional Innovation centralizes the system to automate other household functions like lighting, thermostats and surveillance. The package will be available for purchase by calling Best Buy at +1 866 597 8426 and on Best Buy's website at www.bestbuy.com.



“The digitization of content and the migration to IP delivery, trends in service provider competition, the growth of broadband at home, and advancements in digital home platforms are all driving the consumer’s need for connected entertainment networks,” said Kurt Scherf, vice president, principal analyst, Parks Associates. “HP understands this growing trend and is building connectivity into all of its products so users can easily bring digital content into the living room, kitchen or on the road.”

Digital photos bring the high-def lifestyle into focus

The new Snapfish PictureMover tool is a downloadable desktop client that allows members to effortlessly transfer photos from their digital cameras or memory card readers to both their PCs and Snapfish accounts. For typical users, the tool eliminates at least 11 steps from the transfer process, bypassing the standard upload process and saving valuable time.

HP further expanded its digital photography portfolio with the HP Scanjet G4050 and G4010 Photo Scanners, which provide six-color photo scanning with exceptional color accuracy for photos, slides and negatives. Additionally, the HP Scanjet G3010 Photo Scanner provides photo, film and document scanning with one of the highest resolutions available at this scanner’s price, making it one of the most competitive home scanning products worldwide.

Enabling consumers to do even more with their photos, HP has announced its sponsorship of the “Making the Cover” website through Time Inc. Between now and Feb. 7, consumers can go to www.makingthecover.com where they can upload their personal photos to the covers of Time® Magazine, Entertainment Weekly® Magazine, Sports Illustrated® Magazine and People® Magazine to be printed and shared with family and friends. CES attendees also can take advantage of this in the HP booth.

Pricing, availability and support

HP allows consumers to enjoy a worry-free digital entertainment experience with HP Total Care, a comprehensive service and support program that was recently recognized by J.D. Power and Associates for consistently providing an “An Outstanding Customer Service Experience.”⁽⁴⁾

More information on HP’s new products and services, including pricing and availability, is available at www.hp.com/go/CES2007. Products will be available online at the HP Home and Home Office Store (www.hpshopping.com) as well as major retail outlets.

About HP

HP is a technology solutions provider to consumers, businesses and institutions globally. The company’s offerings span IT infrastructure, global services, business and home computing, and imaging and printing. For the four fiscal quarters ended Oct. 31, 2006, HP revenue totaled \$91.7 billion. More information about HP (NYSE, Nasdaq: HPQ) is available at www.hp.com.

Note to editors: HP news releases are available via RSS feed at www.hp.com/hpinfo/rss.html.

⁽¹⁾ Certain Windows Vista product features require advanced or additional hardware. See www.microsoft.com/windowsvista/getready/hardwarereqs.msp and www.microsoft.com/windowsvista/getready/capable.msp for details. Windows Vista Upgrade Advisor can help people determine which features of Windows Vista will run on their computers. To download the tool, visit

www.windowsvista.com/upgradeadvisor.

⁽²⁾ HP ranked No. 1 in PC shipments in the third quarter of 2006, as reported by Gartner's Top 5 Preliminary PC Market Results, 3Q2006 Update, Oct. 18, 2006.

⁽³⁾ Wireless home network required and not included.

⁽⁴⁾ J.D. Power and Associates Certified Technology Service and Support ProgramSM, developed in conjunction with the Service & Support Professionals Association. For more information, visit www.jdpower.com or www.thesspa.com.

Microsoft and Windows Vista are either registered trademarks or trademarks of Microsoft Corp. in the United States and/or other countries.

This news release contains forward-looking statements that involve risks, uncertainties and assumptions. If such risks or uncertainties materialize or such assumptions prove incorrect, the results of HP and its consolidated subsidiaries could differ materially from those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including but not limited to statements of the plans, strategies and objectives of management for future operations; any statements concerning expected development, performance or market share relating to products and services; anticipated operational and financial results; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Risks, uncertainties and assumptions include the achievement of expected results and other risks that are described from time to time in HP's Securities and Exchange Commission reports, including but not limited to the risks described in HP's Annual Report on Form 10-K for the fiscal year ended Oct. 31, 2006 and other reports filed after that Form 10-K. HP assumes no obligation and does not intend to update these forward-looking statements.

© 2007 Hewlett-Packard Development Company, L.P. The information contained herein is subject to change without notice. The only warranties for HP products and services are set forth in the express warranty statements accompanying such products and services. Nothing herein should be construed as constituting an additional warranty. HP shall not be liable for technical or editorial errors or omissions contained herein.

1/2007