							R	ECENT	10.00	P/F		<b>- /</b> Traili	ng: 27.7	RELATIV		DIV'D	• •	00/ VALUE	
00	VIPA		UNP	UTE	K NY	SE-CPQ	P	RICE	10.8	U   RĂTI	0 <b>NIV</b>		an: 15.0 <b>)</b>		<b>NIV</b>		0.9	WALUE	
TIMELIN	VESS -	<ul> <li>Suspend</li> </ul>	ed 9/14/01	High: Low:	4.5 2.4		3.3 1.5	5.1 2.8	8.4 4.8	11.4 6.2	17.4 7.2	39.8 14.2	44.8 22.9	51.3 18.3	34.9 14.3	25.0 7.3		Target Pri 2004 20	
SAFET	ı 3	B New 7/27	7/90	LEGE	NDS	Flow" p st		2.0		0.2	1.2			10.5	14.0	1.5		2004 20	80
TECHN		- Suspend	ed 9/14/01	2-for-1 sp	elative Pric	ce Strength						2-fc	pr-1						60 50
		= Market)		3-for-1 sp 5-for-2 sp	olit 6/94 olit 7/97						5-f	or-2.¥ .∐.		l   .					40
		A	nn'l Total	2-for-1 sp Options:	Yes	atoc rococi						1,1,11	ıllı'llıl	-1 <u>1</u> -11,1,1,1	h h				32 24
High		Gain +75%)	Return 15%	Shaded	area muic	ates recess	SUIT		3-for-1			, µI				₩.			20
Low	<u>13 (</u> r Decis	+20%) ions	5%	_											$\sim$	, .,III			16 
to Buy	<b>F M A</b> 0 0 0	<b>M</b> J J 1 0 0	<b>A S O</b> 0 0 0		2-for-1						Ľ#				``	`, III	•		10
Options to Sell	3 0 0	0000	0 0 0			_				h	11			:	·.	- <u>-</u>			6
		Decisio				<u>, 'lı</u>			r			• . •		· . · · ·				% TOT. RETURN 12/ THIS VL ARI	тн. — 4
to Buy	1 <b>Q2001</b> 321	202001 291	3Q2001 256	Percent				h μ			. <u>.</u> 1		1			•••		STOCK INDE 1 yr34.6 10.9	
to Sell Hld's(000)	357 963331	337 952875	351 941815	traded	15.0 -			11111111	<u>ílliluu</u> ul	illiniili	hhuhd		Hibbo	ulluutti	Hhhhh	hhun till		3 yr76.0 31.9 5 yr32.1 79.3	
1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	© VALUE LINE PUB., IN	
.63 .05	.77 .07	1.19	1.79 .26	2.44	2.79 .44	2.59 .31	3.42 .34	5.68 .49	8.33 .79	11.05 .93	13.24 1.17	16.18 1.75	18.52 1.05	22.74 1.16	25.09 1.84	19.60 .90	19.75 .95		24.10 1.95
.03	.04	.12	.20	.25	.32	.17	.20	.36	.64	.75	.93	1.35	.53	.34	.95	.10	.12		1.00
													.07	.09	.10	.10		Div'ds Decl'd per sh B	
.05 .17	.06 .23	.11 .39	.24 .70	.31	.25 1.44	.15 1.53	.13 1.68	.11 2.10	.27 2.82	.29 3.46	.25 4.49	.48 6.21	.36 6.73	.70 8.76	.67 7.15	.50 6.60	.50 6.65		1.00 8.50
793.72	811.34	1025.1	1156.5	1178.2	1291.3	1263.0	1197.4	1265.2	1305.0	1335.0	1368.0	1519.0	1687.0	1694.0	1689.0	1695.0	1695.0	Common Shs Outst'g	c 1700.0
10.8 .88	11.7 .79	12.7 .85	8.9 .74	11.3 .86	10.3 .77	16.4 1.05	10.8 .66	10.2 .60	10.8 .71	11.6 .78	11.9 .75	18.1 1.04	59.2 3.08	82.2 4.69	28.1 1.86	NMF NMF		Avg Ann'l P/E Ratio Relative P/E Ratio	16.0 1.05
.00	.15	.00		.00			.00	.00		.70	.10		.2%	.3%	.4%	.7%		Avg Ann'l Div'd Yield	.6%
		CTURE a				3271.4	4099.8	7191.0	10866	14755	18109	24584	31251	38525	42383	33200	33500	Sales (\$mill)	41000
	ebt \$210 t \$600 m			<b>Yrs</b> \$2084 st \$40.0 n		14.2%	11.8% 159.5	11.8% 156.0	13.2% 169.0	11.8% 214.0	11.9% 285.0	14.4% 545.0	6.2% 893.0	5.5%	9.1% 1407.0	5.0% 1375	6.0% 1375	1 0 0	10.0% 1600
					f Cap'l)	230.2	248.4	469.8	867.0	1030.0	1313.0	2107.0	883.0	569.0	1700.0	165		Net Profit (\$mill)	1725
						28.3%	21.5%	25.2%	26.0%	27.9%	30.0%	30.0%	20.8%	39.1%	30.0%	29.0%	30.0%		30.0%
Pensio	n Liabili	ty None ii	n '00 vs. I	None in '9	99	7.0%	6.1% 1359.1	6.5% 2047.0	8.0% 3145.0	7.0%	7.3%	8.6% 6815.0	2.8% 4434.0	1.5% 2011.0	4.0%	.5% 3500	.6% 3500	- · ·	4.3%
Pfd Sto	ck None	•				73.5			300.0	300.0	300.0				575.0	600	800		
Commo	on Stock	1,694,00	0,000 sh	S.		1930.7	2006.7	2654.0	3674.0	4614.0	6144.0	9429.0	11351	14834	12080	11200	11250	1 7 1 7	14400
MARKE	T CAP:	\$18.3 bil	lion (Lar	(95% o ge Cap)	f Cap'l)	12.4% 11.9%	13.5% 12.4%	17.7% 17.7%	22.0% 23.6%	21.2% 22.3%	20.5% 21.4%	22.4% 22.3%	7.8% 7.8%	3.8% 3.8%	13.3% 14.1%	2.5% 1.5%	3.0% 2.0%		13.0% 12.0%
CURRE	NT POS		1999		9/30/01	11.9%	12.4%	17.7%	23.6%	22.3%	21.4%	22.3%	6.9%	2.9%	12.5%	NMF	.5%	Retained to Com Eq	11.0%
( <b>\$MI</b> Cash A	ssets		3302	2569	3940								11%	24%	10%	100%	83%	All Div'ds to Net Prof	10%
	iry (FIF	0)	6685 2008	6715 2161	4780 1582				Computer as server									6/98. R&D: 3.5% of 66,000 employees or	
Other Current	Assets		1854 3849	<u>3666</u> 15111	<u>4107</u> 14409				nications					91,000	stockhole	ders on '	1/31/01.	Officers & directors c	ontrol less
Accts Pavable 4380 4233 3619 professional						and customer services. Market breakdown: enterprise 4% of '00 total; commercial personal computer, 31%;						than 1% of stock (4/01 Proxy). Chairman, President, & CEO: Michael D. Capellas. Inc.: DE. Address: 20555 SH 249, Houston,							
Other Current			7005	6605	<u>5925</u> 11045	-			; services									670. Internet: www.com	
				st Est'd					ne pro Hewl									the U.S. H-P's 1e PC business	
of change		10 Yrs.	. 5 Yı	rs. to	'04-'06				ers of l									obably would	
"Cash Flow" 14.5% 13.0% 6.5% Packard							families and related foundations, gether hold about 18% of H-P						from the merger, as its PC exposure would fall from 48% of revenues to 33%, and it						
Dividends 4.0% shares							have announced plans to vote						would diversify further via the addition of						
					2.0%				ger, m									er business.	
Cal- endar							impossible, to win the approval of rity of shareholders needed to seal						On its own, Compaq's near-term earn- ings prospects remain weak. In addi-						
1998 1999	5687 9419	5914 9420	8791 9208	10859 10478	31251 38525	the	deål.	(Ĭn a	tax-fr	ee tr	ansac	tion o	rigi-	tion	to the	probl	ems i	n the PC sector	r, price
2000	9505	10135	11217	11526	42383				\$25 h excha									ensified in inc ich may be bec	
2001 2002	9197 <b>7700</b>	8453 <b>8100</b>	7476 <b>8600</b>	8074 9100	33200 33500	shar	e.) As	wev	vent to	o pre	ss, no	date	had	a mo	re co	mmod	ity-lil	ke business. A	nd the
Cal-		ARNINGS F			Full		5		share on the			_	-					ing the merger some custome	
endar	Mar.31			Dec.31	Year	over,	Wall	Stre	et's do	ubts	that t	he tr	ans-	effort	s to l	ower o	costs	and stronger d	emand
1998 1999	.01 .16	.02 d.10	.07 .08	.41 .19	.53 .34				onsum Comp									lest bottom-lin ond half of 2002	
2000 2001	.16 .12	.21	.30	.30	.95	at m	ore th	nan a	<b>25% d</b> i	iscou	nt to t	heir v	alue	Ŵith	the	ŏdds	s of	the merger	being
2001	d.01	.04 <b>.02</b>	d.07 <b>.04</b>	.01 .07	.10 .12	in th	ne mei it at ti	rger, v	versus	at a	bout a tober	i 12% report	dis-					ng, and wi in Compag's	
Cal- QUARTERLY DIVIDENDS PAID B Full Compag							the time of our October report. 's unprofitable personal com-						meaningful pickup in Compaq's earn- ings possibly still a few quarters						
endar 1998	Mar.31 .015	Jun.30 .015	Sep.30 .015	Dec.31 .015	Year .06	pute	êr bu	sines	s seer	ns to	b be	the n	nain	away	y, <sup>°</sup> inv	estor	s pro	obably should	l stay
1999	.02	.02	.02	.02	.08				<b>ck to</b> The bu									Compaq share s due to the pr	
2000 2001	.025 .025	.025 .025	.025 .025	.025 .025	.10	price	e war	launc	hed by	riva	l Dell	Comp	uter	comb	inatio	on, co	ould	lose some s	upport
2002	.025					in la	te 200 to re	ou (wi educe	hich is invent	still orv.	ongoi and b	ng), b v the	y et- eco-			merge rophy		n fall through. <i>January 1</i>	8. 2002
(A) Dilute	ed EPS.	Excludes	nonrecu	rring gain	I Is Inclu				rly earning		late Marc	-						Financial Strength	A
(losses): '92. (\$0.0	'89, \$0.0	D1; '90, \$	0.02; '91,	(\$0.08);	<b>'98</b> ,	'99 & '00	do not e	qual tota	I due to ro nid-Januar	ound-	dates: 20 dend reir	th of Jan	., April, J	uly, and (		vi- Sto	ck's Prio	ce Stability th Persistence	30 80

0 0	
Company's Financial Strength	Α
Stock's Price Stability	30
Price Growth Persistence	80
Earnings Predictability	40

(losses): '89, \$0.01; '90, \$0.02; '91, (\$0.08); '92, (\$0.03); '93, (\$0.01; '96, (\$0.18); '97, (\$0.16); '98, (\$2.35); '00, (\$0.61); '01, (\$0.50).
(B) Next dividend meeting mid-March. Goes ex (B) Next dividend meeting mid-March. Goes ex (B) Next dividend meeting mid-March. Goes ex (C) In millions, adjusted for stock splits.
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