

HEWLETT PACKARD CO
Form 11-K
June 29, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

for the fiscal year ended December 31, 2005

OR

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 1-4423

A. Full title of the plan and address of the plan, if different from that of the issuer named below:

HEWLETT-PACKARD COMPANY 401(k) PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**HEWLETT-PACKARD COMPANY
3000 HANOVER STREET
PALO ALTO, CALIFORNIA 94304**

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

Hewlett-Packard Company 401(k) Plan
December 31, 2005 and 2004, and for the Year Ended December 31, 2005
with Report of Independent Registered Public Accounting Firm

Hewlett-Packard Company 401(k) Plan
Financial Statements and Supplemental Schedule

December 31, 2005 and 2004,
and for the Year Ended December 31, 2005

Contents

| | |
|---|----|
| <u>Report of Independent Registered Public Accounting Firm</u> | 1 |
| Audited Financial Statements | |
| <u>Statements of Net Assets Available for Benefits</u> | 2 |
| <u>Statement of Changes in Net Assets Available for Benefits</u> | 3 |
| <u>Notes to Financial Statements</u> | 4 |
| Supplemental Schedule | |
| <u>Schedule H, Line 4i Schedule of Assets (Held At End of Year)</u> | 11 |
| <u>Signature</u> | 30 |
| Exhibit | |
| <u>Exhibit 23 Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm</u> | 31 |

Report of Independent Registered Public Accounting Firm

Plan Administrator
Hewlett-Packard Company 401(k) Plan

We have audited the accompanying statements of net assets available for benefits of the Hewlett-Packard Company 401(k) Plan as of December 31, 2005 and 2004, and the related statement of changes in net assets available for benefits for the year ended December 31, 2005. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2005 and 2004, and the changes in its net assets available for benefits for the year ended December 31, 2005, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2005, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

San Jose, California
May 25, 2006

Hewlett-Packard Company 401(k) Plan

Statements of Net Assets Available for Benefits

| | December 31, | |
|---|------------------|------------------|
| | 2005 | 2004 |
| Assets | | |
| Cash | \$ 312,433 | \$ - |
| Investments | 8,798,830,023 | 8,068,624,270 |
| Receivables: | | |
| Company contribution receivable | 7,554,760 | 9,418,626 |
| Amount due from brokers for securities sold | 36,154,295 | 18,844,047 |
| Interest and dividends receivable | 4,409,007 | 3,709,463 |
| Total receivables | 48,118,062 | 31,972,136 |
| Total assets | 8,847,260,518 | 8,100,596,406 |
| Liabilities | | |
| Amounts due to brokers for securities purchased | 46,167,970 | 16,307,044 |
| Other payables | 3,051,234 | 2,943,998 |
| Total liabilities | 49,219,204 | 19,251,042 |
| Net assets available for benefits | \$ 8,798,041,314 | \$ 8,081,345,364 |

See accompanying notes.

Hewlett-Packard Company 401(k) Plan

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2005

| | |
|---|------------------|
| Additions | |
| Contributions: | |
| Participant | \$ 458,407,459 |
| Company | 200,357,352 |
| Rollover | 60,370,572 |
| | <hr/> |
| Total contributions | 719,135,383 |
| Investment income: | |
| Interest and dividends | 286,373,895 |
| Net realized and unrealized appreciation in fair value of investments | 607,082,193 |
| | <hr/> |
| Total investment income | 893,456,088 |
| | <hr/> |
| Total additions | 1,612,591,471 |
| Deductions | |
| Benefits paid directly to participants | 886,723,120 |
| Administrative expenses and fees | 2,895,954 |
| Investment management fees | 6,276,447 |
| | <hr/> |
| Total deductions | 895,895,521 |
| | <hr/> |
| Net increase | 716,695,950 |
| Net assets available for benefits: | |
| Beginning of year | 8,081,345,364 |
| | <hr/> |
| End of year | \$ 8,798,041,314 |
| | <hr/> |

See accompanying notes.

Hewlett-Packard Company 401(k) Plan

Notes to Financial Statements

December 31, 2005

1. Description of the Plan

The following brief description of the Hewlett-Packard Company 401(k) Plan (the Plan) provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering employees of Hewlett-Packard Company (the Company or HP) and designated domestic subsidiaries who are on the U.S. payroll and who are employed as regular full-time or regular part-time employees. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Assets of the Plan are invested in a three-tier investment structure. Tier 1 includes four ready-made portfolios that represent different points on the risk/return spectrum. Tier 2 includes 14 institutional funds in a range of asset classes. Tier 3 includes 17 brand-name mutual funds spanning several investment categories. Additionally, the Plan offers Company common stock as an investment option.

The Plan includes a non-leveraged employee stock ownership plan (the ESOP) within the meaning of Internal Revenue Service Code Section 4975(e)(7). The ESOP is maintained as part of the Plan and is designed to invest primarily in the Company's common stock. The purpose of the ESOP is to permit participants the option of having dividends on the Company's common stock re-invested in the Plan or paid directly to them in cash. Participants in the Plan who were formerly participants in the Compaq Computer Corporation 401(k) Investment Plan, but who did not become employees of the Company subsequent to the acquisition of Compaq Computer Corporation in May 2002 are not eligible to participate in the ESOP.

-4-

Hewlett-Packard Company 401(k) Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Contributions

All employees are deemed to have elected a three percent compensation deferral effective on the first day of their employment unless the employee makes a change to that election in the manner prescribed by the Company.

Participants may annually contribute, on a pretax basis, up to 50% of their eligible compensation, as defined by the Plan. Contributions are subject to annual deductibility limits specified under the Internal Revenue Code (the Code). The annual limitation was \$14,000 for 2005.

Participants who are age 50 or older by the end of the plan year can contribute an additional \$4,000 above the annual limitation. These catch-up contributions are not eligible for the Company match. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Company contributes 100% of the first 3% and 50% of the next 2% of compensation that each participant contributes to the Plan. The Plan uses a year-end true-up matching contribution feature to allow participants to receive the maximum matching contribution available by making up any loss in matching contributions resulting from the participant's individual savings strategies. To be eligible to receive the year-end true-up match, the participant must be employed on the last day of the plan year. The true-up matching contribution was \$7,554,760 for the year ended December 31, 2005.

Vesting

Participants are one hundred percent vested in the Plan at all times.

Hewlett-Packard Company 401(k) Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of (i) Company contributions and (ii) Plan earnings and losses. Allocations are determined in accordance with the provisions of the plan document. The benefit to which a participant is entitled is the benefit that can be provided from the vested portion of the participant's account. All amounts in participant accounts, including amounts invested in the Agilent Stock Fund prior to the June 2, 2000, spin-off of Agilent Technologies, Inc., are participant-directed.

However, effective June 2, 2000, no amounts may be directed into the Agilent Stock Fund. The Agilent Stock Fund was closed effective March 31, 2005. Proceeds from the liquidation of the fund were invested in the Stable Value Fund from which participants may redirect their investment, consistent with the Plan rules.

Participant Loans

The Plan offers two types of loans, namely general-purpose loans and primary residence loans. The repayment period for a general-purpose loan may not exceed five years, and the repayment period for a primary residence loan may not exceed 15 years.

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balances. Loans are secured by the participant's account and bear interest at a rate equal to the prevailing prime rate plus 1%. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits

On termination of service, death or retirement, participants may elect to receive a lump-sum amount equal to the value of their account. Participants with account balances exceeding \$5,000 may elect to receive a series of cash installment payments at their required beginning date. Lump-sum payments may be made in cash or shares of stock for distribution from the Company Stock Fund and prior to March 31, 2005, the Agilent Stock Fund. Hardship distributions and in-service withdrawals are permitted if certain criteria are met.

Hewlett-Packard Company 401(k) Plan

Notes to Financial Statements (continued)

1. Description of the Plan (continued)

Administrative and Investment Management Expenses

Certain fees and expenses of the Plan for legal, accounting, and other administrative services are paid directly by the Company on behalf of the Plan. Other administrative fees and all investment management fees are charged to individual participants accounts. Certain administrative fees and investment management fees related to Tiers 1 and 2 investment options are paid directly to the Plan's investment managers and are reported separately on the statement of changes in net assets available for benefits. Investment management fees charged by the Tier 3 mutual funds are deducted from the net asset values of the mutual funds and are, therefore, recorded as a component of the net realized and unrealized appreciation in fair value of the Plan's investments.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

2. Summary of Significant Accounting Policies

Investment Valuation and Income Recognition

Except for investment contracts, the Plan's investments are stated at fair value. The shares of registered investment companies are valued at quoted market prices, which represent the net asset values of shares held by the Plan at year-end. The shares of the common collective trust funds are valued at the quoted redemption value on the last business day of the plan year. Short-term investments are valued at cost plus accrued interest, which approximates fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last day of the plan year. Participant loans are valued at their outstanding balances, which approximate fair value.

-7-

Hewlett-Packard Company 401(k) Plan

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Investments in guaranteed investment contracts and synthetic investment contracts are stated at contract value, which approximates fair value, because they are fully benefit-responsive. Contract value represents contributions made plus interest accrued at the contract rate, less withdrawals. The guaranteed investment contracts are promises by an insurance company or bank to repay principal plus accrued income at contract maturity, subject to the creditworthiness of the issuer. Synthetic investment contracts consist of various fixed income investments, together with contracts under a bank or other institution, which provide for fully benefit-responsive withdrawals by plan participants at contract value. There are no limitations on liquidity guarantees, and no valuation reserves are being recorded to adjust contract amounts.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. Investments

The following investments represent 5% or more of the fair value of the Plan's net assets:

| | December 31 | |
|--------------------------------------|--------------------|----------------|
| | 2005 | 2004 |
| Hewlett-Packard Company common stock | \$ 954,974,636 | \$ 810,232,925 |
| Fidelity Magellan Fund | 609,935,731 | 725,591,053 |
| Fidelity Contrafund | 577,471,923 | 454,973,081 |
| Vanguard PRIMECAP Fund | 716,991,549 | 690,285,001 |
| Fidelity Low-Priced Stock Fund | 442,313,583 | 437,765,920 |
| Vanguard Employee Benefit Index Fund | 952,910,499 | 944,314,522 |
| Dwight Target 2 Fund | 549,406,888 | 433,680,009 |

Hewlett-Packard Company 401(k) Plan

Notes to Financial Statements (continued)

3. Investments (continued)

During 2005, the Plan's investments (including investments purchased, sold, as well as held during the year) appreciated in fair value as determined by quoted market prices as follows:

| | Net Realized and Unrealized Appreciation (Depreciation) in Fair Value of Investments |
|---------------------------------|---|
| Registered investment companies | \$ 137,143,728 |
| U. S. government securities | (673,087) |
| Common stock | 86,534,362 |
| Company common stock | 266,703,410 |
| Common collective trust fund | 117,373,780 |
| | <hr/> |
| | \$ 607,082,193 |
| | <hr/> |

4. Guaranteed and Synthetic Investment Contracts

The Plan offers a Stable Value Fund, which invests in guaranteed investment contracts and synthetic investment contracts, to provide participants with a stable, fixed-rate return and protection of principal from market changes.

The average yield of the various investment contracts in the Stable Value Fund for 2005 and 2004 was approximately 4.74% and 4.50%, respectively. The crediting interest rates at December 31, 2005 and 2004, range from 3.19% to 6.24% and 3.19% to 7.84%, respectively. The interest rate paid by the issuer or contract rate may be fixed over the life of the contract or adjusted periodically, but cannot fall below 0%. The fair value of the guaranteed investment contracts, estimated by the issuers based on discounted cash flows, was \$17,124,423 at December 31, 2005 and \$108,801,050 at December 31, 2004. The fair value of the underlying assets related to the synthetic investment contracts was \$1,089,792,281 at December 31, 2005 and \$850,371,023 at December 31, 2004, resulting in positive wrapper values totaling \$9,739,927 at December 31, 2005 and negative wrapper values totaling \$(10,154,670) at December 31, 2004.

-9-

Hewlett-Packard Company 401(k) Plan

Notes to Financial Statements (continued)

5. Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated August 22, 2000, stating that the Plan is qualified under Section 401(a) of the Code, and therefore the related trust is exempt from taxation. Subsequent to the issuance of the determination letter, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes that the Plan is being operated in compliance with the applicable requirements of the Code and therefore believes that the Plan, as amended, is qualified and the related trust is tax-exempt.

6. Related Party Transactions

Transactions in shares of the Company's common stock qualify as party-in-interest transactions under the provisions of ERISA. During 2005, the Plan made purchases of approximately \$53,311,435 and sales of approximately \$175,268,135 of the Company's common stock.

7. Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

8. Subsequent Events

Effective January 1, 2006, employees with fewer than 62 points, calculated as age plus years of service, will be eligible for an enhanced Company matching contribution equal to 100% of the first 6% of the eligible compensation the participant contributes to the Plan.

In addition, the Company will match contributions for all participants on a pay-period basis throughout the year. The year-end true-up match will no longer be made beginning with the 2006 plan year. The final true-up match was provided for the 2005 plan year in early 2006.

Effective January 1, 2006, all new employees will be subject to a three-year cliff vesting schedule with regard to matching contributions. As a result, participants with no prior HP service who enter the Plan on or after January 1, 2006, will be 0% vested in Company matching contributions until earning three years of credited service, at which time they will become 100% vested in their matching contributions.

Supplemental Schedule

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|--|---|---|-------------------------|
| Short-term investments | | | |
| | Dreyfus Cash Management Portfolio | 15,358,548 shares | \$ 15,358,548 |
| | Mellon EB Temporary Investment | 2,241,294 shares | 2,241,294 |
| | The Boston Company Pooled Employee Liquidity Fund | 3,344,440 shares | 3,344,440 |
| * | Fidelity Institutional Cash Portfolio | 7,651,000 shares | 7,651,000 |
| | BNP PARBS FIN CP 4.34% | 5,600,000 shares | 5,541,265 |
| | DNB NOR BK DN 0% 2/22/06 | 4,800,000 shares | 4,747,114 |
| | HBOS TREAS DN 0% 2/24/06 | 5,600,000 shares | 5,536,677 |
| | SOC GEN NA YCP 4.34% | 2,400,000 shares | 2,373,671 |
| | WESTPAC BANK 42CP 0% | 2,300,000 shares | 2,277,592 |
| | | | 49,071,601 |
| Registered investment companies | | | |
| | ICAP Equity Portfolio | 1,811,778 shares | 74,590,884 |
| | Artisan International Fund | 1,366,217 shares | 34,578,945 |
| | Montag & Caldwell Growth Fund | 203,879 shares | 4,866,603 |
| | PIMCO High Yield Fund | 4,918,941 shares | 47,812,108 |
| | PIMCO Real Return Fund | 5,310,134 shares | 58,836,289 |
| | Vanguard PRIMECAP Fund | 10,579,778 shares | 716,991,549 |
| | American Funds New World Fund | 1,596,229 shares | 61,853,869 |
| | PIMCO Global Bond II Fund | 2,088,733 shares | 20,427,806 |
| | MFS International New Discovery Fund | 6,613,399 shares | 160,374,919 |
| | BNY Hamilton Small Cap Growth Fund | 966,980 shares | 14,301,630 |
| | Domini Social Equity Fund | 1,841,238 shares | 20,842,819 |
| | Templeton Foreign Advisor Class | 11,024,786 shares | 139,463,544 |
| * | Fidelity Magellan Fund | 5,730,324 shares | 609,935,731 |
| * | Fidelity Contrafund | 8,917,108 shares | 577,471,923 |
| * | Fidelity Growth & Income Portfolio | 7,438,656 shares | 255,889,762 |
| * | Fidelity Real Estate Investment Portfolio | 5,117,763 shares | 159,469,486 |
| * | Fidelity Low-Priced Stock Fund | 10,830,401 shares | 442,313,583 |
| | Dodge & Cox Income Fund | 7,460,667 shares | 93,556,763 |
| | Dodge & Cox Stock Fund | 1,118,759 shares | 153,516,112 |
| | Lord Abbett Midcap Value Fund | 1,071,938 shares | 23,979,254 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|--|---|---|-------------------------|
| Registered investment companies (continued) | | | |
| | PIMCO Asset Backed Securities Fund | 196,435 shares | \$ 2,064,537 |
| | PIMCO Emerging Markets Fund | 590,635 shares | 6,691,900 |
| | PIMCO International Portfolio | 1,766,621 shares | 8,780,106 |
| | PIMCO Investment Grade Corporate Portfolio | 647,497 shares | 6,300,144 |
| | PIMCO Mortgage Portfolio | 8,109,671 shares | 84,178,385 |
| | PIMCO Municipal Sector Portfolio | 334,778 shares | 3,444,870 |
| | PIMCO Real Return Bond Fund | 263,359 shares | 2,815,311 |
| | PIMCO US Government Sector Portfolio | 5,133,847 shares | 54,983,496 |
| | Vanguard Extended Market Index | 5,387,879 shares | 184,750,364 |
| | | | 4,025,082,692 |
| Common stock | | | |
| | AAR CORP | 46,700 shares | 1,118,465 |
| | Abbott Laboratories | 127,600 shares | 5,031,268 |
| | ACCENTURE LTD CL A | 59,000 shares | 1,703,330 |
| | ACE LTD | 74,400 shares | 3,975,936 |
| | ACTIVISION INC | 217,866 shares | 2,993,479 |
| | ACTUANT CORP CL A | 2,900 shares | 161,820 |
| | Adobe Systems Inc. | 117,800 shares | 4,353,888 |
| | Advance Auto Parts Inc. | 99,900 shares | 4,341,654 |
| | ADVISORY BOARD CO | 46,800 shares | 2,230,956 |
| | AFTERMARKET TECH CORP | 27,200 shares | 528,768 |
| | Agilent Technologies Inc. | 44,200 shares | 1,471,418 |
| | Alabama Natl Bancorp Del | 5,200 shares | 336,752 |
| | ALAMOSIA HLDGS INC | 401,000 shares | 7,462,610 |
| | Alcoa Inc. | 45,400 shares | 1,342,478 |
| | Alcon Inc. | 23,600 shares | 3,058,560 |
| | Alexander & Baldwin Inc. | 6,200 shares | 336,288 |
| | Alliance Data Sys Corp. | 237,700 shares | 8,462,120 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | Altria Group Inc. | 129,200 shares | \$ 9,653,824 |
| | AMAZON.COM INC | 19,600 shares | 924,140 |
| | Amer Intl Group Inc. | 129,100 shares | 8,808,493 |
| | AMERICAN AXLE & MFG HLDGS | 24,000 shares | 439,920 |
| | American Express Co. | 89,200 shares | 4,590,232 |
| | American Tower Corp. | 237,467 shares | 6,435,356 |
| | Ametek Inc. New | 97,000 shares | 4,126,380 |
| | Amgen Inc. | 90,600 shares | 7,144,716 |
| | AMYLIN PHARMACEUTICALS | 11,200 shares | 447,104 |
| | ANAREN INC | 10,100 shares | 157,863 |
| | ANIXTER INTL INC | 50,900 shares | 1,991,208 |
| | Ann Taylor Stores Corp. | 14,800 shares | 510,896 |
| | Anteon International Corp. | 54,500 shares | 2,962,075 |
| | Apple Computer Inc. | 49,100 shares | 3,529,799 |
| | APPLIED MATERIALS INC | 147,700 shares | 2,649,738 |
| | ARGONAUT GROUP | 35,100 shares | 1,150,227 |
| | ARRIS GROUP INC | 68,800 shares | 651,536 |
| | ASHLAND INC | 10,500 shares | 607,950 |
| | ASTRAZENECA PLC SPONS ADR | 51,100 shares | 2,483,460 |
| | ATMI INC | 113,000 shares | 3,160,610 |
| | Autoliv Inc. | 113,500 shares | 5,155,170 |
| | Aviall Inc. | 15,700 shares | 452,160 |
| | AVID TECHNOLOGY INC | 72,900 shares | 3,992,004 |
| | Baldor Elec Co. | 46,100 shares | 1,182,465 |
| | Bank Of America Corp. | 364,200 shares | 16,807,830 |
| | Baxter Intl. Inc. | 47,500 shares | 1,788,375 |
| | Be Aerospace Inc. | 62,500 shares | 1,375,000 |

-13-

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | Benihana Inc | 15,900 shares | \$ 366,336 |
| | Bio Rad Labs | 51,000 shares | 3,337,440 |
| | Blount Intl. Inc. | 3,200 shares | 50,976 |
| | Boeing Co. | 29,000 shares | 2,036,960 |
| | Bowater Inc. | 63,400 shares | 1,947,648 |
| | BROADCOM CORP CL A | 28,900 shares | 1,362,635 |
| | C COR INC | 120,000 shares | 583,200 |
| | Capital One Fin Corp. | 40,500 shares | 3,499,200 |
| | Capitalsource Inc. | 275,000 shares | 6,160,000 |
| | Cardinal Health Inc. | 44,900 shares | 3,086,875 |
| | Caremark RX Inc. | 54,400 shares | 2,817,376 |
| | Carlisle COS Inc. | 25,500 shares | 1,763,325 |
| | CARPENTER TECHNOLOGY CORP | 25,700 shares | 1,811,079 |
| | Casey General Stores | 29,100 shares | 721,680 |
| | Castle (A.M.) & Co. | 9,000 shares | 196,560 |
| | Caterpillar Inc. | 29,000 shares | 1,675,330 |
| | Cb Richard Ellis Group A | 96,200 shares | 5,661,370 |
| | Central Garden & Pet | 73,500 shares | 3,376,590 |
| | Cephalon Inc. | 58,100 shares | 3,761,394 |
| | CH ROBINSON WORLDWIDE INC | 89,700 shares | 3,321,591 |
| | CHEESECAKE FACTORY INC | 17,800 shares | 665,542 |
| | CHEVRON CORP | 98,700 shares | 5,603,199 |
| | Chicos Fas Inc. | 80,200 shares | 3,523,186 |
| | Choicepoint Inc. | 85,200 shares | 3,792,252 |
| | Cisco Systems Inc. | 260,500 shares | 4,459,760 |
| | Citigroup Inc. | 233,500 shares | 11,331,755 |
| | Citizens Comm. Co. | 202,200 shares | 2,472,906 |
| | City National Corp. | 41,800 shares | 3,027,992 |
| | CNF INC | 22,100 shares | 1,235,169 |
| | Coach Inc. | 76,500 shares | 2,550,510 |
| | Coca Cola Enterprises Inc. | 26,300 shares | 504,171 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | COGENT INC | 63,400 shares | \$ 1,437,912 |
| | Cognex Corp. | 92,500 shares | 2,783,325 |
| | Comcast Corp.CL A | 110,000 shares | 2,854,196 |
| | COMMERCIAL CAPITAL BANCOR | 12,500 shares | 214,000 |
| | Commercial Vehicle Group | 44,700 shares | 839,466 |
| | COMPUWARE CORP | 107,500 shares | 964,275 |
| | Conocophillips | 55,400 shares | 3,223,172 |
| | Constellation Brands | 161,200 shares | 4,228,276 |
| | Cooper Cameron Corp. | 72,000 shares | 2,980,800 |
| | Corning Inc. | 213,800 shares | 4,203,308 |
| | Corporate Executive BRD C | 62,400 shares | 5,597,280 |
| | COSTAR GROUP INC | 60,000 shares | 2,590,200 |
| | Countrywide Fin. Corp. | 56,400 shares | 1,928,316 |
| | COURIER CORP | 3,900 shares | 133,926 |
| | Cullen Frost Bankers Inc. | 14,200 shares | 762,256 |
| | Curtiss Wright Corporation | 12,300 shares | 671,580 |
| | Cymer Inc. | 33,200 shares | 1,178,932 |
| | CYTYC CORP | 153,400 shares | 4,330,482 |
| | DATASCOPE CORP | 5,300 shares | 175,165 |
| | Davita Inc. | 245,000 shares | 12,406,800 |
| | Dell Inc. | 227,200 shares | 6,813,728 |
| | Denbury Resources Inc. | 183,400 shares | 4,177,852 |
| | DENDRITE INTL CORP | 39,400 shares | 567,754 |
| | Deutsche Telekom AGSPON | 180,700 shares | 3,005,041 |
| | DIAMOND ROCK HOSPITALITY C | 81,200 shares | 971,152 |
| | DIGITAS INC | 191,000 shares | 2,391,320 |
| | DIONEX CORP | 33,300 shares | 1,634,364 |
| | DOLBY LAB INC CL A | 144,100 shares | 2,456,905 |
| | DOMINION RESOURCES INC VA | 17,000 shares | 1,312,400 |
| | Dupont (Ei) De Nemours | 51,100 shares | 2,171,750 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | E TRADE FINANCIAL CORP | 22,500 shares | \$ 469,350 |
| | Ebay Inc. | 130,000 shares | 5,622,500 |
| | Education Management Corp. | 211,800 shares | 7,097,418 |
| | Edwards Lifesciences Corp. | 85,200 shares | 3,545,172 |
| | ELECTRO SCIENTIFIC INDS | 34,000 shares | 821,100 |
| | Electronic Arts Inc. | 99,300 shares | 5,194,383 |
| | ELECTRONICS FOR IMAGING | 66,600 shares | 1,772,226 |
| | Emc Corp. | 235,400 shares | 3,206,148 |
| | EMERSON ELEC CO | 43,200 shares | 3,227,040 |
| | Entercom Comm Corp. | 55,900 shares | 1,658,553 |
| | Ethan Allen Interiors Inc. | 49,100 shares | 1,793,623 |
| | Exelon Corp. | 115,700 shares | 6,148,298 |
| | Exxon Mobil Corp. | 247,100 shares | 13,879,607 |
| | FAIR ISSAC CORP | 36,900 shares | 1,629,873 |
| | FAIRCHILD SEMICON INTL | 148,000 shares | 2,502,680 |
| | FEDERATED DEPT STORES INC | 32,700 shares | 2,168,991 |
| | Filenet Corp. | 28,600 shares | 739,310 |
| | FINANCIAL FEDERAL CORP | 26,300 shares | 1,169,035 |
| | First Data Corp. | 63,700 shares | 2,739,737 |
| | Forest Laboratories Inc. | 79,500 shares | 3,234,060 |
| | FPL GROUP INC | 33,600 shares | 1,396,416 |
| | Franklin Resources Inc. | 24,400 shares | 2,293,844 |
| | Freddie Mac | 49,700 shares | 3,247,895 |
| | Frontier Airlines Inc. | 88,000 shares | 813,120 |
| | Fuelcell Energy Inc. | 50,700 shares | 429,429 |
| | Genentech Inc. | 40,200 shares | 3,718,500 |
| | General Electric Co. | 432,800 shares | 15,169,640 |
| | General Mills Inc. | 79,800 shares | 3,935,736 |
| | Genesee & Wyoming | 28,150 shares | 1,057,032 |
| | Genlyte Group Inc. | 15,100 shares | 808,907 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | Genzyme Corp. | 26,700 shares | \$ 1,889,826 |
| | GETTY IMAGES INC | 49,500 shares | 4,418,865 |
| | Gibraltar Industries Inc. | 41,550 shares | 953,157 |
| | Gilead Sciences Inc. | 77,500 shares | 4,078,825 |
| | Global Payments Inc. | 117,800 shares | 5,490,658 |
| | Golden West Fin. Corp. DEL | 27,400 shares | 1,808,400 |
| | Goldman Sachs Group Inc. | 41,700 shares | 5,325,507 |
| | Google Inc. | 21,300 shares | 8,836,518 |
| | Graco Inc. | 62,500 shares | 2,280,000 |
| | GRANT PRIDECO INC | 2,700 shares | 119,124 |
| | Grey Wolf Inc. | 31,100 shares | 240,403 |
| | GUITAR CENTER INC | 5,900 shares | 295,059 |
| | Gulfmark Offshore Inc. | 10,200 shares | 302,124 |
| | Haemonetics Corp. Mass | 32,000 shares | 1,563,520 |
| | Halliburton Co. | 54,800 shares | 3,395,408 |
| | HEARTLAND EXPRESS INC | 72,300 shares | 1,466,967 |
| | Helmerich & Payne Inc. | 6,200 shares | 383,842 |
| | Henry (Jack) & Assoc Inc. | 184,100 shares | 3,512,628 |
| | Hewitt Assoc Inc. | 47,954 shares | 1,343,191 |
| | Hexcel Corporation | 91,000 shares | 1,642,550 |
| | HUB INTERNATIONAL LIMITED | 44,600 shares | 1,150,680 |
| | Hughes Supply Inc. | 47,200 shares | 1,692,120 |
| | IDACORP INC | 35,500 shares | 1,040,150 |
| | IDEX Corporation | 20,000 shares | 822,200 |
| | II-VI INC | 55,800 shares | 997,146 |
| | Informatica Corp. | 258,900 shares | 3,106,800 |
| | Ingersoll Rand Co. | 46,600 shares | 1,881,242 |
| | Intel Corp. | 251,400 shares | 6,274,944 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | Interline Brands Inc. | 39,100 shares | \$ 889,525 |
| | INTERSIL CORPORATION CL A | 62,000 shares | 1,542,560 |
| | INTL BUS MACH CORP | 76,000 shares | 6,247,200 |
| | Investors Finl Svcs Corp. | 135,900 shares | 5,005,197 |
| | IPC HOLDINGS LTD | 81,000 shares | 2,217,780 |
| | Iron Mountain Inc. | 25,800 shares | 1,089,276 |
| | Jefferies Group Inc. | 69,600 shares | 3,130,608 |
| | Jlg Industries Inc. | 13,100 shares | 598,146 |
| | Johnson Controls Inc. | 15,000 shares | 1,093,650 |
| | JP Morgan Chase & Co. | 63,640 shares | 2,525,872 |
| | Kcs Energy Inc. | 36,600 shares | 886,452 |
| | KENSEY NASH CORP | 17,000 shares | 374,510 |
| | Key Energy Services Inc. | 88,600 shares | 1,193,442 |
| | Keystone Automotive Inds | 23,500 shares | 739,780 |
| | Kirby Corp. | 21,500 shares | 1,121,655 |
| | Knbt Bancorp Inc. | 20,700 shares | 337,203 |
| | KNIGHT TRANSPORTATION INC | 211,650 shares | 4,387,504 |
| | Kohls Corp. | 59,500 shares | 2,891,700 |
| | Ladish Inc. | 16,300 shares | 364,305 |
| | Lamar Advertising Co. | 147,700 shares | 6,814,878 |
| | Lilly (Eli) & Co. | 69,700 shares | 3,944,323 |
| | Lincare Holdings Inc. | 129,200 shares | 5,414,772 |
| | LOCKHEED MARTIN CORP | 39,200 shares | 2,494,296 |
| | Lowe's COS Inc. | 39,600 shares | 2,639,736 |
| | LSI INDUSTRIES INC | 42,210 shares | 661,009 |
| | Magellan Hlth Svcs Inc. | 134,600 shares | 4,233,170 |
| | Markel Corp. | 14,400 shares | 4,565,520 |
| | MARRIOTT INTL INC A | 27,100 shares | 1,814,887 |
| | Martin Marietta Materials | 41,000 shares | 3,145,520 |
| | MARVEL ENTERTAINMENT INC | 113,100 shares | 1,852,578 |
| | Marvell Tech Group Ltd. | 77,000 shares | 4,318,930 |
| | Maxim Integrated Products | 129,500 shares | 4,693,080 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | Mbia Inc. | 63,500 shares | \$ 3,820,160 |
| | McCormick & Schmck Sea Res | 22,900 shares | 517,769 |
| | Mckesson Corp. | 73,700 shares | 3,802,183 |
| | Medtronic Inc. | 68,300 shares | 3,932,031 |
| | Mercury Interactive Corp. | 65,700 shares | 1,825,803 |
| | MEREDITH CORP | 37,000 shares | 1,936,580 |
| | MERICAN REPROGRAPHICS CO | 107,000 shares | 2,718,870 |
| | Merrill Lynch & Co. Inc. | 106,100 shares | 7,186,153 |
| | METAL MANAGEMENT INC | 24,700 shares | 574,522 |
| | METLIFE INC | 19,600 shares | 960,400 |
| | Micros Systems Inc. | 57,500 shares | 2,778,400 |
| | Microsemi Corp. | 92,700 shares | 2,564,082 |
| | Microsoft Corp. | 397,700 shares | 10,399,855 |
| | MIDDLEBY CORP | 8,500 shares | 735,250 |
| | Millennium Pharmaceutical | 299,700 shares | 2,907,090 |
| | Modine Manufacturing Co. | 25,900 shares | 844,081 |
| | MOLECULAR DEVICES CORP | 20,600 shares | 595,958 |
| | Moog Inc. | 19,300 shares | 547,734 |
| | Motorola Inc. | 12,600 shares | 284,634 |
| | MUELLER INDUSTRIES INC | 26,700 shares | 732,114 |
| | Nationwide Health PPTYs | 58,800 shares | 1,258,320 |
| | Navigators Group Inc. | 24,700 shares | 1,077,167 |
| | Navteq Corp. | 69,500 shares | 3,048,965 |
| | Nci Building Systems Inc. | 46,000 shares | 1,954,080 |
| | NEUSTAR INC CL A | 67,900 shares | 2,070,271 |
| | NEWMONT MINING CORP | 19,200 shares | 1,025,280 |
| | NICOR INC | 18,600 shares | 731,166 |
| | Nike Inc. | 34,100 shares | 2,959,539 |
| | NOKIA CORP SPON ADR | 127,900 shares | 2,340,570 |
| | Novartis AG SPON ADR | 68,800 shares | 3,610,624 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | NRG ENERGY INC | 18,000 shares | \$ 848,160 |
| | Occidental Petroleum Corp. | 24,300 shares | 1,941,084 |
| | Odyssey Re Hldgs Corp. | 14,500 shares | 363,660 |
| | OFFICE DEPOT INC | 84,100 shares | 2,640,740 |
| | Omnicom Group Inc. | 18,100 shares | 1,540,853 |
| | PATTERSON-UTI ENERGY INC | 66,800 shares | 2,201,060 |
| | PEDIATRIX MEDICAL GROUP | 56,800 shares | 5,030,776 |
| | Pepsi Bottling Group Inc. | 119,100 shares | 3,407,451 |
| | PEPSICO INC | 39,000 shares | 2,304,120 |
| | PETCO ANIMAL SUPPLIES INC | 3,000 shares | 65,850 |
| | Petro Canada Com | 115,900 shares | 4,646,431 |
| | PIEDMONT NATURAL GAS | 40,500 shares | 978,480 |
| | PIKE ELECTRIC CORP | 20,100 shares | 326,022 |
| | Pmc-Sierra Inc. | 291,400 shares | 2,246,694 |
| | PNM RESOURCES INC | 40,700 shares | 996,743 |
| | POLYMEDICA CORP | 92,284 shares | 3,088,745 |
| | POSSIS MEDICAL INC | 17,500 shares | 174,125 |
| | PREMIERE GLOBAL SVCS INC | 94,500 shares | 768,285 |
| | Procter & Gamble Co. | 239,142 shares | 13,841,539 |
| | Provident Bancshares Corp. | 18,500 shares | 624,745 |
| | Prudential Financial Inc. | 11,600 shares | 849,004 |
| | PSS World Medical Inc. | 28,800 shares | 427,392 |
| | PUBLIC SVC ENTERPRISE GRP | 14,000 shares | 909,580 |
| | Qualcomm Inc. | 140,500 shares | 6,052,740 |
| | Quanex Corp. | 57,700 shares | 2,883,269 |
| | QUANTA SVCS INC | 18,200 shares | 239,694 |
| | Quicksilver Res Inc. | 59,200 shares | 2,486,992 |
| | RADIO ONE CL D NON-VTG | 145,400 shares | 1,504,890 |
| | Range Resources Corp. | 168,850 shares | 4,447,509 |
| | Raymond James Fin. Inc. | 7,900 shares | 297,593 |

-20-

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | Resources Connection Inc. | 141,700 shares | \$ 3,692,702 |
| | RESPIRONICS INC | 120,000 shares | 4,448,400 |
| | Roche Hldgs. Ltd. SPON ADR | 51,500 shares | 3,867,650 |
| | Rogers Corp. | 29,000 shares | 1,136,220 |
| | Roper Industries Inc. | 84,000 shares | 3,318,840 |
| | RUBY TUESDAY INC | 20,400 shares | 528,156 |
| | Sanfilippo (John B.) & Son | 5,900 shares | 76,287 |
| | SANOFI-AVENTIS | 26,500 shares | 2,326,699 |
| | SAP AG SPON ADR | 62,700 shares | 2,825,889 |
| | Sapient Corporation | 102,200 shares | 581,518 |
| | SBS TECHNOLOGIES INC | 23,000 shares | 231,610 |
| | SCANSOURCE INC | 11,900 shares | 650,692 |
| | Schering Plough Corp. | 372,500 shares | 7,766,625 |
| | Schlumberger Ltd. | 51,100 shares | 4,964,365 |
| | School Specialty Inc. | 9,950 shares | 362,578 |
| | Schwab Charles Corp. | 207,700 shares | 3,046,959 |
| | Scp Pool Corp. | 230,100 shares | 8,564,322 |
| | SEACOAST BANKING FLORIDA | 8,600 shares | 197,370 |
| | Sealed Air Corp. | 19,200 shares | 1,078,464 |
| | Selective Insurance Group | 9,000 shares | 477,900 |
| | Semtech Corp. | 82,400 shares | 1,504,624 |
| | SERENA SOFTWARE INC | 112,600 shares | 2,639,344 |
| | Shaw Group Inc. | 39,500 shares | 1,149,055 |
| | Signature Bank | 34,000 shares | 954,380 |
| | Simpson Manufacturing Co. | 43,800 shares | 1,592,130 |
| | Smith International Inc. | 68,800 shares | 2,553,168 |
| | SPRINT NEXTEL CORP | 109,726 shares | 2,563,199 |
| | ST JUDE MEDICAL INC | 52,200 shares | 2,620,440 |
| | Staples Inc. | 138,750 shares | 3,151,012 |
| | Starbucks Corp. | 27,300 shares | 819,273 |
| | State Street Corp. | 49,900 shares | 2,766,456 |
| | STEEL DYNAMICS INC | 57,800 shares | 2,052,478 |
| | Steel Technologies Inc. | 38,800 shares | 1,086,012 |

-21-

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | Stericycle Inc. | 75,300 shares | \$ 4,433,664 |
| | Suncor Energy Inc. | 37,400 shares | 2,358,753 |
| | SUPERIOR ENERGY SVCS INC | 32,200 shares | 677,810 |
| | SYNIVERSE HOLDINGS INC | 55,200 shares | 1,153,680 |
| | Target Corp. | 91,800 shares | 5,046,246 |
| | Teledyne Technologies Inc. | 9,800 shares | 285,180 |
| | TENNECO INC | 72,400 shares | 1,419,764 |
| | TEXAS INSTRUMENTS INC | 116,900 shares | 3,748,983 |
| | TEXAS REGL BANCSHARE CL A | 26,500 shares | 749,950 |
| | THOR INDUSTRIES INC | 26,900 shares | 1,077,883 |
| | TIFFANY & CO | 22,800 shares | 873,012 |
| | Time Warner Inc. | 211,200 shares | 3,683,328 |
| | TODCO CL A | 114,000 shares | 4,338,840 |
| | TRC COMPANIES INC | 18,200 shares | 199,290 |
| | Trinity Industries Inc. | 77,000 shares | 3,393,390 |
| | TRW Automotive Hldgs. Corp. | 33,200 shares | 874,820 |
| | Txu Corp. | 56,600 shares | 2,840,754 |
| | U S CONCRETE INC | 27,700 shares | 262,596 |
| | Uap Holding Corp. | 48,700 shares | 994,454 |
| | UBIQUITEL INC | 173,500 shares | 1,715,915 |
| | UBS AG REG (USA) | 37,000 shares | 3,520,550 |
| | Ucbh Holdings Inc. | 87,000 shares | 1,555,560 |
| | Unionbanca Corp. | 28,300 shares | 1,944,776 |
| | UNITED COMMUNITY BANKS GA | 10,700 shares | 285,262 |
| | UNITED NATURAL FOODS INC | 61,000 shares | 1,610,400 |
| | UNITED RENTALS INC | 15,000 shares | 350,850 |
| | United Technologies Corp. | 40,800 shares | 2,281,128 |
| | Unitedhealth Group Inc. | 140,200 shares | 8,712,028 |
| | Universal Compression Hld | 114,200 shares | 4,695,904 |
| | Universal Forest Products | 30,400 shares | 1,679,600 |
| | UNIVISION COMM CL A | 79,900 shares | 2,348,261 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | URS Corp. New | 34,400 shares | \$ 1,293,784 |
| | UTI Worldwide Inc. | 37,900 shares | 3,518,636 |
| | VALEANT PHARMACEUTICALS I | 136,000 shares | 2,458,880 |
| | Valmont Industries Inc. | 27,300 shares | 913,458 |
| | VALSPAR CORP | 20,200 shares | 498,334 |
| | VARIAN SEMICONDUCT EQP ASS | 59,400 shares | 2,609,442 |
| | VCA Antech Inc. | 130,500 shares | 3,680,100 |
| | VERINT SYSTEMS INC | 51,400 shares | 1,771,758 |
| | Verizon Comm Inc. | 39,500 shares | 1,189,740 |
| | VIACOM CL B NON-VTG (OLD) | 61,400 shares | 2,001,640 |
| | Vishay Intertechnology | 48,500 shares | 667,360 |
| | Wabtec | 25,200 shares | 677,880 |
| | Wal Mart Stores Inc. | 99,000 shares | 4,633,200 |
| | Warnaco Group Inc. | 60,800 shares | 1,624,576 |
| | Waste Management Inc. | 52,800 shares | 1,602,480 |
| | Webster Financial | 36,000 shares | 1,688,400 |
| | Wellpoint Inc. | 34,100 shares | 2,720,839 |
| | WERNER ENTERPRISES INC | 132,000 shares | 2,600,400 |
| | West Corp. | 128,500 shares | 5,416,275 |
| | WEST PHARMACEUTICAL SVCS | 39,200 shares | 981,176 |
| | Whole Foods Market Inc. | 41,400 shares | 3,203,946 |
| | WILLIAMS COMPANIES INC | 36,300 shares | 841,071 |
| | WILLIAMS SCOTSMAN INTL | 5,700 shares | 98,667 |
| | Williams-Sonoma Inc. | 38,200 shares | 1,648,330 |
| | WIND RIVER SYSTEMS INC | 186,700 shares | 2,757,559 |
| | Woodward Governor Co. | 13,500 shares | 1,161,135 |
| | WRIGHT EXPRESS CORP | 142,200 shares | 3,128,400 |
| | Wyeth | 56,800 shares | 2,616,776 |
| | Xerox Corp. | 122,600 shares | 1,796,090 |
| | Xm Satellite Radio | 54,800 shares | 1,494,944 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|-----------------------------------|---|---|-------------------------|
| Common stock (continued) | | | |
| | Yahoo Inc. | 230,100 shares | \$ 9,015,318 |
| | Yellow Roadway Corp. | 17,600 shares | 785,137 |
| | Ishares TR Russell 2000 | 117,500 shares | 7,836,075 |
| | SPDR Trust | 32,300 shares | 4,021,673 |
| | | | 924,363,606 |
| Common/collective trusts | | | |
| | SSGA Bond Mkt. Ser. A-CME9 | 5,758,815 units | 95,014,693 |
| | SSGA Daily EAFE FD Ser T | 5,263,271 units | 88,291,371 |
| | Capital Guardian Intl Eq-Instl Cls | 18,781,743 units | 339,386,102 |
| | Vanguard Employee Benefit Index Fund | 81,865,163 units | 952,910,499 |
| | | | 1,475,602,665 |
| U.S. Government securities | | | |
| | U.S. Treasury Bill | \$250,000 principal, 0%, due 3/02/06 | 248,443 |
| | U.S. Treasury Bill | \$500,000 principal, 0%, due 3/16/06 | 496,089 |
| | U.S. Treasury Note | \$7,000,000 principal, 3.375%, due 10/15/09 | 6,759,648 |
| | U.S. Treasury Note | \$1,000,000 principal, 4.25%, due 11/15/13 | 990,469 |
| | U.S. Treasury Bill | \$1,800,000 principal, 8.125%, due 8/15/19 | 2,441,954 |
| | U.S. Treasury Bill | \$2,200,000 principal, 6.25%, due 8/15/23 | 2,627,110 |
| | FNMA Discount Note | \$20,500,000 principal, 5%, due 2/36 | 19,852,969 |
| | | | 33,416,682 |
| Employer Stock | | | |
| * | Hewlett-Packard Company | 33,355,733 shares | 954,974,636 |
| Stable Value Fund Holdings | | | |
| Short-term investments | | | |
| * | Fidelity Institutional Cash Portfolio | 5,395,817 shares | 5,395,817 |
| Common/collective trust | | | |
| | SEI Financial Management | 94,012,288 units | 94,012,288 |

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---|---|---|-------------------------|
| Synthetic guaranteed investment contracts | | | |
| Underlying asset fair market values: | | | |
| PIMCO Managed Stable Value Account Net Assets: | | | |
| <i>Registered investment companies:</i> | | | |
| | <i>PIMCO Asset Backed Securities Portfolio</i> | 131,228 shares | \$ 1,379,209 |
| | PIMCO Investment Grade Corporate Portfolio | 551,263 shares | 5,363,792 |
| | PIMCO Mortgage Portfolio | 5,400,652 shares | 56,058,764 |
| | PIMCO Muni Sector Portfolio | 240,002 shares | 2,469,617 |
| | PIMCO International Portfolio | 1,124,388 shares | 5,588,209 |
| | PIMCO US Government Sector Portfolio | 3,198,981 shares | 34,261,086 |
| | PIMCO Emerging Markets Fund | 430,298 shares | 4,875,274 |
| | PIMCO Real Return Bond Fund | 178,279 shares | 1,905,802 |
| U.S. Government obligations: | | | |
| | U.S. Treasury Note | \$6,500,000 principal, 3.375%, due 10/15/09 | 6,276,816 |
| | U.S. Treasury Bill | \$500,000 principal, 0%, due 3/16/06 | 496,090 |
| | U.S. Treasury Bill | \$600,000 principal, 8.125%, due 8/15/19 | 813,985 |
| | U.S. Treasury Bill | \$1,800,000 principal, 6.25%, due 8/15/23 | 2,149,454 |
| Short-term investments | | | |
| | Dreyfus Cash Management Plus | 1,142,406 shares | 1,142,406 |
| | DNB NOR BK DN | \$2,000,000 principal, 0%, due 2/22/06 | 1,977,964 |
| | WESTPAC BANK 42CP | \$3,700,000 principal, 0%, due 2/21/06 | 3,663,953 |
| | HBOS TREAS DN | \$3,700,000 principal, 0%, due 2/24/06 | 3,658,162 |
| | SKANDI ENSK 42CP | \$1,400,000 principal, 0%, due 2/17/06 | 1,384,776 |
| | SVENSHA HANDELSBK CP | \$3,200,000 principal, 0%, due 3/98 | 3,164,894 |
| | FNMA (short sale) | \$(4,000,000) principal, 5%, due 1/36 | (3,876,250) |
| | FNMA | \$4,000,000 principal, 5%, due 1/36 | 3,876,250 |
| | FNMA | \$13,500,000 principal, 5%, due 2/36 | 13,073,906 |

-25-

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|---|---|---|-------------------------|
| PIMCO Managed Stable Value Account Net Assets (continued): | | | |
| <i>Other</i> | | | |
| | Interest Rate Swap | \$(30,400,000) principal, 6/15/06 | \$ (226,438) |
| | Interest Rate Swap | \$(13,600,000) principal, 6/21/06 | (115,323) |
| | Interest Rate Swap | \$2,500,000 principal, 6/21/06 | 20,831 |
| | Interest Receivable | | 159,131 |
| | Pending Trades, net | | (12,948,926) |
| | Accrued expenses | | (48,764) |
| TOTAL NET ASSETS - PIMCO Managed Stable Value Account | | | 136,544,670 |
| Dodge & Cox Stable Value Fund Net Assets: | | | |
| <i>Corporate debt securities:</i> | | | |
| | Federal Express | \$659,359 principal, 6.72%, due 1/15/22 | 720,158 |
| | Union Pacific PTC | \$1,900,000 principal, 5.082%, due 1/2/29 | 1,863,404 |
| | AOL Time Warner | \$2,070,000 principal, 7.625%, due 4/15/31 | 2,305,253 |
| | AOL Time Warner | \$250,000 principal, 7.7%, due 5/01/32 | 281,165 |
| | AT&T Corp. | \$1,000,000 principal, 9.75%, due 11/15/31 | 1,256,124 |
| | Amhome | \$525,000 principal, 6.7%, due 3/15/11 | 566,351 |
| | Bank One Cap III | \$500,000 principal, 8.75%, due 9/1/30 | 672,061 |
| | BankAmerica Cap II | \$625,000 principal, 8%, due 12/15/26 | 663,806 |
| | Boston Property Ltd. | \$650,000 principal, 6.25%, due 1/15/13 | 681,883 |
| | Boston Property Ltd. | \$600,000 principal, 5.625%, due 4/15/15 | 606,377 |
| | Burlington | \$369,275 principal, 8.251%, due 1/15/21 | 445,180 |
| | CIGNA Corp. | \$826,000 principal, 7.875%, due 5/15/27 | 1,010,591 |
| | CIGNA | \$500,000 principal, 6.375%, due 10/15/11 | 530,161 |
| | Citicorp Cap II | \$555,000 principal, 8.015%, due 2/15/27 | 592,828 |
| | Comcast Corp. | \$950,000 principal, 5.3%, due 1/15/14 | 931,996 |
| | Comcast | \$375,000 principal, 5.85%, due 11/15/15 | 379,845 |
| | Cox Communications | \$1,325,000 principal, 5.45%, due 12/15/14 | 1,292,939 |
| | Dillard Dept Stores | \$250,000 principal, 7.75%, due 5/15/27 | 242,500 |
| | Dow Chemical | \$600,000 principal, 7.375%, due 11/01/29 | 722,893 |

-26-

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|--|---|---|-------------------------|
| Dodge & Cox Stable Value Fund Net Assets (continued): | | | |
| <i>Corporate debt securities (continued):</i> | | | |
| | Dow Chemical PTC | \$725,000 principal, 4.027%, due 9/30/09 | \$; 698,568 |
| | EOP Oper | \$1,150,000 principal, 5.875%, due 1/15/13 | 1,169,166 |
| | EOP Oper | \$875,000 principal, 4.75%, due 3/15/14 | 826,866 |
| | EDS | \$625,000 principal, 6%, due 8/01/13 | 642,321 |
| | Ford Motor Credit | \$1,100,000 principal, 7.375%, due 10/28/09 | 975,575 |
| | Ford Motor Global | \$750,000 principal, 7.375%, due 2/01/11 | 657,389 |
| | Ford Motor Credit | \$1,700,000 principal, 7.25%, due 10/25/11 | 1,468,555 |
| | General Electric | \$1,100,000 principal, 5%, due 2/1/13 | 1,099,428 |
| | GMAC Global | \$800,000 principal, 7.75%, due 1/19/10 | 747,110 |
| | GMAC | \$2,675,000 principal, 6.875%, due 9/15/11 | 2,440,937 |
| | HCA Inc. | \$1,300,000 principal, 6.25%, due 2/15/13 | 1,300,924 |
| | Health Net Inc. | \$800,000 principal, 9.875%, due 4/15/11 | 930,641 |
| | International Paper | \$650,000 principal, 5.25%, due 4/01/16 | 617,811 |
| | Lockheed Martin | \$500,000 principal, 8.5%, due 12/01/29 | 681,484 |
| | May Department Stores | \$1,625,000 principal, 8.5%, due 6/01/19 | 1,970,105 |
| | Nordstrom | \$325,000 principal, 6.95%, due 3/15/28 | 358,312 |
| | Provident Company | \$925,000 principal, 7.25%, due 3/15/28 | 954,325 |
| | Safeco Corp. | \$400,000 principal, 7.25%, due 9/01/12 | 445,903 |
| | St. Paul Companies | \$525,000 principal, 8.125%, due 4/15/10 | 582,993 |
| | UNUM Provident | \$165,000 principal, 6.85%, due 11/15/15 | 170,363 |
| | UNUM Provident | \$475,000 principal, 7.625%, due 3/01/11 | 512,291 |
| | Wyeth | \$1,075,000 principal, 5.5%, due 2/01/14 | 1,088,924 |
| | Xerox Corp. | \$1,750,000 principal, 7.125%, due 6/15/10 | 1,815,625 |
| <i>U.S. Government obligations:</i> | | | |
| | US Treasury Note | \$5,000,000 principal, 6.25%, due 2/15/07 | 5,096,095 |
| | US Treasury Note | \$11,600,000 principal, 4.375%, due 5/15/07 | 11,590,488 |
| | US Treasury Note | \$11,300,000 principal, 3.125%, due 10/15/08 | 10,930,546 |
| | US Treasury Note | \$7,000,000 principal, 3.25%, due 1/15/09 | 6,777,694 |
| | US Treasury Note | \$4,500,000 principal, 3.5%, due 8/15/09 | 4,369,041 |
| | US Treasury Note | \$5,500,000 principal, 4%, due 3/15/10 | 5,421,152 |
| <i>Government agency obligations:</i> | | | |
| | SBAP 05-20L 1 | \$1,315,000 5.39%, due 12/1/25 | 1,336,653 |
| | GSBA 504 | \$572,292 principal, 4.72%, due 2/1/24 | 565,951 |
| | FHLG 6.00 2/19 | \$2,657,668 principal, 6%, due 3/1/18 | 2,712,997 |

-27-

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|--|---|---|-------------------------|
| Dodge & Cox Stable Value Fund Net Assets (continued): | | | |
| <i>Government agency obligations:</i> | | | |
| | FHLG | \$1,508,349 principal, 6%, due 2/1/19 | \$ 1,539,768 |
| | FHLG | \$2,046,416 principal, 6.5%, due 7/1/16 | 2,103,132 |
| | FHLG | \$2,877,026 principal, 5.5%, due 12/1/19 | 2,895,996 |
| | FNGT | \$1,016,251 principal, 6.983%, due 2/13/30 | 1,043,850 |
| | FNMA | \$759,776 principal, 6.231%, 5/1/11 | 789,620 |
| | FNMA | \$1,172,682 principal, 5.795%, 12/1/11 | 1,203,484 |
| | FNMA | \$933,744 principal, 5.520%, 2/1/12 | 972,112 |
| | FNMA | \$2,262,919 principal, 7.00%, due 4/1/32 | 2,362,261 |
| | FNMA | \$2,623,072 principal, 7%, due 8/1/32 | 2,741,932 |
| | FNR | \$2,600,000 principal, 6%, due 3/25/18 | 2,637,270 |
| | FNW | \$892,463 principal, 7%, due 2/25/44 | 926,551 |
| | FNW | \$1,338,252 principal, 7.5%, due 3/25/44 | 1,411,039 |
| | FNMA | \$2,830,699 principal, 6%, due 5/1/18 | 2,893,599 |
| | FNMA | \$1,653,222 principal, 6.5%, due 9/1/17 | 1,700,729 |
| | FNMA | \$2,397,361 principal, 6.5%, due 4/1/18 | 2,466,251 |
| | FNMA | \$2,195,758 principal, 7%, due 9/1/28 | 2,295,636 |
| | FNMA | \$1,432,716 principal, 6%, due 12/1/18 | 1,464,551 |
| | FNMA | \$2,146,709 principal, 6%, due 2/1/19 | 2,194,410 |
| | FNMA | \$2,088,566 principal, 5.5%, due 2/1/18 | 2,105,407 |
| | FNMA | \$2,094,072 principal, 6.5%, due 12/1/32 | 2,152,550 |
| | FNMA | \$338,422 principal, 6%, due 12/1/32 | 342,216 |
| | FNMA | \$887,175 principal, 5.5%, due 12/1/18 | 892,720 |
| | FNMA | \$791,014 principal, 6.5%, due 2/1/34 | 813,103 |
| | GSMPS | \$1,183,296 principal, 8%, due 6/25/34 | 1,234,476 |
| | SBAP | \$802,403 principal, 6.65%, due 6/1/13 | 828,082 |
| | SBAP | \$982,877 principal, 6.15%, due 4/1/18 | 1,012,427 |
| | SBAP | \$537,224 principal, 4.625%, due 2/1/25 | 523,626 |
| <i>Short-term investments:</i> | | | |
| | The Boston Company Pooled Employee Daily Liquidity Fund | 2,202,073 share | 2,202,073 |

-28-

Hewlett-Packard Company 401(k) Plan

EIN: 94-1081436 PN: 004

Schedule H, Line 4i Schedule of Assets (Held at End of Year) (continued)

December 31, 2005

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (e) Current Value |
|--|---|---|-------------------------|
| Dodge & Cox Stable Value Fund Net Assets (continued): | | | |
| <i>Other:</i> | | | |
| | Interest receivable | | \$ 1,391,923 |
| | Pending trades | | (818,848) |
| | Accrued expenses | | (23,665) |
| TOTAL NET ASSETS - Dodge & Cox Managed Stable Value Account | | | 133,020,029 |
| Common/collective trusts | | | |
| | Dwight Intermediate Core Plus | 9,907,015 units | 134,563,231 |
| | Dwight Target 5 Fund | 7,522,598 units | 126,517,536 |
| | Dwight Target 2 Fund | 36,154,410 units | 549,406,888 |
| Total common/collective trusts | | | 810,487,655 |
| Total market value of underlying assets | | | 1,080,052,354 |
| Wrapper values | | | |
| | AIG Financial Products Corp. 245258 | 4.72% interest rate | 1,618,112 |
| | CDC Financial Products 1423-01 | 4.72% interest rate | 1,615,826 |
| | RABOBANK NEDERLAND CPQ090001 | 4.87% interest rate | 1,615,926 |
| | ROYAL BANK OF CANADA NYDW109 | 4.71% interest rate | 1,649,298 |
| | STATE ST BK & TR CO Boston 100003 | 4.71% interest rate | 1,621,621 |
| | UBS AG 2752 | 4.87% interest rate | 1,619,144 |
| Total wrapper values | | | 9,739,927 |
| Total contract value of synthetic guaranteed investment contracts | | | 1,089,792,281 |
| Guaranteed investment contracts | | | |
| | Metropolitan Life Ins. Co. GIC 2884706901 | 3.19% interest rate | 10,819,008 |
| | New York Life Insurance Co. GIC GA31257 | 6.24% interest rate | 6,711,339 |
| Total guaranteed investment contracts | | | 17,530,347 |
| Total Stable Value Fund | | | 1,206,730,733 |
| * Participant loans | Interest rates ranging from 4.5%-28.88%, maturing through 2033 | | 129,587,408 |
| | | | \$ 8,798,830,023 |

* Indicates party-in-interest to the Plan.

Note: Column (d), cost, has been omitted, as all investments are participant-directed.

SIGNATURE

The Plan. Pursuant to the requirements of the Securities and Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

HEWLETT-PACKARD COMPANY
401(k) PLAN

June 29, 2006

/s/ Ann O. Baskins

ANN O. BASKINS
Senior Vice President, General Counsel
and Secretary

-30-