

HP trims 1Q net income because of lawsuit ruling

6 March 2010

(AP) -- Hewlett-Packard Co. trimmed the net income it reported for its fiscal first quarter Friday, saying it has to set aside more money than expected to deal with a lawsuit against it in the U.K.

HP, the world's biggest [computer maker](#), now says it earned \$2.25 billion, or 93 cents per share, in the three months ended in January. That's down from the \$2.32 billion, or 96 cents per share, it reported last month.

HP said the revision was prompted by a ruling that could force subsidiary [Electronic Data Systems](#) to pay out another \$112 million to the U.K.'s British Sky Broadcasting Group PLC. EDS, which HP acquired in 2008, had already made a voluntary payment in the case of \$320 million, the company said. BSkyB filed suit against EDS, a technology services provider, in 2004 over a dispute related to a customer management contract.

HP said it is looking to appeal the ruling.

The company's stock was down 18 cents to \$51.85 in extended trading after closing the regular session up about 1 percent at \$52.03.

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