



/ CORRECTION - Symantec Reports Second Quarter Fiscal 2014 Results

10/23/2013

MOUNTAIN VIEW, CA -- (Marketwired) -- 10/23/13 -- In the news release, "Symantec Reports Second Quarter Fiscal 2014 Results," issued earlier today by Symantec Corporation (NASDAQ: SYMC), we are advised by the company that the 2nd to last bullet under "Business Segment and Geographic Highlights for the Quarter" should read "The Asia Pacific/Japan region represented 18 percent of total revenue and decreased 14 percent year-over-year (5 percent after adjusting for currency)" rather than "The Asia Pacific/Japan region represented 18 percent of total revenue and increased 14 percent year-over-year (5 percent after adjusting for currency)." Complete corrected text follows:

Symantec Reports Second Quarter Fiscal 2014 Results

Results and Revised Fiscal Year Outlook Reflect the Significant Transformation Now Underway; While Positioning the Company for Greater Long-Term Growth, Despite Lower Revenue, Symantec Delivered Better Than Expected Operating Margin and EPS

MOUNTAIN VIEW, CA -- October 23, 2013 -- Symantec Corp. (NASDAQ: SYMC) today reported revenue of \$1.64 billion for its second quarter of fiscal year 2014, ended September 27, 2013, down 4 percent year-over-year and down 3 percent after adjusting for currency.

"Since announcing our strategy in January, we made significant changes that will help us become more successful at delivering value to customers and partners. We've reallocated resources to develop new integrated offerings, split the sales organization into renewals and new business teams, and simplified our management structure," said Steve Bennett, president and chief executive officer, Symantec. "While this was a challenging quarter in our transition year, we expect our actions to translate into growth. We remain committed to our FY15-FY17 targets and are confident that we are on the right track."

"The actions we took were necessary and will build a strong foundation for long-term growth," said Drew Del Matto, acting chief financial officer, Symantec. "We fell short on revenue in the September quarter, but over-delivered on operating margin and EPS. Due to the second quarter shortfall and the significant changes we are driving, we are lowering our FY14 guidance."

GAAP Results for the Second Quarter of Fiscal Year 2014

GAAP operating margin was 15.1 percent compared with 17.5 percent for the same quarter last year.

GAAP net income was \$241 million compared with net income of \$189 million for the year-ago period.

GAAP diluted earnings per share were \$0.34, up 26 percent year-over-year.

GAAP deferred revenue as of September 27, 2013 was \$3.50 billion compared with \$3.62 billion as of September 28, 2012, down 3 percent year-over-year.

Cash flow from operating activities was \$191 million, up 7 percent year-over-year.

Non-GAAP Results for the Second Quarter of Fiscal Year 2014

Non-GAAP operating margin was 27.6 percent compared with 27.0 percent for the same quarter last year, up 60 basis points year-over-year and flat after adjusting for currency.

Non-GAAP net income was \$355 million, compared to \$318 million for the year-ago period, up 12 percent year-over-year.

Non-GAAP diluted earnings per share were \$0.50, compared with \$0.45 for the year-ago period, an increase of 11 percent.

Business Segment and Geographic Highlights for the Quarter

In alignment with our 4.0 strategy, we created three new business segments. Below is a breakdown of our results by segments and geographies.

The User Productivity & Protection segment, which is comprised of endpoint security and management, encryption, and our mobile offerings, represented 44 percent of total revenue and declined 3 percent year-over-year (2 percent after adjusting for currency) to \$719 million.

The Information Security segment declined 2 percent year-over-year (1 percent after adjusting for currency) to \$316 million. This segment represented 19 percent of total revenue and includes Symantec's security capabilities such as our mail & web security, authentication services, data center security, Managed Security Services (MSS), hosted security services, and Data Loss Prevention (DLP) businesses.

The Information Management segment represented 37 percent of total revenue and declined 5 percent year-over-year (6 percent after adjusting for currency) to \$602 million. This segment is comprised of offerings related to backup and recovery, information intelligence, which includes archiving and e-discovery, and information availability, which we previously referred to as storage management.

International revenue represented 52 percent of total revenue and decreased 3 percent year-over-year (2 percent after adjusting for currency).

The Europe, Middle East and Africa region represented 28 percent of total revenue and increased 4 percent year-over-year (down 1 percent after adjusting for currency).

The Asia Pacific/Japan region represented 18 percent of total revenue and decreased 14 percent year-over-year (5 percent after adjusting for currency).

The Americas, including the United States, Latin America and Canada, represented 54 percent of total revenue and decreased 3 percent year-over-year (4 percent after adjusting for currency).

Capital Allocation

Symantec ended the quarter with cash, cash equivalents and short-term investments of \$3.8 billion compared to \$4.0 billion, a decrease of 4 percent year-over-year. On September 18, 2013, we paid a dividend of \$0.15 per share for a total of \$105 million. Also, during the quarter, Symantec repurchased 5.0 million shares for \$125 million at an average price of \$24.99. At the end of the second quarter, Symantec had \$908 million remaining for future repurchases in the current board authorized stock repurchase plan.

Symantec's Board of Directors has declared a quarterly cash dividend of \$0.15 per common share to be paid on December 18, 2013 to all shareholders of record as of the close of business on November 25, 2013. The ex-dividend date will be November 21, 2013.

Fiscal Year 2014 Guidance

Given the September quarter shortfall and the significant transformation we are driving, we have lowered our annual guidance. For fiscal 2014, Symantec expects:

Revenue to decline 3 to 4 percent in constant currency

Non-GAAP operating margin to expand by 30 to 60 basis points

Non-GAAP earnings per share to be between -1.0 and 1.5 percent compared to the prior fiscal year

Third Quarter Fiscal Year 2014 Guidance

For the third quarter of fiscal 2014, Symantec expects:

Revenue of \$1.63 billion to \$1.67 billion, compared to \$1.79 billion in the year-ago period.

GAAP operating margin of 17.0 percent to 17.6 percent compared to 17.0 percent in the year-ago period.

Non-GAAP operating margin of 25.6 percent to 26.2 percent compared to 25.9 percent in the year-ago period.

GAAP diluted earnings per share between \$0.26 and \$0.28 as compared to \$0.31 in the year-ago period.

Non-GAAP diluted earnings per share between \$0.41 and \$0.43 as compared to \$0.45 in the year-ago period.

Guidance assumes an exchange rate of \$1.35 per Euro for the December 2013 quarter versus the actual weighted average rate of \$1.30 and an end of period rate of \$1.32 per Euro for the December 2012 quarter. Our guidance assumes an effective tax rate of 28 percent and a common stock equivalents total for the quarter of approximately 707 million shares.

Conference Call

Symantec has scheduled a conference call for 5 p.m. ET/2 p.m. PT today to discuss the results of its fiscal second quarter 2014, ended September 27, 2013 and to review guidance. Interested parties may access the conference call on the Internet at <http://www.symantec.com/invest>. To listen to the live call, please go to the website at least 15 minutes early to register, download and install any necessary audio software. A

replay and script of our officers' remarks will be available on the investor relations' home page shortly after the call is completed.

About Symantec

Symantec protects the world's information, and is the global leader in security, backup and availability solutions. Our innovative products and services protect people and information in any environment -- from the smallest mobile device, to the enterprise data center, to cloud-based systems. Our industry-leading expertise in protecting data, identities and interactions gives our customers confidence in a connected world. More information is available at www.symantec.com or by connecting with Symantec at: go.symantec.com/socialmedia.

NOTE TO EDITORS: If you would like additional information on Symantec Corporation and its products, please visit the Symantec News Room at <http://www.symantec.com/news>. All prices noted are in U.S. dollars and are valid only in the United States.

Symantec and the Symantec Logo are trademarks or registered trademarks of Symantec Corporation or its affiliates in the U.S. and other countries. Other names may be trademarks of their respective owners.

FORWARD-LOOKING STATEMENTS: This press release contains statements regarding our financial and business results, which may be considered forward-looking within the meaning of the U.S. federal securities laws, including projections of future revenue, operating margin and earnings per share, as well as projections of amortization of acquisition-related intangibles and stock-based compensation and restructuring charges. These statements are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from results expressed or implied in this press release. Such risk factors include those related to: general economic conditions; maintaining customer and partner relationships; the anticipated growth of certain market segments, particularly with regard to security and storage; the competitive environment in the software industry; changes to operating systems and product strategy by vendors of operating systems; fluctuations in currency exchange rates; the timing and market acceptance of new product releases and upgrades; the successful development of new products and integration of acquired businesses, and the degree to which these products and businesses gain market acceptance. Actual results may differ materially from those contained in the forward-looking statements in this press release. We assume no obligation, and do not intend, to update these forward-looking statements as a result of future events or developments. Additional information concerning these and other risks factors is contained in the Risk Factors sections of our Form 10-K for the year ended March 29, 2013.

USE OF NON-GAAP FINANCIAL INFORMATION: Our results of operations have undergone significant change due to a series of acquisitions, the impact of stock-based compensation, impairment charges and other corporate events. To help our readers understand our past financial performance and our future results, we supplement the financial results that we provide in accordance with generally accepted accounting principles, or GAAP, with non-GAAP financial measures. The method we use to produce non-GAAP results is not computed according to GAAP and may differ from the methods used by other companies. Our non-GAAP results are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. Our management regularly uses our supplemental non-GAAP financial measures internally to understand, manage and evaluate our business and make operating decisions. These non-GAAP measures are among the primary factors management uses in planning for and forecasting future periods. Investors are encouraged to review the reconciliation of our non-GAAP financial measures to the comparable GAAP results, which is attached to our quarterly earnings release and which can be found, along with other financial information, on the investor relations' page of our website at www.symantec.com/invest.

SYMANTEC CORPORATION
Condensed Consolidated Balance Sheets
(In millions, unaudited)

	September 27, 2013	March 29, 2013 (1)	(2)
	-----	-----	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,727	\$ 4,685	
Short-term investments	105	62	
Trade accounts receivable, net	573	1,031	
Inventories, net	16	24	
Deferred income taxes	174	169	
Deferred commissions	114	130	
Other current assets	261	315	
	-----	-----	
Total current assets	4,970	6,416	
	-----	-----	

Property and equipment, net	1,091	1,122
Intangible assets, net	852	977
Goodwill	5,859	5,841
Long-term deferred commissions	28	29
Other long-term assets	114	123
	-----	-----
Total assets	\$ 12,914	\$ 14,508
	=====	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$ 249	\$ 334
Accrued compensation and benefits	312	422
Deferred revenue	3,003	3,496
Current portion of long-term debt	-	997
Other current liabilities	343	318
	-----	-----
Total current liabilities	3,907	5,567
	-----	-----
Long-term debt	2,094	2,094
Long-term deferred revenue	498	521
Long-term deferred tax liabilities	474	426
Long-term income taxes payable	222	318
Other long-term obligations	62	60
	-----	-----
Total liabilities	7,257	8,986
	-----	-----
Total stockholders' equity	5,657	5,522
	-----	-----
Total liabilities and stockholders' equity	\$ 12,914	\$ 14,508
	=====	=====

(1) Derived from audited consolidated financial statements.

(2) This presentation includes revised amounts from a change in accounting policy related to the accounting for commissions. Please see Appendix A for more details.

SYMANTEC CORPORATION
Condensed Consolidated Statements of Income
(Dollars in millions, except per share data, unaudited)

	Three Months Ended		Year-Over-Year Growth Rate	
	September 27, 2013	September 28, 2012 (2)	Constant Actual	Currency (1)
Net revenue:				
Content, subscription, and maintenance	\$ 1,499	\$ 1,498	0%	0%
License	138	201	-31%	-31%
Total net revenue	1,637	1,699	-4%	-3%
Cost of revenue:				
Content, subscription, and maintenance	252	247		
License	19	18		
Amortization of intangible assets	13	19		
Total cost of revenue	284	284	0%	0%
Gross profit	1,353	1,415	-4%	-4%
Operating expenses:				
Sales and marketing	592	667		
Research and development	248	247		
General and administrative	114	109		
Amortization of intangible assets	29	72		

Restructuring and transition	122	23		
	-----	-----	-----	-----
Total operating expenses	1,105	1,118	-1%	0%
	-----	-----	-----	-----
Operating income	248	297	-16%	-19%
	-----	-----	-----	-----
Interest income	3	2		
Interest expense	(20)	(35)		
Other income, net	20	1		
	-----	-----	-----	-----
Income before income taxes	251	265	-5%	N/A
	-----	-----	-----	-----
Provision for income taxes	10	76		
	-----	-----	-----	-----
Net income attributable to Symantec Corporation stockholders	\$ 241	\$ 189	28%	N/A
	=====	=====	=====	=====
Net income per share attributable to Symantec Corporation stockholders -- basic	\$ 0.34	\$ 0.27		
Net income per share attributable to Symantec Corporation stockholders -- diluted	\$ 0.34	\$ 0.27		
Weighted-average shares outstanding attributable to Symantec Corporation stockholders -- basic	699	702		
Weighted-average shares outstanding attributable to Symantec Corporation stockholders -- diluted	707	708		

Cash dividends declared

per common share	\$	0.15	-
		-----	-----

(1) Management refers to growth rates adjusting for currency so that the business results can be viewed without the impact of fluctuations in foreign currency exchange rates. We compare the percentage change in the results from one period to another period in order to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than **United States** dollars are converted into **United States** dollars at the actual exchange rates in effect during the respective prior periods.

(2) This presentation includes revised amounts from a change in accounting policy related to the accounting for commissions. Please see Appendix A for more details.

SYMANTEC CORPORATION

Condensed Consolidated Statements of Income

(Dollars in millions, except per share data, unaudited)

	Six Months Ended		Year-Over-Year Growth Rate	
	September 27, 2013	September 28, 2012 (2)	Actual	Constant Currency (1)
	-----	-----	-----	-----
Net revenue:				
Content, subscription, and maintenance	\$ 3,019	\$ 2,973	2%	2%
License	327	394	-17%	-17%
	-----	-----	-----	-----
Total net revenue	3,346	3,367	-1%	0%
	-----	-----	-----	-----

Cost of revenue:

Content, subscription, and maintenance	515	496		
License	41	35		
Amortization of intangible assets	28	37		
	-----	-----	-----	-----
Total cost of revenue	584	568	3%	3%
	-----	-----	-----	-----
Gross profit	2,762	2,799	-1%	-1%
	-----	-----	-----	-----
Operating expenses:				
Sales and marketing	1,243	1,335		
Research and development	509	496		
General and administrative	233	219		
Amortization of intangible assets	100	144		
Restructuring and transition	205	58		
	-----	-----	-----	-----
Total operating expenses	2,290	2,252	2%	3%
	-----	-----	-----	-----
Operating income	472	547	-14%	-15%
	-----	-----	-----	-----
Interest income	6	5		
Interest expense	(45)	(64)		
Other income (expense), net	38	(5)		
	-----	-----	-----	-----
Income before income taxes	471	483	-2%	N/A
	-----	-----	-----	-----
Provision for income taxes	73	134		
	-----	-----	-----	-----
Net income attributable to Symantec Corporation stockholders	\$ 398	\$ 349	14%	N/A

	=====	=====	=====	=====
Net income per share				
attributable to				
Symantec Corporation				
stockholders -- basic	\$ 0.57		\$ 0.49	
Net income per share				
attributable to				
Symantec Corporation				
stockholders -- diluted	\$ 0.56		\$ 0.49	
Weighted-average shares				
outstanding				
attributable to				
Symantec Corporation				
stockholders -- basic	698		709	
Weighted-average shares				
outstanding				
attributable to				
Symantec Corporation				
stockholders -- diluted	707		714	
Cash dividends declared				
per common share	\$ 0.30		-	
	-----	-----	-----	-----

(1) Management refers to growth rates adjusting for currency so that the business results can be viewed without the impact of fluctuations in foreign currency exchange rates. We compare the percentage change in the results from one period to another period in order to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than **United States** dollars are converted into **United States** dollars at the actual exchange rates in effect during the respective prior periods.

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Condensed Consolidated Statements of Cash Flows

(In millions, unaudited)

	Six Months Ended	
	September 27, 2013	September 28, 2012 (1)
OPERATING ACTIVITIES:		
Net income	\$ 398	\$ 349
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	139	141
Amortization of intangible assets	128	181
Amortization of debt issuance costs and discounts	5	29
Stock-based compensation expense	77	83
Deferred income taxes	51	4
Excess income tax benefit from the exercise of stock options	(13)	(1)
Net gain from sale of short-term investments	(32)	-
Other	11	8
Net change in assets and liabilities, excluding effects of acquisitions:		
Trade accounts receivable, net	465	203
Inventories, net	8	5
Deferred commissions	20	27
Accounts payable	(92)	(34)
Accrued compensation and benefits	(110)	(107)
Deferred revenue	(556)	(339)
Income taxes payable	(72)	42
Other assets	31	(24)
Other liabilities	45	(49)
	-----	-----
Net cash provided by operating activities	503	518
	-----	-----
INVESTING ACTIVITIES:		
Purchases of property and equipment	(118)	(168)
Cash payments for acquisitions, net of cash acquired	(17)	(28)

Purchases of short-term investments	(102)	-
Proceeds from sale of short-term investments	67	46
Other	-	2
	-----	-----
Net cash used in investing activities	(170)	(148)
	-----	-----
FINANCING ACTIVITIES:		
Repayments of debt and other obligations	(1,189)	-
Proceeds from convertible note hedge	189	-
Net proceeds from sales of common stock under employee stock benefit plans	160	75
Excess income tax benefit from the exercise of stock options	13	1
Tax payments related to restricted stock units	(30)	(11)
Dividends paid, net	(210)	-
Repurchases of common stock	(250)	(501)
Purchase of additional equity interest in subsidiary	-	(92)
Proceeds from debt issuance, net of discount	-	996
Debt issuance costs	-	(7)
	-----	-----
Net cash (used in) provided by financing activities	(1,317)	461
	-----	-----
Effect of exchange rate fluctuations on cash and cash equivalents	26	9
	-----	-----
Change in cash and cash equivalents	(958)	840
Beginning cash and cash equivalents	4,685	3,162
	-----	-----
Ending cash and cash equivalents	\$ 3,727	\$ 4,002
	=====	=====

(1) This presentation includes revised amounts from a change in accounting policy related to the accounting for commissions. Please see Appendix A for more details.

SYMANTEC CORPORATION

Reconciliation of Selected GAAP Measures to Non-GAAP Measures (1)

(Dollars in millions, except per share data, unaudited)

	Three Months Ended						Year-Over-Year Non-GAAP Growth Rate	
	September 27, 2013			September 28, 2012 (3)			Actual	Constant Currency (2)
	GAAP	Adj	Non- GAAP	GAAP	Adj	Non- GAAP		
Net revenue	\$1,637	N/A	\$1,637	\$1,699	N/A	\$1,699	-4%	-3%
Gross profit	\$1,353	\$ 17	\$1,370	\$1,415	\$ 23	\$1,438	-5%	-4%
Stock-based compensation		4			4			
Amortization of intangible assets		13			19			
Gross margin %	82.7%		83.7%	83.3%		84.6%	-90 bps	-80 bps
Operating expenses:	\$1,105	\$ 186	\$ 919	\$1,118	\$ 139	\$ 979	-6%	-5%
Stock-based compensation		34			41			
Amortization of intangible assets		29			72			
Restructuring and transition		122			23			
Acquisition								

related								
expenses		1			3			
	-----	-----	-----	-----	-----	-----	-----	-----
Operating								
expenses as a						-150		
% of revenue	67.5%		56.1%	65.8%		57.6%	bps	-80 bps
	-----	-----	-----	-----	-----	-----	-----	-----
Operating								
income	\$ 248	\$ 203	\$ 451	\$ 297	\$ 162	\$ 459	-2%	-3%
	-----	-----	-----	-----	-----	-----	-----	-----
Operating								
margin %	15.1%		27.6%	17.5%		27.0%	60 bps	0 bps
	-----	-----	-----	-----	-----	-----	-----	-----
Net income:	\$ 241	\$ 114	\$ 355	\$ 189	\$ 129	\$ 318	12%	N/A
Gross profit								
adjustment		17			23			
Operating								
expense								
adjustment		186			139			
Non-cash								
interest								
expense		-			15			
Gain on sale								
of short-								
term								
investments		(16)			-			
Income tax								
effect on								
above items		(75)			(47)			
Tax related								
adjustments:								
Release of								
pre-								
acquisition								
tax								
contingencies		-			(7)			
Change in								
valuation								
allowance		2			6			
	-----	-----	-----	-----	-----	-----	-----	-----

Diluted net income per share attributable to Symantec Corporation stockholders	\$ 0.34	\$0.16	\$ 0.50	\$ 0.27	\$0.18	\$ 0.45	11%	N/A
	-----	-----	-----	-----	-----	-----	-----	-----

Diluted weighted- average shares outstanding attributable to Symantec Corporation stockholders	707		707	708		708	0%	N/A
	-----	-----	-----	-----	-----	-----	-----	-----

(1) This presentation includes non-GAAP measures. Our non-GAAP measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial measures prepared in accordance with GAAP. For a detailed explanation of these non-GAAP measures, please see **Symantec's** Explanation of Non-GAAP Measures and Other Items in Appendix A.

(2) Management refers to growth rates adjusting for currency so that the business results can be viewed without the impact of fluctuations in foreign currency exchange rates. We compare the percentage change in the results from one period to another period in order to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency rate fluctuations. To present this information, current and comparative prior period results for entities reporting in currencies other than **United States** dollars are converted into **United States** dollars at the actual exchange rates in effect during the respective prior periods.

(3) This presentation includes revised amounts from a change in accounting policy related to the accounting for commissions. Please see Appendix A for more details.

SYMANTEC CORPORATION

Revenue and Deferred Revenue Detail (1)

(Dollars in millions, unaudited)

	Three Months Ended	
	September 27, 2013	September 28, 2012
	-----	-----
GAAP Revenue		
Content, subscription, and maintenance	\$ 1,499	\$ 1,498
License	138	201
	-----	-----
Total Revenue	\$ 1,637	\$ 1,699
	-----	-----
GAAP Revenue - Y/Y Growth Rate		
	-----	-----
Content, subscription, and maintenance	0%	3%
License	-31%	-12%
	-----	-----
Total Y/Y Growth Rate	-4%	1%
	-----	-----
GAAP Revenue - Y/Y Growth Rate in Constant Currency		
	-----	-----
Content, subscription, and maintenance	0%	7%
License	-31%	-9%
	-----	-----
Total Y/Y Growth Rate in Constant Currency	-3%	5%
	-----	-----
GAAP Revenue by Segment (2)		
	-----	-----
User Productivity & Protection	\$ 719	\$ 743
Information Security	316	324
Information Management	602	632
	-----	-----
GAAP Revenue by Segment - Y/Y Growth Rate (2)		
	-----	-----
User Productivity & Protection	-3%	-1%
Information Security	-2%	11%
Information Management	-5%	-2%
	-----	-----

GAAP Revenue by Segment - Y/Y Growth Rate in
Constant Currency (2)

	-----	-----
User Productivity & Protection	-2%	3%
Information Security	-1%	14%
Information Management	-6%	2%
	-----	-----

GAAP Revenue by Geography

	-----	-----
International	\$ 848	\$ 873
US	789	826
Americas (U.S., Latin America, Canada)	890	922
EMEA	457	441
Asia Pacific & Japan	290	336
	-----	-----

GAAP Revenue by Geography - Y/Y Growth Rate

	-----	-----
International	-3%	1%
US	-4%	2%
Americas (U.S., Latin America, Canada)	-3%	2%
EMEA	4%	-4%
Asia Pacific & Japan	-14%	6%
	-----	-----

GAAP Revenue by Geography - Y/Y Growth Rate
in Constant Currency

	-----	-----
International	-2%	7%
US	-5%	2%
Americas (U.S., Latin America, Canada)	-4%	2%
EMEA	-1%	7%
Asia Pacific & Japan	-5%	8%
	-----	-----

GAAP Deferred Revenue

	-----	-----
	\$ 3,501	\$ 3,619
	-----	-----

GAAP Deferred Revenue - Y/Y Growth Rate

	-----	-----
	-3%	5%
	-----	-----

GAAP Deferred Revenue - Y/Y Growth Rate in

Constant Currency

	-----	-----
	-3%	5%
	-----	-----

(1) Management refers to growth rates adjusting for currency so that the

business results can be viewed without the impact of fluctuations in foreign currency exchange rates. We compare the percentage change in the results from one period to another period in order to provide a framework for assessing how our underlying businesses performed. To exclude the effects of foreign currency rate fluctuations, current and comparative prior period results for entities reporting in currencies other than **United States** dollars are converted into **United States** dollars at the actual exchange rates in effect during the respective prior periods (or, in the case of deferred revenue, converted into **United States** dollars at the actual exchange rate in effect at the end of the prior period).

(2) This presentation includes revised amounts from a change in segment reporting. Please see Appendix A for more details.

SYMANTEC CORPORATION

Operating Margin by Segment Detail (1) (2)

(Dollars in millions, unaudited)

	Three Months Ended	
	September 27, 2013	September 28, 2012
	-----	-----
Operating Income by Segment		
User Productivity & Protection	\$ 257	\$ 267
Information Security	49	14
Information Management	145	178
	-----	-----
Total Operating Income by Segment	451	459
	-----	-----
Reconciling Items:		
Stock-based compensation	38	45
Amortization of intangible assets	42	91
Restructuring and transition	122	23
Acquisition related expenses	1	3
	-----	-----
Total Consolidated Operating Income	\$ 248	\$ 297
	-----	-----
GAAP Operating Margin by Segment	-----	-----

User Productivity & Protection	36%	36%
Information Security	16%	4%
Information Management	24%	28%

(1) This presentation includes revised amounts from a change in segment reporting. Please see Appendix A for more details.

(2) This presentation includes revised amounts from a change in accounting policy related to the accounting for commissions. Please see Appendix A for more details.

SYMANTEC CORPORATION

Guidance and Reconciliation of GAAP to Non-GAAP Operating Margin and
Earnings Per Share

(Dollars in billions, except per share data, unaudited)

We include certain non-GAAP measures in the tracking and forecasting of our earnings and management of our business. For a detailed explanation of these non-GAAP measures, please see our Explanation of Non-GAAP Measures and Other Items in Appendix A.

Guidance

Year Ended March 28, 2014

Year-Over-Year Growth Rate

Revenue range in constant
currency(1)

(4)% - (3)%

Non-GAAP operating margin
in constant currency (1)

30 bps - 60 bps

Non-GAAP diluted earnings
per share range

(1)% - 1.5%

Revenue Guidance

Three Months Ending December 27, 2013

Year-Over-Year Growth Rate

Constant Currency

	Range	Actual	(1)
GAAP revenue range	\$1.63 - \$1.67	(9)% - (7)%	(8)% - (6)%

Three Months Ending December 27, 2013

	Year-Over-Year Growth Rate		
Operating Margin Guidance and Reconciliation	Range	Actual	Constant Currency (1)
GAAP operating margin	17.0% - 17.6%	0 bps - 60 bps	(8) bps - 52 bps
Add back:			
Stock-based compensation	3.1%		
Amortization of intangible assets, non- cash interest expense and restructuring & transition expenses	5.5%		
Non-GAAP operating margin	25.6% - 26.2%	(30) bps - 30 bps	(35) bps - 25 bps

Three Months Ending December 27, 2013

	Year-Over-Year Growth Rate		
Earnings Per Share Guidance and Reconciliation	Range	Actual	
GAAP diluted earnings per share range	\$0.26 - \$0.28	(16)% - (10)%	
Add back:			
Stock-based compensation, net of taxes	\$0.05		
Amortization of intangible assets, non- cash interest expense			

and restructuring & \$0.10
 transition expenses,
 net of taxes

 Non-GAAP diluted earnings

per share range \$0.41 - \$0.43 (9)% - (4)%

(1) Management refers to growth rates adjusting for currency so that the business results can be viewed without the impact of fluctuations in foreign currency exchange rates. We compare the percentage change in the results from one period to another period in order to provide a framework for assessing how our underlying businesses performed. To exclude the effects of foreign currency rate fluctuations, current and comparative prior period results for entities reporting in currencies other than **United States** dollars are converted into **United States** dollars at the actual exchange rates in effect during the respective prior periods (or, in the case of deferred revenue, converted into **United States** dollars at the actual exchange rate in effect at the end of the prior period).

SYMANTEC CORPORATION

Explanation of Non-GAAP Measures and Other Items

Appendix A

Change in accounting policy: Effective March 30, 2013, we changed our accounting policy for sales commissions that are incremental and directly related to customer sales contracts in which revenue is deferred. These commission costs are accrued and capitalized upon execution of a non-cancelable customer contract, and subsequently expensed over the term of such contract in proportion to the related future revenue streams. For commission costs where revenue is recognized, the related commission costs are recorded in the period of revenue recognition. Prior to this change in accounting policy, commission costs were expensed in the period in which they were incurred. The adoption of this accounting policy change has been applied retrospectively to all periods presented in this document, in which the cumulative effect of the change has been reflected as of the beginning of the first period presented.

Segment reporting: We previously announced our new strategic direction during the fourth quarter of fiscal 2013. As part of the strategy, we made changes to the organization and to performance measurements. During the first quarter of fiscal 2014, we modified our segment reporting structure to more readily match our operating

structure. The historical periods presented have been adjusted to reflect the modified reporting structure, which are now the following:

User Productivity & Protection

Information Security

Information Management

Historically, we reported our Other segment which consisted primarily of sunset products and products nearing the end of their life cycle. As such there was no revenue associated with this segment. Additionally, this Other segment included certain general and administrative expenses, amortization of intangible assets, stock-based compensation expense, restructuring and transition expenses, and certain indirect costs that were not charged to the other operating segments. Effective fiscal 2014, we will allocate all of our shared expenses from this Other segment to the three new segments except for the following reconciling items: stock-based compensation, amortization of intangible assets, restructuring and transition, impairment of intangible assets, impairment of assets held for sale, acquisition/divestiture-related expenses and settlements of litigation.

The non-GAAP financial measures included in the tables adjust for the following items: business combination accounting entries, stock-based compensation expense, restructuring and transition charges, charges related to the amortization of intangible assets, impairments of assets and certain other items. We believe the presentation of these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures, provides meaningful supplemental information regarding the Company's operating performance for the reasons discussed below. Our management uses these non-GAAP financial measures in assessing the Company's operating results, as well as when planning, forecasting and analyzing future periods. We believe that these non-GAAP financial measures also facilitate comparisons of the Company's performance to prior periods and to our peers and that investors benefit from an understanding of these non-GAAP financial measures.

Stock-based compensation: Consists of expenses for employee stock options, restricted stock units, restricted stock awards, performance based awards and our employee stock purchase plan determined in accordance with the authoritative guidance on stock-based compensation. When evaluating the performance of our individual business units and developing short and long term plans, we do not consider stock-based compensation charges. Our management team is held accountable for cash-based compensation, but we believe that management is limited in its ability to project the impact of stock-based compensation and accordingly is not held accountable for its impact on our operating results. Although stock-based compensation

is necessary to attract and retain quality employees, our consideration of stock-based compensation places its primary emphasis on overall shareholder dilution rather than the accounting charges associated with such grants. In addition, for comparability purposes, we believe it is useful to provide a non-GAAP financial measure that excludes stock-based compensation in order to better understand the long-term performance of our core business and to facilitate the comparison of our results to the results of our peer companies. Furthermore, unlike cash-based compensation, the value of stock-based compensation is determined using complex formulas that incorporate factors, such as market volatility, that are beyond our control.

	Three months ended	
	September 27,	September 28,
	2013	2012
Cost of revenue	\$ 4	\$ 4
Sales and marketing	15	17
Research and development	12	13
General and administrative	7	11
	-----	-----
Total stock-based compensation	\$ 38	\$ 45
	=====	=====

Amortization of intangible assets: When conducting internal development of intangible assets, accounting rules require that we expense the costs as incurred. In the case of acquired businesses, however, we are required to allocate a portion of the purchase price to the accounting value assigned to intangible assets acquired and amortize this amount over the estimated useful lives of the acquired intangible assets. The acquired company, in most cases, has itself previously expensed the costs incurred to develop the acquired intangible assets, and the purchase price allocated to these assets is not necessarily reflective of the cost we would incur in developing the intangible asset. We eliminate these amortization charges from our non-GAAP operating results to provide better comparability of pre- and post-acquisition operating results and comparability to results of businesses utilizing internally developed intangible assets.

Restructuring and transition: We have engaged in various restructuring and transition activities over the past several years that have resulted in costs associated with severance, facilities costs, and transition and other related costs. Transition and other

related costs consist of severance costs associated with acquisition integrations in efforts to streamline our business operations, associated with the implementation of a new Enterprise Resource Planning system, and costs related to the outsourcing of certain back office functions. Each restructuring and transition activity has been a discrete event based on a unique set of business objectives or circumstances, and each has differed from the others in terms of its operational implementation, business impact and scope. We do not engage in restructuring or transition activities in the ordinary course of business. While our operations previously benefited from the employees and facilities covered by our various restructuring charges, these employees and facilities have benefited different parts of our business in different ways, and the amount of these charges has varied significantly from period to period. We believe that it is important to understand these charges and, we believe that investors benefit from excluding these charges from our operating results to facilitate a more meaningful evaluation of current operating performance and comparisons to past operating performance.

SYMANTEC CORPORATION

Explanation of Non-GAAP Measures and Other Items

Appendix A (continued)

Acquisition related expenses: The authoritative guidance on business combinations requires us to record in the statement of income, certain items that at the time of an acquisition would have been recorded to goodwill under the old authoritative guidance. We have excluded the effect of acquisition-related expenses from our non-GAAP operating expenses and net income measures. We incurred expenses in connection with our acquisitions, which we generally would not have otherwise incurred in the periods presented as a part of our continuing operations. Acquisition related expenses consist of professional service expenses. We believe it is useful for investors to understand the effects of these items on our operations. Although acquisition-related expenses generally diminish over time with respect to past transactions, we generally will incur these expenses in connection with any future transactions.

Non-cash interest expense: Effective April 4, 2009, we adopted authoritative guidance on convertible debt instruments, which changed the method of accounting for our convertible notes. Under this authoritative guidance, our EPS and net income calculated in accordance with GAAP have been reduced as a result of recognizing incremental non-cash interest expense. We believe it is useful to provide a non-GAAP financial measure that excludes this incremental non-cash interest expense in order to better understand the long-term performance of our core business and to facilitate the comparison of our results to the results of our peer companies.

Gain on sale of short-term investments: This constitutes the gain from the sale of the Company's short-term investments. The Company's management excludes this gain when evaluating its ongoing performance and therefore excludes this gain when presenting non-GAAP financial measures.

Release of pre-acquisition tax contingencies: During the second quarter of fiscal 2013, certain tax accruals related to pre-acquisition contingencies were effectively settled. As a result, we realized benefits to GAAP net income of \$12 million and non-GAAP net income of \$5 million.

The non-GAAP benefit was due to the reversal of accrued interest recorded in our income statement during our post acquisition periods. Accordingly, the amount of this accrual has not been excluded from Symantec's non-GAAP results.

Release of tax contingencies: During the second quarter of fiscal 2014, we realized a GAAP tax benefit of \$33 million for resolution of a tax matter related to the sale of our 49% ownership interest in the joint venture with Huawei during the fourth quarter of fiscal 2012. The related gain on the sale in the fourth quarter of fiscal 2012 was excluded from non-GAAP results and, accordingly, we have excluded the tax benefit from our non-GAAP results.

During the second quarter of fiscal 2014 we settled the Symantec 2005 through 2008 IRS audit. As a result, we realized a non-GAAP benefit of \$24 million related to this settlement.

Change in valuation allowance: As a result of an election made for state income tax purposes, we determined that it is not more-likely-than-not that we will utilize certain of our state tax credit carryforwards based on GAAP income allocated to the state. Accordingly, during the second quarter of fiscal 2013, we recorded a valuation allowance against certain state tax credit carryforwards.

In connection with the settlement of the Symantec 2005 through 2008 IRS audit during the second quarter of fiscal 2014, we reassessed the amount of state tax credits to be utilized to offset the state tax liability for the amended returns. Accordingly, we have increased the valuation allowance for the additional amount of unutilized tax credits.

To enhance consistency and comparability of results across periods, we exclude the impact of these releases of the valuation allowance from our non-GAAP results.

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