Discontinuation of Non-GAAP Revenue and Deferred Revenue

As we mentioned in May, beginning in fiscal 2011 we will discontinue reporting revenue and deferred revenue on a non-GAAP basis. GAAP reporting will make our disclosures more consistent with our peer group. We will continue to report non-GAAP operating margin, net income and earnings per share; however, we will now utilize GAAP revenue in calculating these non-GAAP financial metrics. As a reminder, non-GAAP metrics will continue to exclude certain expense items such as: stock-based compensation, amortization of intangible assets and acquired product rights, amortization of the joint venture's stock-based compensation and intangible assets, non-cash interest expense, restructuring charges, and the tax effect of excluded items.

We have updated our historical compares for fiscal year 2010 and fiscal year 2009 to reflect the discontinuation of non-GAAP revenue and deferred revenue reporting. These updated financials are included in the tables below.

In addition, we would like to remind everyone that in early June we completed our acquisitions of PGP and GuardianEdge. We expect the acquisitions to contribute approximately $55 - $60 million to GAAP revenue during the ten months of operation in fiscal year 2011, assuming we maintain VSOE for PGP. We expect revenue to ramp throughout the year with the June quarter accounting for less than $5 million. We expect the acquisitions to be 2 cents dilutive to non-GAAP EPS for fiscal year 2011. We expect one half of a cent of dilution in the June quarter, one cent of dilution in the September quarter and another half cent of dilution in the December quarter.

We would like to encourage everyone to update their historical numbers and fiscal year 2011 estimates in order to have the appropriate comparisons. Also, please update your revised estimates with the various consensus agencies such as First Call.

If you have any questions, please feel free to contact anyone on the Investor Relations team for assistance: (650) 527-5523 or hcorcos@symantec.com

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SYMANTEC CORPORATION

Trended Reconciliation of GAAP to Non-GAAP Statements of Operations (1, 2)

(In millions, except per share data, Unaudited)

	FY2010					FY2009*				
	YE10	**Q4**	**Q3****	**Q2****	**Q1****	**YE09**	**Q4**	**Q3**	**Q2**	**Q1**
GAAP										
Net revenue	$ 5,985	$ 1,531	$ 1,548	$ 1,474	$ 1,432	$ 6,150	$ 1,468	$ 1,514	$ 1,518	$ 1,650
Cost of revenue	1,105	276	258	259	312	1,227	307	299	309	312
Gross profit	4,880	1,255	1,290	1,215	1,120	4,923	1,161	1,215	1,209	1,338
Operating expenses										
Sales and marketing	2,367	597	635	576	559	2,386	545	581	597	663
Research and development	857	216	210	210	221	870	225	194	219	232
General and administrative	352	87	92	84	89	343	82	83	85	93
Amortization of other purchased intangible assets	247	61	61	63	62	233	62	60	56	55
Restructuring	94	30	5	25	34	96	23	47	9	17
Impairment of goodwill	-	-	-	-	-	7,419	413	7,006	-	-
Loss and impairment of assets held for sale	30	17	10	-	3	46	3	17	26	-
Total operating expenses	3,947	1,008	1,013	958	968	11,393	1,353	7,988	992	1,060
Operating income (loss)	933	247	277	257	152	(6,470)	(192)	(6,773)	217	278
Non-operating income (expense)										
Interest income	6	2	1	1	2	37	2	5	12	18
Interest expense	(129)	(33)	(33)	(31)	(32)	(125)	(31)	(31)	(30)	(33)
Other income (expense), net	55	3	44	2	6	8	-	17	(9)	-
Total non-operating income (expense)	(68)	(28)	12	(28)	(24)	(80)	(29)	(9)	(27)	(15)
Income (loss) before income taxes and loss from joint venture	865	219	289	229	128	(6,550)	(221)	(6,782)	190	263
Provision for income taxes	112	23	(21)	68	42	183	23	22	53	85
Loss from joint venture	39	12	9	6	12	53	20	16	11	6
Net income (loss)	$ 714	$ 184	$ 301	$ 155	$ 74	$ (6,786)	$ (264)	$ (6,820)	$ 126	$ 172
Reconciliation of Non-GAAP Adjustments										
Cost of revenue										
Stock-based compensation	$ 16	$ 3	$ 4	$ 4	$ 5	$ 14	$ 3	$ 3	$ 4	$ 4
Amortization of acquired product rights	233	44	44	47	98	353	91	90	87	85
Total cost of revenue adjustment	249	47	48	51	103	367	94	93	91	89
Operating expenses										
Stock-based compensation	139	28	35	32	44	143	31	31	40	41
Amortization of other intangible assets	247	61	61	62	63	233	61	60	56	55
Restructuring	94	30	5	25	34	96	23	47	9	17
Impairment of goodwill	-	-	-	-	-	7,419	413	7,006	-	-
Loss and impairment of assets held for sale	30	17	10	-	3	45	3	17	26	-
Patent settlement	-	-	-	-	-	(10)	-	(10)	-	-
Total operating expense adjustment	510	136	111	119	144	7,926	531	7,151	131	113
Net income (loss)										
Gross profit adjustment	249	47	48	51	103	367	94	93	91	89
Operating expense adjustment	510	136	111	119	144	7,926	531	7,151	131	113
Net (gain) on legal entity liquidations	(43)	-	(43)	-	-	-	-	-	-	-
Non-cash interest expense	105	27	27	26	25	98	25	25	24	24
Gain on sale of assets	(4)	-	-	-	(4)	-	-	-	-	-
Settlements of litigation	-	-	-	-	-	3	-	1	2	-
Impairment of marketable securities	-	-	-	-	-	4	4	-	-	-
Joint venture: Amortization of other intangible assets,										
stock-based compensation	8	2	2	2	2	7	2	2	2	1
Income tax effect on above items	(246)	(71)	(50)	(58)	(67)	(336)	(90)	(119)	(67)	(60)
Tax related adjustments:	-	-								
Release of pre-acquisition tax contingencies	(62)	-	(62)	-	-	-	-	-	-	-
Release of valuation allowance	(11)	(2)	(9)	-	-	-	-	-	-	-
Total net income (loss) adjustment	$ 506	$ 139	$ 24	$ 140	$ 203	$ 8,069	$ 566	$ 7,153	$ 183	$ 167
Non-GAAP										
Net revenue	$ 5,985	$ 1,531	$ 1,548	$ 1,474	$ 1,432	$ 6,150	$ 1,468	$ 1,514	$ 1,518	$ 1,650
Cost of revenue	856	229	210	208	209	860	213	206	218	223
Gross profit	5,129	1,302	1,338	1,266	1,223	5,290	1,255	1,308	1,300	1,427
Operating expenses										
Sales and marketing	2,308	586	619	563	540	2,320	532	566	578	644
Research and development	804	205	197	198	204	831	213	194	205	219
General and administrative	325	81	86	78	80	316	77	77	78	84
Total operating expenses	3,437	872	902	839	824	3,467	822	837	861	947
Operating income	1,692	430	436	427	399	1,823	433	471	439	480
Non-operating income (expense)										
Interest income	6	2	1	1	2	37	2	5	12	18
Interest expense	(24)	(6)	(6)	(5)	(7)	(27)	(6)	(6)	(6)	(9)
Other income (expense)	8	3	1	2	2	15	4	18	(7)	-
Total non-operating income (expense)	(10)	(1)	(4)	(2)	(3)	25	-	17	(1)	9
Income before income taxes and loss from joint venture	1,682	429	432	425	396	1,848	433	488	438	489
Provision for income taxes	431	96	100	126	109	519	113	141	120	145
Loss from joint venture	31	10	7	4	10	46	18	14	9	5
Net income	$ 1,220	$ 323	$ 325	$ 295	$ 277	$ 1,283	$ 302	$ 333	$ 309	$ 339
Shares										
Diluted GAAP weighted-average shares outstanding	819	812	819	819	827	831	819	827	852	854
Diluted Non-GAAP weighted-average shares outstanding	819	812	819	819	827	842	828	834	852	854
Reconciliation of Net Income (Loss) per Share										
GAAP net income (loss) per share	$ 0.87	$ 0.23	$ 0.37	$ 0.19	$ 0.09	$ (8.17)	$ (0.32)	$ (8.25)	$ 0.15	$ 0.20
Stock-based compensation adjustment per share, net of tax	$ 0.11	$ 0.02	$ 0.03	$ 0.03	$ 0.04	$ 0.13	$ 0.03	$ 0.03	$ 0.04	$ 0.04
Other non-GAAP adjustments per share, net of tax	$ 0.51	$ 0.15	$ 0.00	$ 0.14	$ 0.20	$ 9.56	$ 0.65	$ 8.62	$ 0.17	$ 0.16
Non-GAAP net income per share	$ 1.49	$ 0.40	$ 0.40	$ 0.36	$ 0.33	$ 1.52	$ 0.36	$ 0.40	$ 0.36	$ 0.40

* As adjusted for the retrospective adoption of new authoritative guidance on convertible debt instruments.

** As adjusted for the adoption of new authoritative guidance on revenue recognition. Our joint venture adopted the guidance during its period ended December 31, 2009 which was applied to the beginning of its fiscal year.

(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 in Appendix A.

(2) The sum of the quarterly financial information may vary from year-to-date financial information due to rounding.

SYMANTEC CORPORATION

Trended Revenue and Deferred Revenue Detail (1, 2, 3)

(In millions, Unaudited)

	FY2010					FY2009				
	YTD'10	Q4'10	Q3'10	Q2'10	Q1'10	FY2009	Q4'09	Q3'09	Q2'09	Q1'09
GAAP Revenue										
Content, subscription, and maintenance	$5,034	$1,279	$1,292	$1,254	$1,209	$4,863	$1,194	$1,197	$1,181	$1,291
License	951	252	256	220	223	1,287	$274	$317	$337	$359
Total revenue	$5,985	$1,531	$1,548	$1,474	$1,432	$6,150	$1,468	$1,514	$1,518	$1,650
Y/Y Growth Rate										
Content, subscription, and maintenance	4%	7%	8%	6%	-6%	7%	0%	3%	6%	19%
License	-26%	-8%	-19%	-35%	-38%	-2%	-21%	-9%	12%	14%
Total Y/Y Growth Rate	-3%	4%	2%	-3%	-13%	5%	-5%	0%	7%	18%
Y/Y Growth Rate in Constant Currency										
Content, subscription, and maintenance	3%	4%	4%	7%	-2%	6%	6%	6%	2%	12%
License	-27%	-11%	-23%	-34%	-34%	-2%	-16%	-5%	7%	7%
Total Y/Y Growth Rate in Constant Currency	-3%	2%	-2%	-2%	-9%	5%	1%	4%	3%	11%
GAAP Revenue by Segment										
Consumer	$1,871	$483	$478	$463	$447	$1,773	$432	$432	$437	$472
Security and Compliance	1,411	361	369	345	336	1,450	348	354	355	393
Storage and Server Management	2,287	577	594	563	553	2,493	586	621	621	665
Services	416	110	107	103	96	433	102	107	104	120
Other	-	-	-	-	-	1	0	0	1	0
GAAP Revenue by Segment: Y/Y Growth Rate										
Consumer	6%	12%	11%	6%	-5%	2%	-4%	-2%	1%	11%
Security and Compliance	-3%	4%	4%	-3%	-15%	1%	-8%	-3%	1%	12%
Storage and Server Management	-8%	-2%	-4%	-9%	-17%	8%	-3%	2%	13%	22%
Services	-4%	8%	0%	-1%	-20%	14%	-4%	4%	17%	45%
Other	*	*	*	*	*	*	*	*	*	*
GAAP Revenue by Segment: Y/Y Growth Rate in Constant Currency										
Consumer	5%	9%	6%	7%	-1%	1%	2%	2%	-3%	4%
Security and Compliance	-3%	1%	0%	-2%	-10%	1%	-1%	2%	-2%	6%
Storage and Server Management	-9%	-4%	-8%	-8%	-13%	8%	2%	5%	10%	15%
Services	-4%	6%	-5%	0%	-15%	14%	1%	9%	15%	36%
Other	*	*	*	*	*	*	*	*	*	*
GAAP Revenue by Geography										
International	$3,018	$765	$790	$747	$716	$3,126	$738	$760	$763	$865
US	2,967	766	758	727	716	3,024	730	754	755	785
Americas (US, Latin America, Canada)	3,241	842	824	791	784	3,316	805	828	822	861
EMEA	1,838	461	487	457	433	1,958	446	474	480	558
Asia Pacific & Japan	906	228	237	226	215	876	217	212	216	231
GAAP Revenue by Geography: Y/Y Growth Rate										
International	-3%	4%	4%	-2%	-17%	2%	-9%	-6%	6%	20%
US	-2%	5%	1%	-4%	-9%	7%	0%	6%	8%	15%
Americas (US, Latin America, Canada)	-2%	5%	0%	-4%	-9%	7%	1%	6%	7%	15%
EMEA	-6%	3%	3%	-5%	-22%	0%	-14%	-10%	4%	22%
Asia Pacific & Japan	3%	5%	12%	5%	-7%	7%	-1%	1%	11%	21%
GAAP Revenue by Geography: Y/Y Growth Rate in Constant Currency										
International	-4%	-2%	-4%	0%	-9%	2%	2%	1%	-2%	6%
US	-2%	5%	1%	-3%	-9%	8%	0%	7%	9%	15%
Americas (US, Latin America, Canada)	-2%	5%	-1%	-4%	-9%	7%	1%	6%	8%	15%
EMEA	-6%	-2%	-8%	-1%	-11%	0%	0%	0%	-4%	5%
Asia Pacific & Japan	1%	-1%	6%	2%	-3%	4%	4%	3%	3%	8%
Deferred Revenue	$3,206	$3,206	$3,049	$2,905	$2,973	$3,063	$3,063	$2,918	$2,713	$3,012
Y/Y Growth Rate	5%	5%	4%	7%	-1%	0%	0%	1%	4%	13%
Y/Y Growth Rate in Constant Currency	4%	4%	3%	4%	3%	6%	6%	3%	5%	6%

* Percentage not meaningful

(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 (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) The sum of the quarterly financial information may vary from year-to-date financial information due to rounding.

(3) During the first quarter of fiscal 2010, we modified our segment reporting structure to more readily match our operating structure. See Appendix A for further details.

SYMANTEC CORPORATION
Explanation of Non-GAAP Measures
Appendix A

The non-GAAP financial measures included in the tables adjust for the following items: business combination accounting entries, stock-based compensation expense, restructuring charges, charges related to the amortization of intangible assets and acquired product rights, 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 and our employee stock purchase plan determined in accordance with the authoritative guidance on stock 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-base

	Three months ended		Year ended	
	April 2, 2010	April 3, 2009	April 2, 2010	April 3, 2009
Cost of revenues	$ 3	$ 3	$ 16	$ 14
Sales and marketing	11	14	59	66
Research and development	11	11	53	49
General and administrative	6	6	27	28
Total stock-based compensation	$ 31	$ 34	$ 155	$ 157

Amortization of acquired product rights and other 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 intangibles. 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: We have engaged in various restructuring activities over the past several years that have resulted in costs associated with severance, benefits, outplacement services, and excess facilities. Each restructuring 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 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; however, we do not believe that these charges are indicative of future operating results and that investors benefit from an understanding of our operating results without giving effect to them.

Impairment of goodwill: During the December 2008 quarter, given the economic environment and a decline in our market capitalization, we concluded there were sufficient indicators to require us to perform an interim goodwill and other intangibles impairment analysis. In the December 2008 quarter, we recorded a $7.0 billion goodwill impairment charge, reflecting our best estimate of the goodwill impairment charge. We finalized our goodwill and other intangible impairment analysis during the fourth quarter of fiscal 2009 and recorded an additional $413 million impairment charge.

Loss and impairment of assets held for sale: We have committed to sell certain buildings and land. We have classified these assets as held for sale and adjusted the assets' carrying value when above the fair market value less cost to sell. During the three months ended January 1, 2010, we sold a property for $42 million, which resulted in a loss of $10 million. We do not believe that these charges are indicative of future operating results and believe that investors benefit from an understanding of our operating results without giving effect to them.

Net gain on legal liquidation of foreign entities: These items are the result of currency translation adjustments on the liquidation of dormant entities. We exclude the impact of these items because they are not closely related to, or a function of, our ongoing operations.

Non-cash interest expense: Effective April 4, 2009, we adopted new authoritative guidance on convertible debt instruments, which changes the method of accounting for our convertible notes. Under this new authoritative guidance, our EPS and net income calculated in accordance with GAAP will be 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.

SYMANTEC CORPORATION
Explanation of Non-GAAP Measures
Appendix A (continued)

Gain on sale of assets: We exclude these items because they are unique one-time occurrences that are not closely related to, or a function of, our ongoing operations.

Patent settlement/settlements of litigation: From time to time we are party to legal settlements. We exclude the impact of these settlements because we do not consider these settlements to be part of the ongoing operation of our business and because of the singular nature of the claims underlying the matter.

Impairment of marketable securities: This constitutes the "other than temporary" decline in the fair value of the Company's available-for-sale securities. The Company's management excludes this loss when evaluating its ongoing performance and/or predicting its earnings trends, and therefore excludes this loss when presenting non-GAAP financial measures.

Joint venture: Consistent with the reasons discussed above, we exclude stock-based compensation charges and amortization of other intangible assets related to the joint venture from our non-GAAP net income.

Release of pre-acquisition tax contingencies: New authoritative guidance on business combinations requires us to record, into the statement of operations, certain items that were originally recorded to goodwill at the time of an acquisition. Our evaluation of the U.S. Tax Court's ruling on December 10, 2009, regarding the Veritas Software tax assessment for 2000 and 2001, necessitated this type of adjustment. For the year ended April 2, 2010, we released certain tax accruals that were originally recorded to goodwill at the time of our July 2005 acquisition of Veritas. To enhance consistency and comparability of results across periods, we exclude the impact of the release of these accruals from our Non-GAAP results for the year ended April 2, 2010. However, approximately $16.5 million of accruals that were released for the year ended April 2, 2010 represent interest accruals attributed to the Veritas tax assessment that have been recorded to our income statement during post-acquisition periods. Accordingly, the amount of these accruals has not been excluded from Symantec's Non-GAAP results.

Release of valuation allowance: Due to the current year use and an acceleration of our Irish net operating losses ("NOLs"), we have released a portion of the tax valuation allowance that was originally recorded against these NOLs in relation to the impairment of goodwill that we recorded solely to our GAAP results during the three months ended January 2, 2009. To enhance consistency and comparability of results across periods, we exclude the impact of the release of the valuation allowance from our Non-GAAP results for the year ended April 2, 2010.

Segment reporting: During the first quarter of fiscal year 2010, the company modified its segment reporting structure to more readily match its operating structure. The following modifications were made to the segment reporting structure: Enterprise Vault products were moved to the Storage and Server Management segment from the Security and Compliance segment; and the Software-as-a-Service (SaaS) offerings were moved to either the Security and Compliance or the Storage and Server Management segment from the Services segment based on the nature of the service delivered. The predominant amount of SaaS revenue went to the Security and Compliance segment. The historical periods have been adjusted to reflect the modified reporting structure.