SYMANTEC CORPORATION

Third Fiscal Quarter 2011 Supplemental Information ^(1, 2) (In millions, except per share data, unaudited)

	Q3'11	Q3'10	Y/Y Growth	Y/Y Growth in Constant Currency	% Mix of Q3'11 Revenue
Revenue and Earnings Results			11		
GAAP Revenue	\$1,604	\$1,548	4%	5%	_
Diluted non-GAAP EPS	\$0.35	\$0.40	-13%	N/A	
Diluted GAAP EPS	\$0.17	\$0.37	-54%	N/A	
Revenue by Segment - GAAP					
Security and Compliance	\$417	\$369	13%	14%	26%
Storage and Server Management	\$600	\$594	1%	3%	37%
Services	\$89	\$107	-17%	-15%	6%
Total Enterprise:	\$1,106	\$1,070	3%	5%	69%
Consumer	\$498	\$478	4%	5%	31%
Revenue by Geography - GAAP					
International	\$837	\$790	6%	9%	52%
U.S.	\$767	\$758	1%	1%	48%
Americas (U.S., Latin America, Canada)	\$862	\$824	5%	5%	54%
EMEA	\$471	\$487	-3%	5%	29%
Asia Pacific & Japan	\$271	\$237	14%	8%	17%
Expenses and Profitability - Non-GAAP					
Gross margin	85.3%	86.4%	-110 bps	-90 bps	
Operating expenses	\$990	\$902	10%	10%	
Operating expenses as a % of revenue	61.7%	58.3%	340 bps	273 bps	
Operating income	\$379	\$436	-13%	-8%	_
Operating margin	23.6%	28.2%	-460 bps	-363 bps	_
Net income	\$272	\$325	-16%	N/A	_
Fully diluted shares outstanding	778	819	-5%		
Balance Sheet & Cash Flow Metrics					
Cash and cash equivalents (including short-term investments)	\$2,452	\$2,611	-6%		
DSO	55 days	53 days	N/A		
GAAP Deferred revenue	\$3,408	\$3,049	12%	12%	
Cash flow from operating activities	\$460	\$393	17%		
Purchase of property and equipment	\$69	\$41	68%		
Proceeds from sale of property and equipment	\$30	\$42	N/A		
	1F.C	6.0	NI/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 in Appendix A. For a detailed reconciliation of these non-GAAP measures, please see the attached Trended Reconciliations.

6.8

15.6

Stock repurchase - number of shares

N/A

⁽²⁾ Beginning in fiscal 2011, we discontinued reporting revenue and deferred revenue on a non-GAAP basis. We continue to report non-GAAP gross margin, operating margin, net income and earnings per share, however, we now utilize GAAP revenue in calculating these non-GAAP financial metrics.

${\bf SYMANTEC\ CORPORATION} \\ {\bf Trended\ Reconciliation\ of\ GAAP\ to\ Non-GAAP\ Statements\ of\ Income}^{\ (1,\ 2)}$

(In millions, except per share data, unaudited)

	E		FY20						Y2010						FY2009*			
GAAP		Q3	Q2		Q1	YE10	Q4		Q3**	Q2**	Q1 [*]	*	YE09	Q4	Q3	Q:	2	Q1
Net revenue	\$	1,604	\$ 1,4	80 \$	1,433	\$ 5,985	\$ 1,5	31 \$	1,548	\$ 1,474	\$ 1,	432 \$		1,468	\$ 1,514	\$ 1	,518 \$	1,650
Cost of revenue		264		46	265	1,105		76	258	259		312	1,227	307	299		309	312
Gross profit		1,340	1,2	34	1,168	4,880	1,2	55	1,290	1,215	1,	120	4,923	1,161	1,215	1	,209	1,338
Operating expenses		=0.4					_								===			
Sales and marketing Research and development		704 220		12 08	573 208	2,367 857	5	16	635 210	576 210		559 221	2,386 870	545 225	581 194		597 219	663 232
General and administrative		97		00	92	352		37	92	84		89	343	82	83		85	93
Amortization of other purchased intangible assets		70		67	61	247		61	61	63		62	233	62	60		56	55
Restructuring and transformation		20		28	40	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 Total operating expenses		1,111	1,0	16	974	30	1,0	17 18	10 1,013	958		3 968	46 11,393	1,353	7,988		26 992	1,060
Operating income (loss)		229		18	194	933		47	277	257		152	(6,470)	(192)	(6,773)		217	278
Non-operating income (expense)		223		10	134	333	-	**	211	251		132	(0,470)	(132)	(0,773)		217	210
Interest income		3		2	2	6		2	1	1		2	37	2	5		12	18
Interest expense		(37)	(36)	(33)	(129)	(33)	(33)	(31)	(32)	(125)	(31)	(31)		(30)	(33
Other (expense) income, net		(18)		14	1	55		3	44	2		6	8	-	17		(9)	-
Loss on early extinguishment of debt		-		16)	-	-	-		-	-		-	-	-	- (-)		-	-
Total non-operating (expense) income	-	(52)		36)	(30)	(68)		28)	12	(28	_	(24)	(80)	(29)	(9)		(27)	(1
Income (loss) before income taxes and loss from joint venture		177		82	164	865		19	289	229		128	(6,550)	(221)	(6,782)		190	26
Provision (Benefit) for income taxes Loss from joint venture		35 10		44	(4)	112 39		23 12	(21) 9	68 6		42 12	183 53	23 20	22 16		53 11	8
	•		¢ 1		- 1											œ.		17:
Net income (loss) Less: Loss attributable to noncontrolling interest	\$	132	\$ 1	34 \$	161	\$ 714 -	\$ 1	84 \$	301	\$ 155 -	\$	74 \$	\$ (6,786) \$	(264)	\$ (6,820)	\$	126 \$	17
Net income (loss) attributable to Symantec Corporation stockholders	\$	132	\$ 1	36 \$	161	\$ 714	\$ 1	34 \$	301	\$ 155	\$	74 9	(6,786) \$	(264)	\$ (6,820)	\$	126 \$	17
		102	۱ پ	I W	.01	, ,,,,	ιΨ '	μΨ	501	- 100	۱ ۳	4	(ο,. οο) ψ	(204)	, 4 (0,020)	, *	v Ψ	
Reconciliation of Non-GAAP Adjustments Cost of revenue	\top																	
Stock-based compensation		5		4 \$		\$ 16	\$	3 \$		\$ 4		5 \$		3	\$ 3	\$	4 \$	4
Amortization of acquired product rights	<u> </u>	24		23 27	45	233		44 47	44 48	47		98	353	91 94	90		87	8
Total cost of revenue adjustment	-	29		۷1	49	249		+/	48	51	+	103	367	94	93		91	89
Operating expenses Stock-based compensation		32		32	31	139	1	28	35	32		44	142	30	31		40	4
Amortization of other intangible assets		70		67	61	247		20 61	61	62		63	233	62	60		56	5
Restructuring and transformation		20		28	40	94		30	5	25		34	96	23	47		9	17
Impairment of goodwill		-	-		- 1	-	-		-	-		-	7,419	413	7,006		-	-
Loss and impairment of assets held for sale				1	-	30		17	10	-		3	46	3	17		26	-
Acquisition-related expense		(1)		9	5	-	-		-	-		-	-	-	-		-	-
Internally developed software costs Patent settlement		-	(10)	-	-	-		-	-		-	(10)	-	(10)		-	-
Total operating expense adjustment		121	1	27	137	510	1	36	111	119		144	7,926	531	7,151		131	113
Net income (loss)				-									.,		.,			
Gross profit adjustment		29		27	49	249		47	48	51		103	367	94	93		91	89
Operating expense adjustment		121	1	27	137	510	1	36	111	119	1	144	7,926	531	7,151		131	113
Net loss (gain) on legal liquidations of foreign entities		21	-			(43)	-		(43)	-					-			٠.
Non-cash interest expense		21		27	27	105		27	27	26	i	25	98	25	25		24	24
Gain on sale of assets Settlements of litigation					- :	(4)						- (4)	3		- 1		2	- 1
Impairment of marketable securities		-	_			-	-		-	-		-	4	4			-	
Loss on early extinguishment of debt		-		16	-	-	-		-	-		-	- 1	- '	-		-	-
Gain on sale of marketable securities		-	(13)	-	-	-		-	-		-	-	-	-		-	-
Joint venture: Amortization of other intangible assets		2		2	2	8	١,	2	2	2		2	7	2	2		2	
Income tax effect on above items Tax related adjustments:		(54)	(56)	(60)	(246)	(71)	(50)	(58)	(67)	(336)	(90)	(119)		(67)	(60
Release of pre-acquisition tax contingencies			_		(32)	(62)			(62)	_			-	-	-		-	
Release of valuation allowance		-	-		-	(11)		(2)	(9)	-		-	-	-	-		-	-
Total net income (loss) adjustment	\$	140	\$ 1	30 \$	123	\$ 506	\$ 1	39 \$	24	\$ 140	\$	203	8,069 \$	566	\$ 7,153	\$	183 \$	167
Non-GAAP		1.604	4.4	00 6	1 422	¢ = 00=	¢ 15	24 6	1 5 4 0	ė 4 474	6 1	422 4	C 450 C	1 460	¢ 4.544	¢ 1	E40 6	1.05
Net revenue Cost of revenue		1,604 235	1,4	80 \$ 19	1,433 216	\$ 5,985 856	\$ 1,5	31 \$ 29	1,548 210	\$ 1,474 208		432 \$ 209	6,150 \$ 860	1,468 213	\$ 1,514 206		,518 \$ 218	1,650 223
Gross profit		1,369	1,2		1,217	5,129	1,3		1,338	1,266		209	5,290	1,255	1,308		,300	1,42
Operating expenses			"				"			, , , , ,	"							, -
Sales and marketing		689		97	559	2,308	5	36	619	563		540	2,320	532	566		578	64
Research and development		209		07	198	804		05	197	198		204	831	213	194		205	21
General and administrative	-	92		85	80	325		31	86	78		80	316	77	77		78	8
Total operating expenses	-	990		89	837	3,437		72	902	839		824	3,467	822	837		861	94
Operating income		379	3	72	380	1,692	4	30	436	427		399	1,823	433	471		439	48
Non-operating income (expense) Interest income		3		2	2	6	1	2	1	1		2	37	2	5		12	1
Interest income Interest expense		(16)		(9)	(6)	(24)	1	(6)	(6)	(5)	(7)	(27)	(6)	(6)		(6)	(1
Other income (expense)		3	L	1	1	8		3	1	2		2	15	4	18		(7)	
Total non-operating income (expense)		(10)		(6)	(3)	(10)		(1)	(4)	(2		(3)	25	-	17		(1)	
Income before income taxes and loss from joint venture		369		66	377	1,682		29	432	425		396	1,848	433	488		438	48
Provision for income taxes		89	1	00	88	431		96	100	126		109	519	113	141		120	14
Loss from joint venture		8		2	5	31		10	7	4		10	46	18	14		9	
Net income	\$	272	\$ 2	64 \$	284	\$ 1,220	\$ 3	23 \$	325	\$ 295	\$	277	\$ 1,283 \$	302	\$ 333	\$	309 \$	33
Less: Loss attributable to noncontrolling interest Net income attributable to Symantec Corporation stockholders	\$	272	\$ 2	(2) 66 \$	284	\$ 1,220	\$ 3	23 \$	325	\$ 295	\$	277 \$	1,283 \$	302	\$ 333	¢	309 \$	33
net moone attributable to symantee corporation stockholders	υ	212	∠ پ	ပပ _ြ စ	404	υ 1,220	_Ι ψ 3	_J Þ	320	ψ <u>2</u> 90		_	, 1,200 Þ	302	, ψ ააა <u>ა</u>	Ψ	202 \$	33
a.																		
	\neg			1			l .	[1	I		819	827		852	85
Diluted GAAP weighted-average shares outstanding attributable to		77♀		786	805	810		3121	210	210	1	827 I	831				JU2	00
Diluted GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders	T	778		786	805	819		312	819	819		827	831	019	021			
Diluted GAAP weighted-average shares outstanding attributable to		778 778		786 786	805 805	819 819		312	819 819	819 819		827	831 842	828	834		852	85
Symantec Corporation stockholders Diluted Non-GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders																	852	85
Diluted GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders Diluted Non-GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders Reconciliation of Net Income (Loss) per Share																	852	85
Diluted GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders Diluted Non-GAAP weighted-average shares outstanding attributable to	\$			786	805	819		312	819	819		827	842	828	834			0.2
Diluted GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders Diluted Non-GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders Reconciliation of Net Income (Loss) per Share GAAP net income (loss) per share attributable to Symantec	\$	778	\$ 0.	786	0.20			23 \$	0.37	819	\$ (842	(0.32)	834	\$	852 0.15 \$ 0.04 \$	0.2
Diluted GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders Diluted Non-GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders Reconciliation of Net Income (Loss) per Share GAAP net income (loss) per share attributable to Symantec Corporation stockholders Stock-based compensation adjustment per share, net of tax Other non-GAAP adjustments per share, net of tax		0.17	\$ 0. \$ 0.	17 \$	0.20 0.03	\$ 0.87	\$ 0.	312 23 \$ 02 \$	0.37 0.03	819 \$ 0.19	\$ (\$	0.09	842 \$ (8.17) \$ \$ 0.13 \$	(0.32) 0.03	\$ (8.25)	\$	0.15 \$	0.2
Diluted GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders Diluted Non-GAAP weighted-average shares outstanding attributable to Symantec Corporation stockholders Reconciliation of Net Income (Loss) per Share GAAP net income (loss) per share attributable to Symantec Corporation stockholders	\$	0.17 0.03 0.15	\$ 0. \$ 0.	786 17 \$ 03 \$ 14 \$	0.20 0.03	\$ 0.87 \$ 0.11 \$ 0.51	\$ 0. \$ 0. \$ 0.	312 23 \$ 02 \$	0.37 0.03 0.00	\$ 0.19 \$ 0.03	\$ (0	0.09 \$	842 8 (8.17) \$ 9.56 \$	(0.32) 0.03 0.65	\$ (8.25) \$ 0.03 \$ 8.62	\$ \$ \$	0.15 \$ 0.04 \$	0.2

Corporation stockholders \$ 0.35 \$ 0.34 \$ 0.35 \$ 1.49 \$
*As adjusted for the retrospective adoption of new authoritative guidance on convertible debt instruments during the first quarter of fiscal 2010.

^{**} 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 2009.

⁽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⁾ Beginning in fiscal 2011, we discontinued reporting revenue and deferred revenue on a non-GAAP basis. We continue to report non-GAAP gross margin, operating margin, net income and earnings per share, however, we now utilize GAAP revenue in calculating these non-GAAP financial metrics.

SYMANTEC CORPORATION

Trended Revenue and Deferred Revenue Detail (1, 2)

(In millions, except large transactions count and headcount, unaudited)

		FY2011				FY2010					FY2009		
	Q3	Q2	Q1	YE10	Q4	Q3	Q2	Q1	YE09	Q4	Q3	Q2	Q1
GAAP Revenue													
Content, subscription, and maintenance	\$ 1,355	\$ 1,270	\$ 1,248					\$ 1,209 \$		\$ 1,194	\$ 1,197 \$	1,181 \$	1,291
License Total revenue	\$ 1,604	210 \$ 1,480	185 \$ 1,433	951 \$ 5,985	252 \$ 1,531	256 \$ 1,548	\$ 1,474	223 \$ 1,432 \$	1,287 6,150	274 \$ 1,468	\$ 1,514 \$	337 1,518 \$	359 1,650
GAAP Revenue Y/Y Growth Rate	1 4 .,	¥ 1,100	1 4 1,100	4 0,000	+ 1,001	,,,,,,,	• .,	+ 1,102	0,100	.,	Ţ :,;=:: Ţ	.,	
Content, subscription, and maintenance	5%	1%	3%	4%	7%	8%	6%	-6%	7%	0%	3%	6%	19%
License	-3%	-5%	-17%	-26%	-8%	-19%	-35%	-38%	-2%	-21%	-9%	12%	14%
Total Y/Y Growth Rate	4%	0%	0%	-3%	4%	2%	-3%	-13%	5%	-5%	0%	7%	18%
GAAP Revenue Y/Y Growth Rate in Constant Curren													
Content, subscription, and maintenance	6% -1%	3% -2%	5% -15%	3% -27%	4% -11%	4% -23%	7% -34%	-2% -34%	6% -2%	6% -16%	6% -5%	2% 7%	12%
License Total Y/Y Growth Rate in Constant Currency	5%	2%	-15% 2%	-21%	2%	-23% -2%	-34%	-34%	-2% 5%	1%	-5% 4%	3%	7% 11%
		_,,		0,10	_,,,	_,,	_,,,	0,70	0,0	.,,		5,0	
GAAP Revenue by Segment													
Consumer	\$ 498	\$ 468	\$ 473		\$ 483 361	\$ 478 369	\$ 463 345	\$ 447 \$		\$ 432	\$ 432 \$	437 \$ 355	472
Security and Compliance Storage and Server Management	417 600	363 557	340 524	1,411 2,287	577	594	563	336 553	1,450 2,493	348 586	354 621	621	393 665
Services	89	92	96	416	110	107	103	96	433	102	107	104	120
GAAP Revenue by Segment: Y/Y Growth Rate									-				
Consumer	4%	3% ⁽³	6%	6%	12%	11%	6%	-5%	2%	-4%	-2%	1%	11%
Security and Compliance	13%	5%	1%	-3%	4%	4%	-3%	-15%	1%	-8%	-3%	1%	12%
Storage and Server Management	1%	-1%	-5%	-8%	-2%	-4%	-9%	-17%	8%	-3%	2%	13%	22%
Services	-17%	-11%	0%	-4%	8%	0%	-1%	-20%	14%	-4%	4%	17%	45%
GAAP Revenue by Segment: Y/Y Growth Rate in Cor			1 -01	50/	201	00/	70/	40/	40/	201	994	201	40/
Consumer Security and Compliance	5% 14%	5% ⁽³ 7%	7% 2%	5% -3%	9% 1%	6% 0%	7% -2%	-1% -10%	1% 1%	2% -1%	2% 2%	-3% -2%	4% 6%
Storage and Server Management	3%	1%	-3%	-9%	-4%	-8%	-8%	-13%	8%	2%	5%	10%	15%
Services	-15%	-9%	2%	-4%	6%	-5%	0%	-15%	14%	1%	9%	15%	36%
GAAP Revenue by Geography	A 007	A 744	T + 744	¢ 0.040	A 705	¢ 700	A 747	A 740 A	0.400	r 700	¢ 700 k	700 6	005
International US	\$ 837 767	\$ 741 739	\$ 711 722	\$ 3,018 2,967	\$ 765 766	\$ 790 758	\$ 747 727	\$ 716 \$ 716	3,126 3,024	\$ 738 730	\$ 760 \$ 754	763 \$ 755	865 785
Americas (US, Latin America, Canada)	862	815	796	3,241	842	824	791	784	3,316	805	828	822	861
EMEA	471	414	408	1,838	461	487	457	433	1,958	446	474	480	558
Asia Pacific & Japan	271	251	229	906	228	237	226	215	876	217	212	216	231
GAAP Revenue by Geography: Y/Y Growth Rate	20/	407	101	20/	40/	40/	201	470/	201	20/	00/1	20/	2001
International US	6% 1%	-1% 2%	-1% 1%	-3% -2%	4% 5%	4% 1%	-2% -4%	-17% -9%	2% 7%	-9% 0%	-6% 6%	6% 8%	20% 15%
Americas (US, Latin America, Canada)	5%	3%	2%	-2%	5%	0%	-4%	-9%	7%	1%	6%	7%	15%
EMEA	-3%	-9%	-6%	-6%	3%	3%	-5%	-22%	0%	-14%	-10%	4%	22%
Asia Pacific & Japan	14%	11%	7%	3%	5%	12%	5%	-7%	7%	-1%	1%	11%	21%
GAAP Revenue by Geography: Y/Y Growth Rate in C													
International US	9% 1%	3% 2%	3% 1%	-4% -2%	-2% 5%	-4% 1%	0% -3%	-9% -9%	2% 8%	2% 0%	1% 7%	-2% 9%	6% 15%
Americas (US, Latin America, Canada)	1% 5%	2% 3%	1% 2%	-2% -2%	5% 5%	-1%	-3% -4%	-9% -9%	8% 7%	1%	7% 6%	9% 8%	15%
EMEA	5%	0%	2%	-6%	-2%	-8%	-1%	-11%	0%	0%	0%	-4%	5%
Asia Pacific & Japan	8%	5%	2%	1%	-1%	6%	2%	-3%	4%	4%	3%	3%	8%
GAAP Deferred revenue	\$ 3,408	\$ 3,104	\$ 2,998	\$ 3,206	\$ 3,206	\$ 3,049	\$ 2,905	\$ 2,973 \$	3,063	\$ 3,063	\$ 2,918 \$	2,713 \$	3,012
GAAP Deferred revenue Y/Y Growth Rate	12%	7%	1%	5%	5%	4%	7%	-1%	0%	0%	1%	4%	13%
	12%	1 %	1%	5%	5%	4%	7 %	-1%	0%	0%	1%	4%	13%
GAAP Deferred revenue Y/Y Growth Rate in Constant Currency	12%	70/	3%	4%	4%	3%	4%	3%	6%	6%	3%	5%	6%
Constant Guirency	12%	7%	3%	4%	4%	3%	4%	3%	0%	0%	3%	ე%	0%
Other													
Large Transactions Summary													
Greater than \$300k	544 118	320	245 37	1,370 318	371 87	460 108	279 70	260	1,479	369 85	448	326 77	336
Greater than \$1m	118	59	3/	318	87	108	70	53	351	85	104	11	85
Headcount Total employees	18,497	18,395	17,525	17,489	17,489	17,550	17,431	17,280	17,426	17,426	17,621	17,993	17,763
Acquisition headcount added during period	35	889	470	70	17,469	52	- 17,431	-	932	17,426	811	7	101
FX Rate Summary	. 50								302				
Weighted Average Rate (\$/€)	\$ 1.35	\$1.30	\$ 1.26	\$ 1.42	\$ 1.38	\$ 1.48	\$ 1.44	\$ 1.37 \$	1.42	\$ 1.30	\$ 1.32 \$	1.49 \$	1.56
End of Period Rate (\$/€)	\$ 1.33	\$1.38			\$ 1.35						\$ 1.39 \$	1.38 \$	1.58

⁽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⁾ Beginning in fiscal 2011, we discontinued reporting revenue and deferred revenue on a non-GAAP basis. We continue to report non-GAAP gross margin, operating margin, net income and earnings per share, however, we now utilize GAAP revenue in calculating these non-GAAP financial metrics.

⁽³⁾ For the second quarter of fiscal 2011, the Consumer segment actual and constant currency year-over-year growth rates have been modified to exclude a one-time adjustment. This adjustment reduced the Company's Consumer segment revenue by \$10 million for the three months ended October 1, 2010 as a result of certain consumers not receiving their subscription entitlements on a timely basis. The Company determined that this adjustment was not material to previously reported results.

SYMANTEC CORPORATION Trended GAAP Operating Margin by Segment (1, 2) (Unaudited)

		FY2011		FY2010					FY2009						
	Q3	Q2	Q1	YE10	Q4	Q3	Q2	Q1	YE09	Q4	Q3	Q2	Q1		
GAAP Operating Margin by Segment															
Consumer	44%	45%	47%	46%	44%	43%	47%	50%	53%	49%	52%	54%	58%		
Security and Compliance	12%	16%	23%	26%	28%	28%	26%	23%	30%	30%	34%	28%	30%		
Storage and Server Management	46%	49%	46%	48%	47%	49%	49%	47%	43%	45%	45%	44%	40%		
Services	7%	9%	4%	10%	11%	10%	13%	5%	8%	10%	14%	3%	3%		

⁽¹⁾ Beginning in fiscal 2011, we discontinued reporting revenue and deferred revenue on a non-GAAP basis. We continue to report non-GAAP gross margin, operating margin, net income and earnings per share, however, we now utilize GAAP revenue in calculating these non-GAAP financial metrics.

⁽²⁾ Excluded from this table is our Other segment which is comprised of sunset products nearing the end of their life cycle. The Other segment also includes general and administrative expenses; amortization of acquired product rights, intangible assets, and other assets; goodwill impairment charges; charges such as stock-based compensation and restructuring; and certain indirect costs that are not charged to the other operating segments.

SYMANTEC CORPORATION Trended Condensed Consolidated Balance Sheets

(In millions, unaudited)

		FY2011			FY	2010					
	Q3	Q2	Q1	Q4	Q3**	Q2**	Q1**	Q4	Q3	009* Q2	Q1
ASSETS											
100210											
Current assets:	II										
Cash and cash equivalents	\$ 2,445	\$ 2,256	\$ 2,726	\$ 3,029	\$ 2,593	\$ 2,314	\$ 2,192	\$ 1,793		\$ 2,262	\$ 2,045
Short-term investments	7	8	13	15	18	18	24	199	80	42	241
Trade accounts receivable, net	976	682	573	856	901	688	619	837	927	645	652
Inventories	32	23	22	25	24	_	24	27	27	27	28
Deferred income taxes	199	196	172	176	184	-	168	163	181	196	199
Other current assets	234	282	249	250	224		279	278		257	232
Total current assets	3,893	3,447	3,755	4,351	3,944	3,493	3,306	3,297	2,941	3,429	3,397
Property and equipment, net	1,019	1,009	935	949	990	994	985	973	972	943	1,029
Intangible assets, net	1,628	1,724	1.172	1,179	1,282		1,486	1,639		1.667	1.805
Goodwill	5,479	5,480	4,860	4,605	4,606		4,589	4,561	4,956	11,324	11,312
Investment in joint venture	36	47	51	58	70		85	97	117	133	, , , , , , , , , , , , , , , , , , ,
Long-term deferred income taxes	25	28	22	22	1	6	6	7	4	59	59
Other long-term assets	83	84	71	68	66	70	73	64	57	61	57
Total assets	\$ 12,163	\$ 11,819	\$ 10,866	\$ 11,232	\$ 10,959	\$ 10,618	\$ 10,530	\$ 10,638	\$ 10,836	\$ 17,616	\$ 17,803
LIABILITIES AND STOCKHOLDERS' EQUITY											
Current liabilities:											
Accounts payable	\$ 259	\$ 258	\$ 213	\$ 214	\$ 198	\$ 218	\$ 226	\$ 190	\$ 213	\$ 210	\$ 181
Accrued compensation and benefits	392	304	284	349	362	307	292	374	388	344	349
Deferred revenue	2,980	2,725	2,650	2,835	2,680	2,520	2,581	2,644	2,512	2,337	2,603
Current portion of long-term debt	587	578	1,044	-	-	-	-	-	-	-	-
Income taxes payable	54	62	46	35	30		19	44	93	50	
Other current liabilities	312	307	293	338	333		274	261	265	229	222
Total current liabilities	4,584	4,234	4,530	3,771	3,603	3,374	3,392	3,513	3,471	3,170	3,433
Long-term debt	1,974	1,962	853	1,871	1,844	1,818	1,792	1,766	1.742	1.717	1,693
Long-term deferred revenue	428	379	348	371	369		392	419	406	376	409
Long-term deferred tax liabilities	219	236	186	195	178	181	190	181	214	345	357
Long-term income taxes payable	357	359	358	426	487	588	573	522	510	491	499
Other long-term obligations	60	60	53	50	51	65	78	90	89	96	104
Total liabilities	7,622	7,230	6,328	6,684	6,532	6,411	6,417	6,491	6,432	6,195	6,495
Total Symantec Corporation	H										
stockholders' equity	4,455	4,505	4,538	4,548	4,427	4,207	4,113	4,147	4,404	11,421	11,308
Noncontrolling interest in subsidiary	86	84		_				_			
Total stockholders' equity	4,541	4,589	4,538	4,548	4,427	4,207	4,113	4,147	4,404	11,421	11,308
		,	,	,	, =-	, , ,	, 1		, , , ,	,	,,,,,,
Total liabilities and	\$ 12,163	\$ 11,819	\$ 10,866	\$ 11,232	\$ 10,959	\$ 10,618	\$ 10,530	\$ 10,638	\$ 10,836	\$ 17,616	\$ 17,803
stockholders' equity	Ш										1

^{*} 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.

SYMANTEC CORPORATION Trended Condensed Consolidated Statements of Cash Flows (In millions, unaudited)

	FY2011				FY2010				FY2009*							
		Q3	Q2		Q1	YE10	Q۷	4	Q3**	Q2**	Q1**	YE09	Q4	Q3	Q2	Q1
OPERATING ACTIVITIES:																
Net income (loss)	\$	132	\$ 13	4 9	161	\$ 714	\$ 1	184	\$ 301	\$ 155	\$ 74	\$ (6,786)	\$ (264)	\$ (6,820)	\$ 126	\$ 172
Adjustments to reconcile net income (loss) to net cash provided by	ľ	.02	Ψ .σ	` `	,	Ψ			Ψ 00.	ψ .00	Ψ	ψ (0,700)	(20.)	φ (0,020)	Ψ .20	Ψ=
operating activities:																
Depreciation and amortization		163	15	6	167	733	1	170	168	174	221	836	211	215	210	200
Amortization of discount on debt		21	2	7	27	104		27	26	26	25	97	25	24	24	24
Stock-based compensation expense		37	3	6	35	155		31	39	36	49	157	34	34	44	45
Loss on early extinguishment of debt		-	1	6	-	-		-	-	-	-	-	-	-	-	-
Loss and impairment of assets held for sale		-		1	-	30		17	10	-	3	46	3	17	26	-
Deferred income taxes		(24)	1		10	(41)	-	(38)	(7)	(7)	11	(127)	(46)	(62)	(25)	6
Income tax benefit from the exercise of stock options		1	(:	2)	(3)	10		4	4	3	(1)	14	(3)	(1)	8	10
Excess income tax benefit from the exercise of stock options		(3) 10		4	(1)	(13) 39		(3)	(4) 9	(3)	(3)	(18) 53	(2) 20	16	(7)	(9)
Loss from joint venture		10		4	7	39		12	9	6	12	7.419	413	7.006	11	6
Impairment of goodwill Net loss (gain) on legal liquidation of foreign entities		21			-	(47)		(1)	(43)	(3)	_	7,419	413	7,000	_	5
Other		1	(1:	2)	2	(47)		(1)	(2)	(3)	3	8	(3)	3	7	1
Net change in assets and liabilities, excluding effects of acquisitions:		'	(1.	-		_		(1)	(2)		J 3	U	(5)	3	· '	
Trade accounts receivable, net		(296)	(5:	2)	285	(14)		33	(218)	(58)	229	(85)	72	(257)	(19)	119
Inventories		(9)	(0.	-	3	3		(1)	(1)	1	4	6	_	-	-	6
Accounts payable		(6)	2	3	4	4		46	(35)	(23)	16	(49)	(29)	(19)	8	(9)
Accrued compensation and benefits		89		3	(68)	(34)		(10)	55	11	(90)	(55)	(10)		9	(91)
Deferred revenue		322	(6	1)	(177)	114	2	209	164	(117)	(142)	141	190	180	(159)	(70
Income taxes payable		(10)	(:	3)	(76)	(105)		10	(100)	4	(19)	(29)	(12)	34	(20)	(31)
Other assets		6	1:	2	-	1		(3)	12	14	(22)	66	(2)	(5)	(8)	81
Other liabilities		5		9	(41)	40		17	15	7	1	(28)	10	1	12	(51)
Net cash provided by operating activities		460	31	0	335	1,693	7	703	393	226	371	1,671	607	403	247	414
INVESTING ACTIVITIES:																
Purchase of property and equipment		(69)	(6-	4)	(52)	(248)		(99)	(41)	(54)	(54)	(272)	(57)	(90)	(67)	(58)
Proceeds from sale of property and equipment		30	(0	-'	-	45		-	42	1	2	40	- (0.7	(00)	40	(00)
Cash (payments for) returned from business acquisitions,		-				.0					_	.0				
net of cash acquired		(9)	(1,16	6)	(362)	(31)		(15)	(19)	_	3	(1,063)	(18)	(858)	(21)	(166
Purchase of equity investments		(1)		-	(6)	(21)		(5)	` -	-	(16)	(2)	(2)		` -	
Purchases of available-for-sale securities		-		-	-	(2)		-	-	-	(2)	(349)	(126)	(50)	-	(173
Proceeds from sales of available-for-sale securities		16		1	2	192		2	1	6	183	685	6	11	196	472
Other		2		-	-	-		-	-	-	-	-	-	-	-	-
Net cash (used in) provided by investing activities		(31)	(1,22	9)	(418)	(65)	(1	117)	(17)	(47)	116	(961)	(197)	(987)	148	75
FINANCING ACTIVITIES:																
Net proceeds from sales of common stock under employee																
stock benefit plans		20	3	6	10	124		51	19	43	11	229	40	3	111	75
Excess income tax benefit from the exercise of stock options		3		-	1	13		3	4	3	3	18	2	-	7	9
Tax payments related to restricted stock issuance		-		1)	(17)	(20)		(1)	(1)	-	(18)	(16)	(1)	-	-	(15
Proceeds from debt issuance, net of discount		-	1,09		-	-		-	-	-	-	-	-	-	-	-
Repurchase of long-term debt		-	(51		-	-		-	-	-	-	-	-	-	-	-
Proceeds from sale of bond hedge		-	1:	-	-	-		-	-	-	-	-	-	-	-	-
Debt issuance costs		(005)	(1)		(000)	(550)		-	(404)	(400)	(400)	(700)	(400)	(000)	(000)	(000)
Repurchase of common stock		(265)	(22	5)	(200)	(553)	(1	189)	(121)	(120)	(123)	(700)	(100)	(200)	(200)	(200)
Repayment of short-term borrowing Repayment of other long-term obligations		(1)	,	- 1)	(1)	(5)		- (1)	-	(3)	(1)	(200) (8)	(2)	(2)	(2)	(200)
Net cash (used in) provided by financing activities		(243)	39		(207)	(441)	(*	(1) 137)	(99)	(3)	(128)	(677)	(61)	(199)	(84)	(333)
										, ,						
Effect of exchange rate fluctuations on cash and cash equivalents	+-	3	5		(13)	49		(13)	2	20	40	(130)	(5)	(30)	(94)	(1)
Change in cash and cash equivalents		189	(47		(303)	1,236		436	279	122	399	(97)	344	(813)	217	155
Beginning cash and cash equivalents Ending cash and cash equivalents		2,256 2,445	2,72 \$ 2,25		3,029 \$ 2,726	1,793 \$ 3,029		593 029	2,314 \$2,593	2,192 \$ 2,314	1,793 \$ 2,192	1,890 \$ 1.793	1,449 \$1,793	2,262 \$ 1,449	2,045 \$ 2,262	1,890 \$ 2.045
Entang odon and odon oquivalente	ΙΨ 4	_,++3	Ψ 2,20		2,120	Ψ 0,029	Ψ 3,0	020	Ψ 2,000	Ψ 2,514	Ψ 2,132	ψ 1,733	ψ 1,7 00	Ψ 1,++3	Ψ 2,202	Ψ 2,043
Supplemental cash flow disclosures:																
Income taxes paid (net of refunds)						\$ 247						\$ 321				
Interest expense paid during the year						\$ 19						\$ 23				

 $^{^{\}star}$ 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.

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-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 a complex formula that incorporates factors, such as market volatility, that are beyond our control.

Throo months andod

	111	lucu			
	Decem	ber 31,	Ja	nuary 1,	
	20	10	2010		
Cost of revenue	\$	5	\$	4	
Sales and marketing		15		16	
Research and development		11		13	
General and administrative		6		6	
Total stock-based compensation	\$	37	\$	39	

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 and transformation: We have engaged in various restructuring and transformation activities over the past several years that have resulted in costs associated with severance, benefits, outplacement services and excess facilities. Each restructuring and transformation 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 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. 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.

Acquisition-related expenses: New 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 acquisitions, we generally will incur these expenses in connection with any future acquisitions.

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

Internally developed software costs: During the three months ended October 1, 2010, the Company reduced research and development expense by approximately \$10 million related to increased capitalization of certain costs for internally developed software. This approach aligns the capitalization policies of the business we acquired from VeriSign with the equivalent policies previously utilized by our Hosted Services operation. The Company determined that this change was not material to previously reported results. The Company's management excluded this immaterial item when evaluating its ongoing operating performance, and therefore excluded this benefit when presenting non-GAAP financial measures.

<u>Patent settlements of litigation</u>: 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.

Net loss (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.

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

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.

Loss on early extinguishment of debt: In September 2010, we purchased \$500 million of aggregate principal amount of our 0.75% Convertible Senior Notes due June 15, 2011, from several holders in privately negotiated transactions for approximately \$497 million net, in cash. The transaction resulted in a loss from extinguishment of debt of approximately \$16 million, which represented the difference between the book value of the notes, net of the remaining unamortized discount prior to repurchase and the fair value of the liability component of the notes upon repurchase. We do not believe that this charge is indicative of future operating results and believe that investors benefit from an understanding of our operating results without giving effect to this transaction.

<u>Gain on sale of marketable securities</u>: This constitutes the gain from the sale of the Company's available-for-sale securities. The Company's management excludes this gain when evaluating its ongoing performance and therefore excludes this gain when presenting non-GAAP financial measures.

Joint venture: As noted above, we exclude amortization of other intangible assets related to the joint venture from our non-GAAP net income.

Release of pre-acquisition tax contingencies: On December 10, 2009, the U.S. Tax Court issued its opinion on the Veritas Software tax assessment for 2000 and 2001, finding that our transfer pricing methodology, with appropriate adjustments, was the best method for assessing the value of the transaction at issue between Veritas and its offshore subsidiary. Our evaluation of the U.S. Tax Court's ruling necessitated the release of certain tax accruals related to this matter. As a result, we realized a one-time benefit to GAAP net income of \$78.5 million and a non-GAAP one-time benefit of \$16.5 million for the three months ended January 1, 2010. In June 2010, we reached an agreement with the IRS concerning the amount of the adjustment from the favorable U.S. Tax Court decision issued. Accordingly, we further reduced our previous accrual related to this matter to reflect the tax liability arising from this agreement. As a result, we realized a one-time benefit to GAAP net income of \$38.5 million and a non-GAAP one-time benefit of \$7.3 million for the three months ended July 2, 2010. The non-GAAP benefit for both periods is due to the reversal of accrued interest attributed to the Veritas tax assessment that were 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 an acceleration in the use 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 three months ended January 1, 2010.