



# Symantec 2006 Analyst Day



*May 31, 2006*





# Welcome



*Helyn Corcos*

*Vice President Investor Relations*





# Forward Looking Statements

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- ▶ This presentation contains forward-looking statements regarding our financial and business results, including statements relating to projections of future revenue and earnings per share, and projections of deferred revenue, amortization of acquisition-related intangibles and deferred compensation changes. Such forward-looking statements involve 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 in or implied by this presentation, including, among others: whether we can successfully develop new products and the degree to which these gain market acceptance; the sustainability of recent growth rates, particularly in consumer products; the anticipation of the growth of certain market segments; the positioning of our products in those segments; the competitive environment in the software industry; general market conditions; acquisition-related risks; fluctuations in currency exchange rates; and changes to operating systems and product strategy by vendors of operating systems
- ▶ Additional information concerning these and other risk factors is contained in the Risk Factors section of our Form 10-Q for the quarter ended December 31, 2005
- ▶ We assume no obligation to update any forward-looking information contained in this presentation



## GAAP to Non-GAAP Reconciliation

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- ▶ In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, Symantec reports non-GAAP financial results
- ▶ Investors are encouraged to review the reconciliation of these non-GAAP financial measures to the comparable GAAP results, which can be found in the exhibits at the end of this presentation and on the investor relations website at [www.symantec.com/invest](http://www.symantec.com/invest)
- ▶ A principal difference between this information and GAAP financial information is that our non-GAAP information excludes amortization of all acquisition-related intangibles, restructuring charge and certain stock-based compensation expenses. In addition, our combined non-GAAP financial results include the historical results for Symantec and Veritas for comparative fiscal periods, deferred revenue that has been eliminated from our GAAP results as part of the purchase accounting for the acquisition of Veritas, and adjustments related to the fair value of the assets acquired and liabilities assumed as part of the acquisition, and exclude certain non-GAAP expenses, net of tax



# Strategy Overview



*John W. Thompson*

*Chairman and Chief Executive Officer*





**There are no slides being  
presented during the CEO  
address**





# Symantec's Leadership Team

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**James Beer**

**Enrique Salem**

**Art Courville**

**Jeremy Burton**

**David Thompson**

**Kris Hagerman**

**Becky Ranninger**

**Tom Kendra**

**Ajei Gopal**

**Janice Chaffin**

**Greg Hughes**





# Worldwide Marketing



*Janice Chaffin*

*Executive Vice President  
and Chief Marketing Officer*





# Consumers Are Embracing a Digital Lifestyle

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# Enterprises Are Interacting in New Ways

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## With Opportunities Come Risks

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**393 million global users of Instant Messaging**

**IM threats grew by 1,693% in 2005**

**57% of SMB businesses with websites generate significant revenue online**

**In 2005, US consumers lodged more than 196,503 internet related fraud complaints with the FTC**

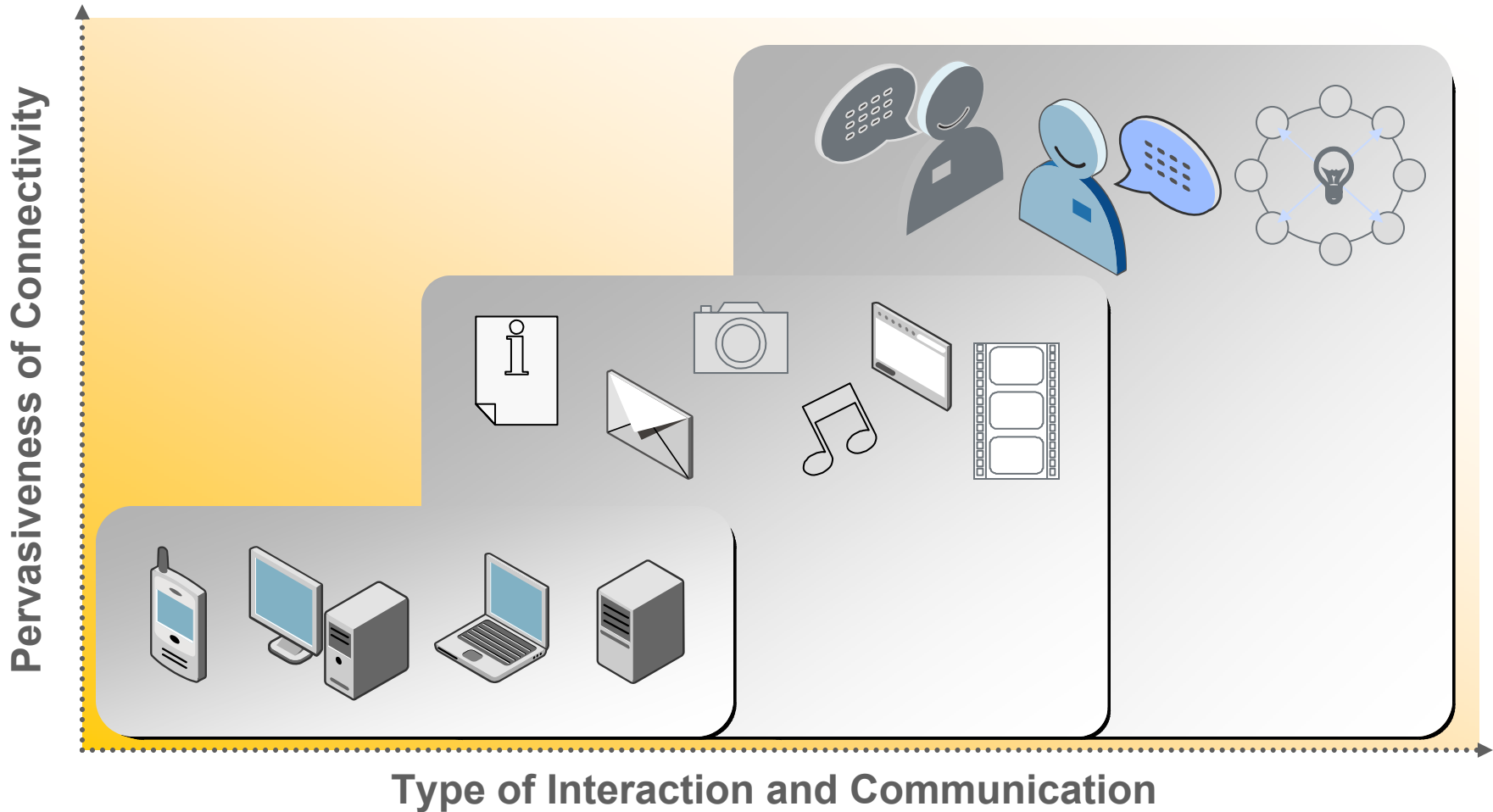
**Usage of converged mobile devices grew 50% worldwide**

**One in five organizations said they have sustained financial losses due to attack on mobile data platforms**

sources: IMlogic Threat Center report, Jan 2006; Interland Small and Medium-sized Business Barometer, September 2005; Federal trade commission, 2006; IDC, 2005; PC World, April 2006;

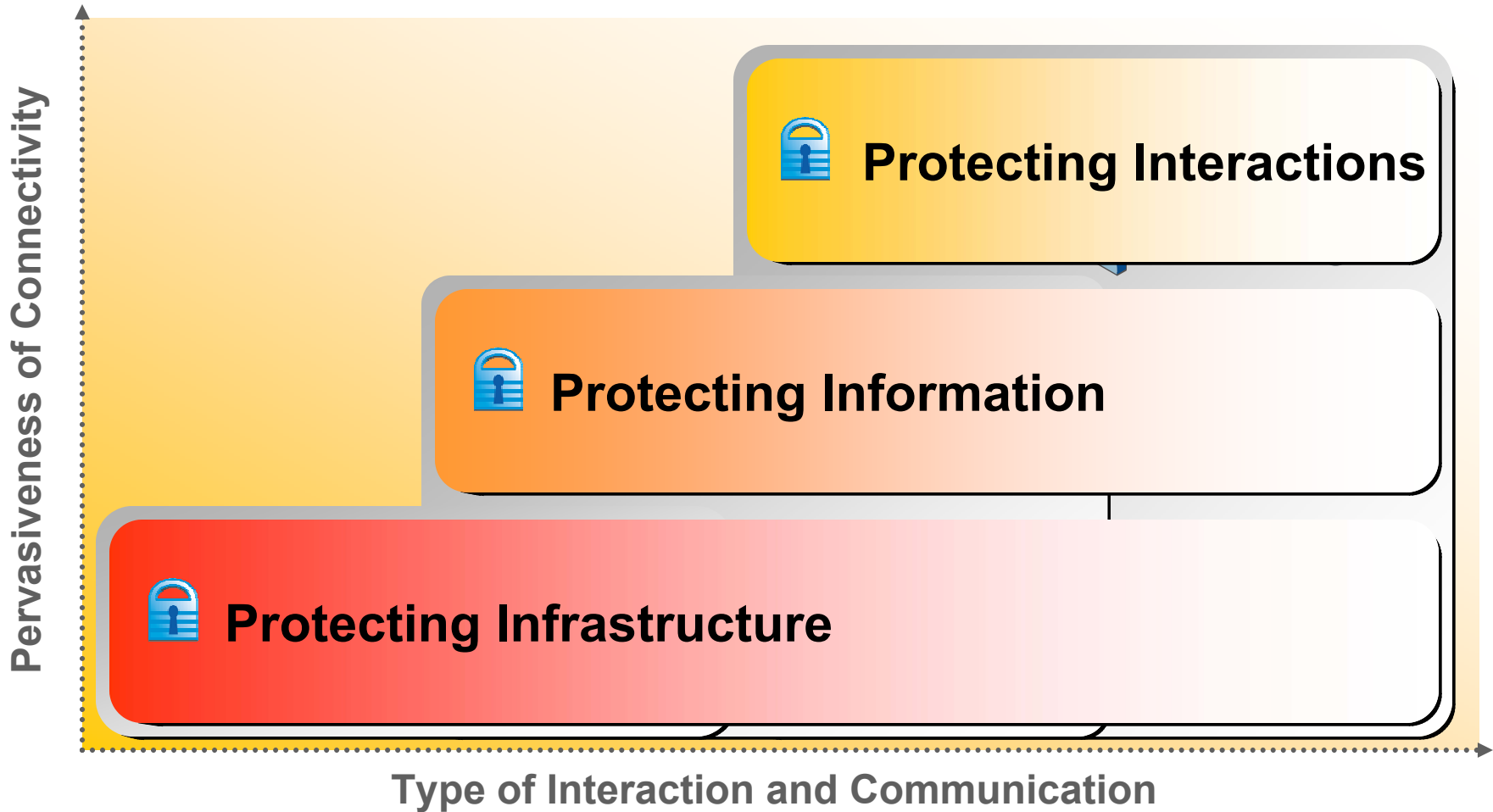


## Both Consumers and Enterprises Need Protection



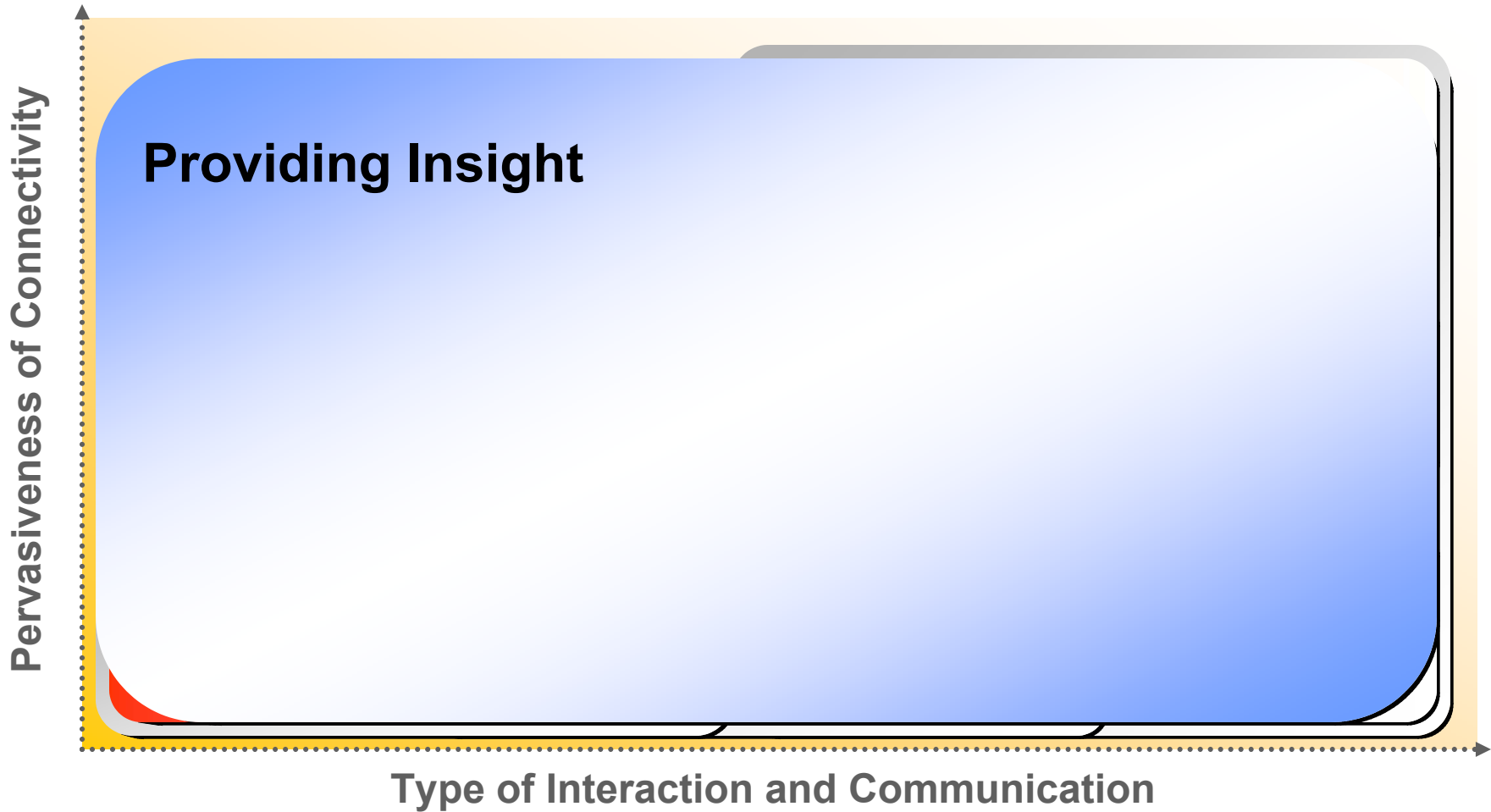


## Symantec's Focus is...





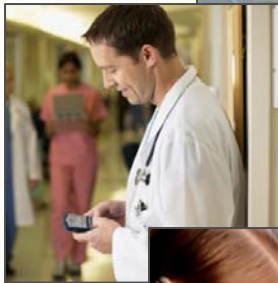
## Symantec's Focus is...





# Our Intent is Clear...

## ...and Our Brand is Strong



**“Providing pure confidence  
in a connected world”**



# New Marketing Initiatives to Reach Consumers

## Expanding Strategic Alliances



**Google Pack** A free collection of essential software

[Download Google Pack](#)

**ASK AT FRIENDS SOFTWARE**

Already have some of this software? It will only be updated if a newer version is available.

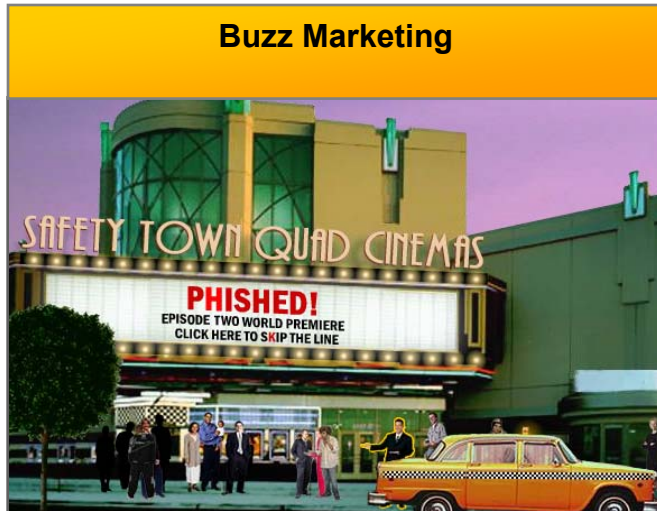
**Additional Software Included**

- Norton AntiVirus 2006 Special Edition - Antivirus utility
- DynaPDF
- Protect your PC from viruses, worms and Trojan horses
- Includes E-mail subscriptions to protection updates
- [Learn more](#) - [Sign up](#)

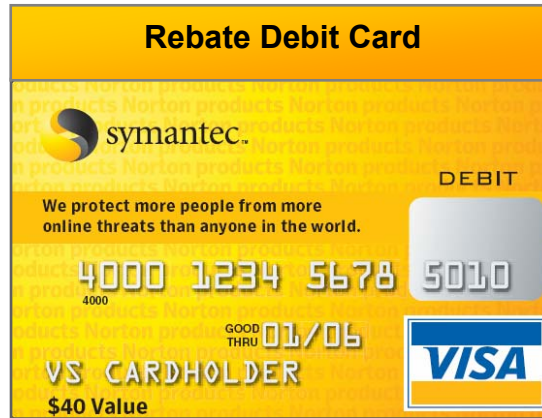
**Essential Reader 7 - PDF reader**

- Adobe Systems
- View, print, and search PDF files
- Locks in up to 50% faster than Reader 6.0
- [Learn more](#) - [Sign up](#)

## Buzz Marketing



## Rebate Debit Card



**symantec.**

We protect more people from more online threats than anyone in the world.

4000 1234 5678 5010

GOOD THRU 01/06

VS CARDHOLDER

\$40 Value

DEBIT

**VISA**

## Norton Long-Time Users

Norton products protect my freedom to...



FEATURED USER:



1 | 2 | 3 | 4



"I've been using Norton Internet Security for six years now and I'm very satisfied with the product."

Diana R., United Kingdom

[READ](#)

[READ MORE STORIES](#)



"Thanks to the protection of Norton software, Internet worms and viruses have no chance of getting onto my computer."

Matthias M., Germany

[READ](#)

[TELL US YOUR STORY](#)

Norton AntiVirus saved me from an extra semester in college.

--Nina R., Sweden

"I am really pleased with your products, and I recommend them to all my friends and family that own computers."

[READ](#)

Neil L.



"Our engineering firm swears by Norton AntiVirus."

## Leveraging a Strong Brand



We protect more people from more online threats than anyone in the world.

**symantec.**

**Norton Internet Security 2006**

CLEAR CHANNEL



# Top Issues Facing the Enterprise Customer

## Technology Problems Keeping the CIO up at night



Top 10  
World

Top 10 Bu

Business p

Controlling

Attracting

Improving

Improving

Using inter

Security br

Revenue g

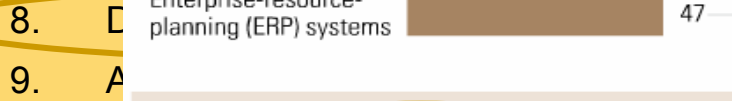
Faster inno

Faster inno

### 1. IT infrastructure

2. Enterprise resource planning (ERP) systems

### 3. Enterprise resource planning (ERP) systems



<sup>1</sup> Figures do not sum to 100%, because respondents were allowed to choose more than 1 answer.  
Source: 2005 McKinsey survey of 77 US senior IT executives

### The CIO shopping list

% of respondents<sup>1</sup>

### Key categories for investment

### Specific areas of investment within category





# Aligning Efforts for the Enterprise Audience



**Datacenter Management**  
Be the standard at the  
foundation level

**IT Operations**

## Master complexity.



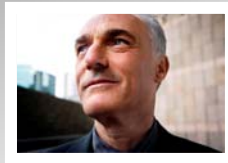
Whatever is in your data center, Symantec puts you in control. That's the promise behind the Symantec Data Center Foundation. Thanks to the Veritas cross-platform heritage, this integrated software infrastructure solution supports virtually every major operating system, database, application and storage hardware asset in your data center. It's reduced complexity. It's comprehensive protection. It's the smartest move you can make. Learn how you can optimize your data center at [www.symantec.com/datacenter](http://www.symantec.com/datacenter)

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# Aligning Efforts for the Enterprise Audience



## C-Suite



### Datacenter Management

Be the standard at the foundation level

**IT Operations**



### IT Compliance

Promote tools to simplify compliance

### Email Message Management

Comprehensive communications solutions

**Audit/Legal Compliance**



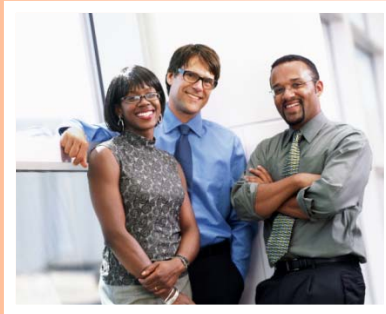
### Comprehensive Threat Management

Expand our security leadership

**Security**



# Leadership in Small and Medium Business



**Windows Leadership**  
Promote Comprehensive Offerings

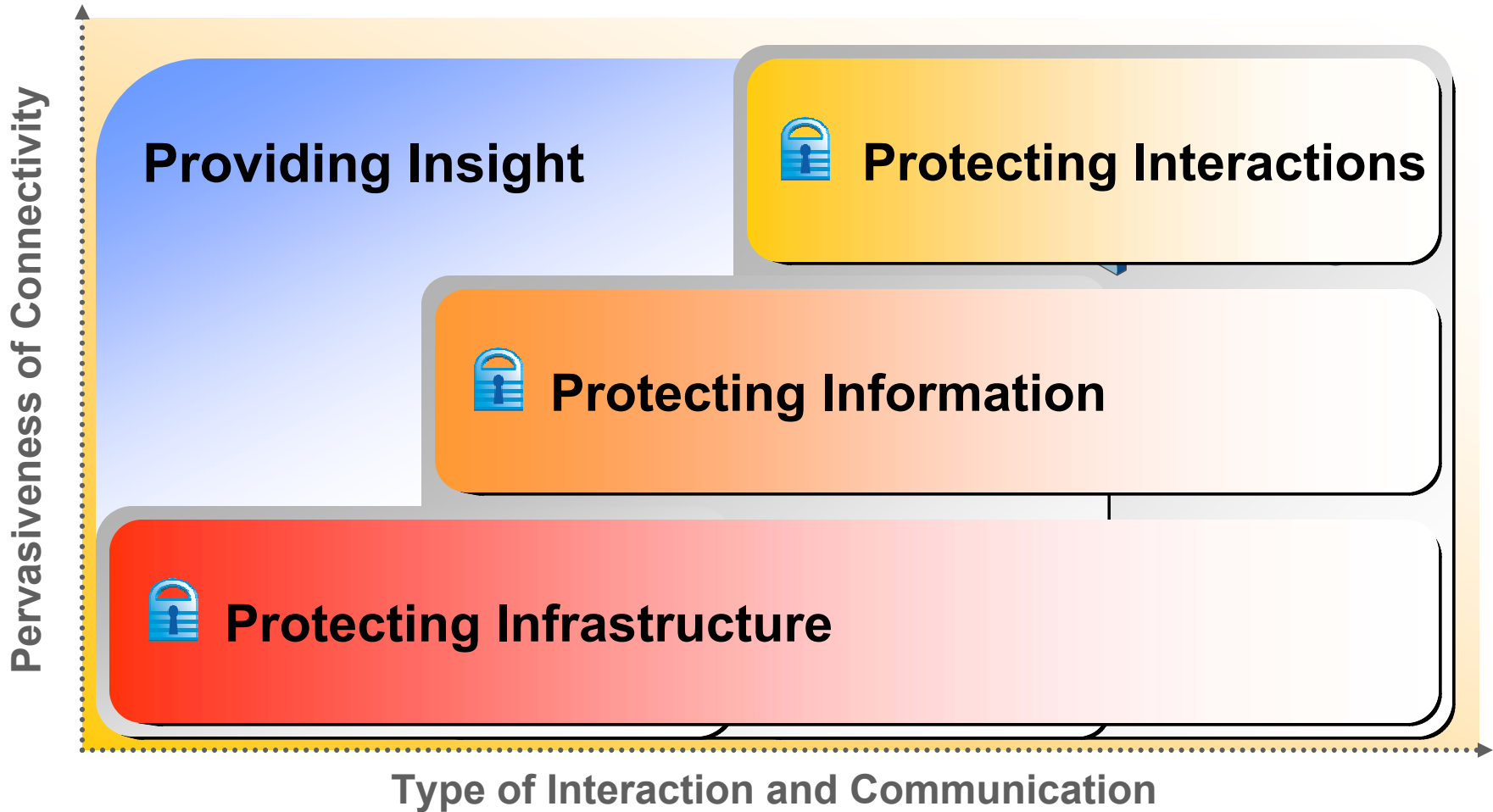
**IT Operations**

**Audit/Legal Compliance**

**Security**



# Symantec: The Undisputed Leader in Protection





Thank You





# Consumer Products



*Enrique Salem*

*Group President  
Consumer Products*





# Evolving Threats

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new **attacks**



new **motivation**



expanded **risks**





## Consumer Concerns & Behavior

fear of  
**eavesdropping**



*stopped giving out  
personal information*

fear of  
**online fraud**



*stopped paying  
bills online*

changing



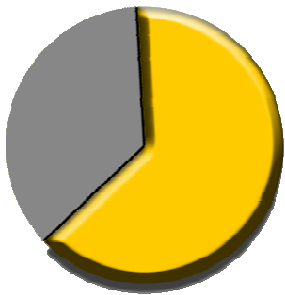
**behavior**

Sources: Gartner and Cyber Security Industry Alliance, June 2005



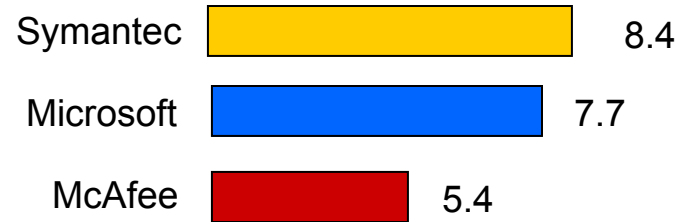
# Where We Are Today

## Consumer security market <sup>1</sup>

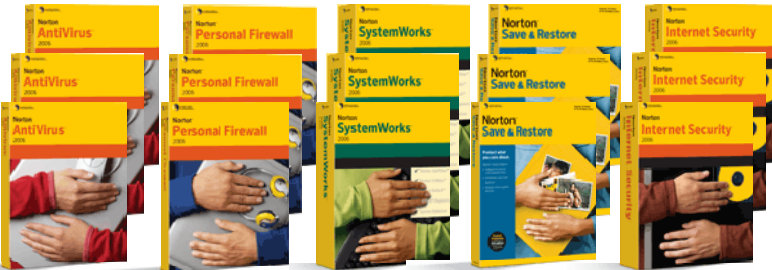


62.6%

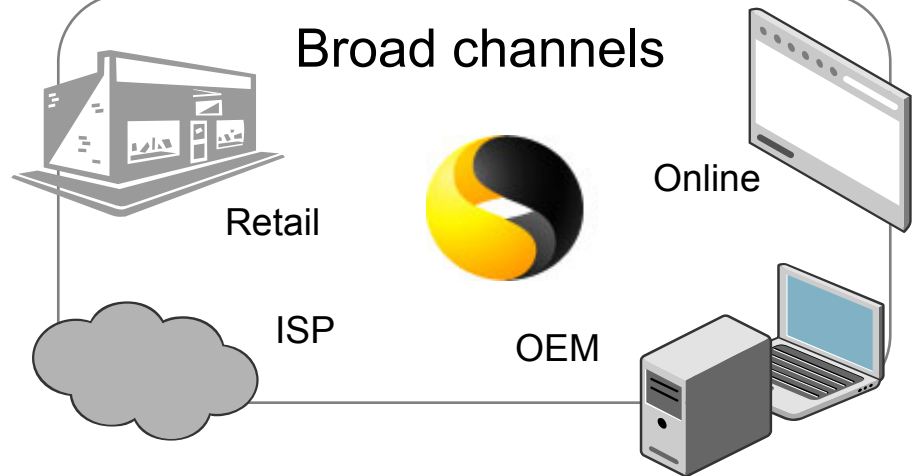
## Brand opinion <sup>2</sup>



## Extensive product line



## Broad channels



Sources: 1-IDC; 2-Maritz Research, May 2006



## FY-07 Priorities

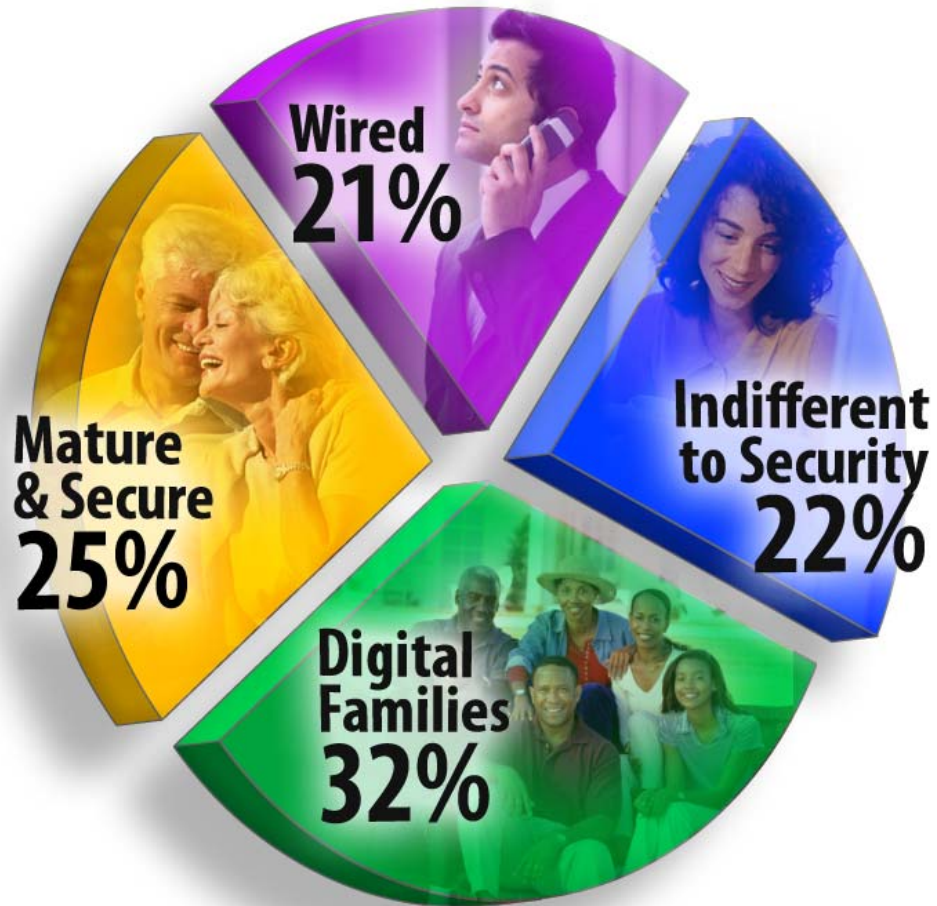
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- ▶ Extend product, brand and channel leadership
- ▶ Acquire new customers
- ▶ Protect and grow revenue per customer
- ▶ Improve operational efficiencies
- ▶ Invest in the future



# Customer Segmentation

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# Product Leadership — Near Term

	Security 1.0	Current	2H06
PC Security / PC Tuneup	Norton AntiVirus Norton Personal Firewall Norton SystemWorks	Norton Internet Security Norton AntiVirus Norton SystemWorks	Norton 360 (Genesis)
Backup & Recovery		Norton Save & Restore	
Transaction Security			



# Security Suite Review

TECHNOLOGY ADVICE YOU CAN TRUST

**PC WORLD**

**1. Symantec Norton Internet Security 2006**



**1  
BEST  
BUY**

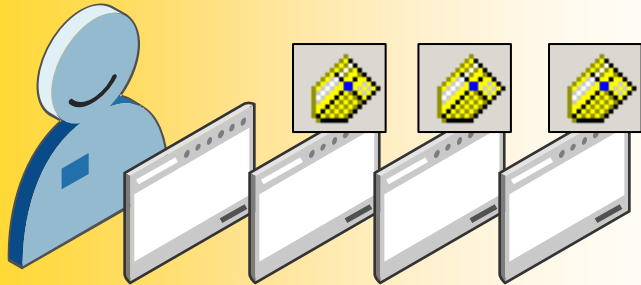
2. McAfee Internet Security Suite
3. Panda Platinum Internet Security 2006
4. F-Secure Internet Security 2006
5. Trend Micro PC-cillin Internet Security
6. Zone Labs ZoneAlarm Internet Security Suite
7. Windows Live OneCare
8. CA eTrust Internet Security Suite
9. BitDefender 9 Internet Security
10. Aluria Security Center

Source: Sneak peak of July 2006 PC World review, May 2006

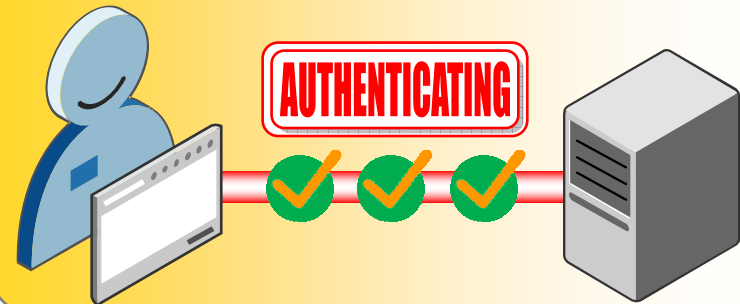


# Norton Confidential

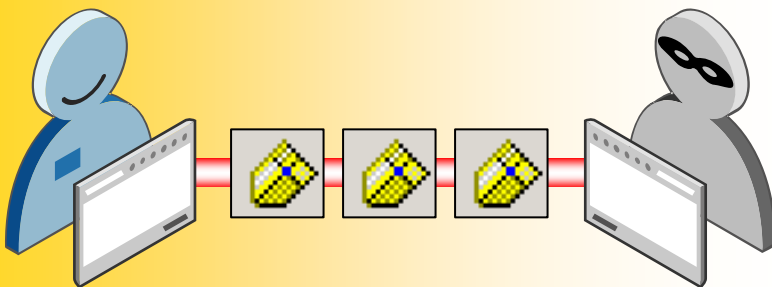
## Web Browsing Protection



## Website Authentication



## Crimeware Protection



## Confidential Info Management and Protection





# Norton 360



- Antivirus
- Antispyware
- Intrusion prevention
- Intelligent firewall
- Vulnerability assessment

- Antiphishing
- Crimeware protection
- Web authentication

- Local back-up
- Online back-up
- File and folder back-up and restoration

- Optimization
- Maintenance
- Performance

includes seamless, integrated access to support services



## Norton 360 Advantages



- Antivirus
- Antispyware
- Intrusion prevention**
- Intelligent firewall**
- Vulnerability assessment**

- Antiphishing**
- Crimeware protection**
- Web authentication**

- Local back-up
- Online back-up**
- File and folder back-up and restoration

- Optimization
- Maintenance
- Performance

Green = Not currently available in OneCare

**includes seamless, integrated access to support services**



# Channel Preferences



**Digital Family**



**Mature & Secure**



**Wired**



**Indifferent to Security**

	Digital Family	Mature & Secure	Wired	Indifferent to Security
Retail	2	1	3	4
Online	1	2	1	3
OEM	3	3	2	1
ISP/xSP	4	4	4	2

- ✓ **Retail:** evolving towards assisted sales services
- ✓ **Online:** increasing in importance
- ✓ **OEM channel:** becoming less profitable but more important
- ✓ **ISP:** low profit, selectively used to expand reach

**New! Content Service Providers:** security not core to their business but it is core to what consumers do online

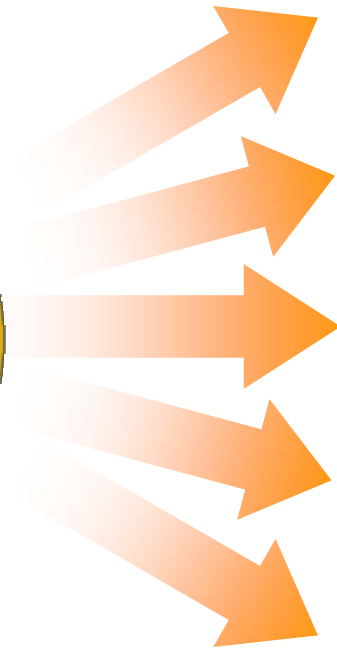
1 = current most preferred channel

Source: Symantec Consumer Customer Segmentation Research, November 2005



## Leverage and Expand the Installed Base

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**Auto renewal**

**Multi-year licenses**

**Norton ID creation**

**Targeted selling**

**Norton loyalty programs**



## Improve Operational Efficiencies

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- ▶ Increase self service and automated support
- ▶ Optimize transaction fees
- ▶ Increase offshoring



# Product Leadership — Invest in the Future

	Security 1.0	Current	Fall 2006	Security 2.0
<b>PC Security / PC Tuneup</b>	Norton AntiVirus Norton Personal Firewall Norton SystemWorks	Norton Internet Security Norton AntiVirus Norton SystemWorks	Norton 360 (Genesis)	2.0
<b>Backup &amp; Recovery</b>		Norton Save & Restore		
<b>Transaction Security</b>			Norton Confidential (Voyager)	
<b>Online Community Security</b>				



# Security 2.0 Vision

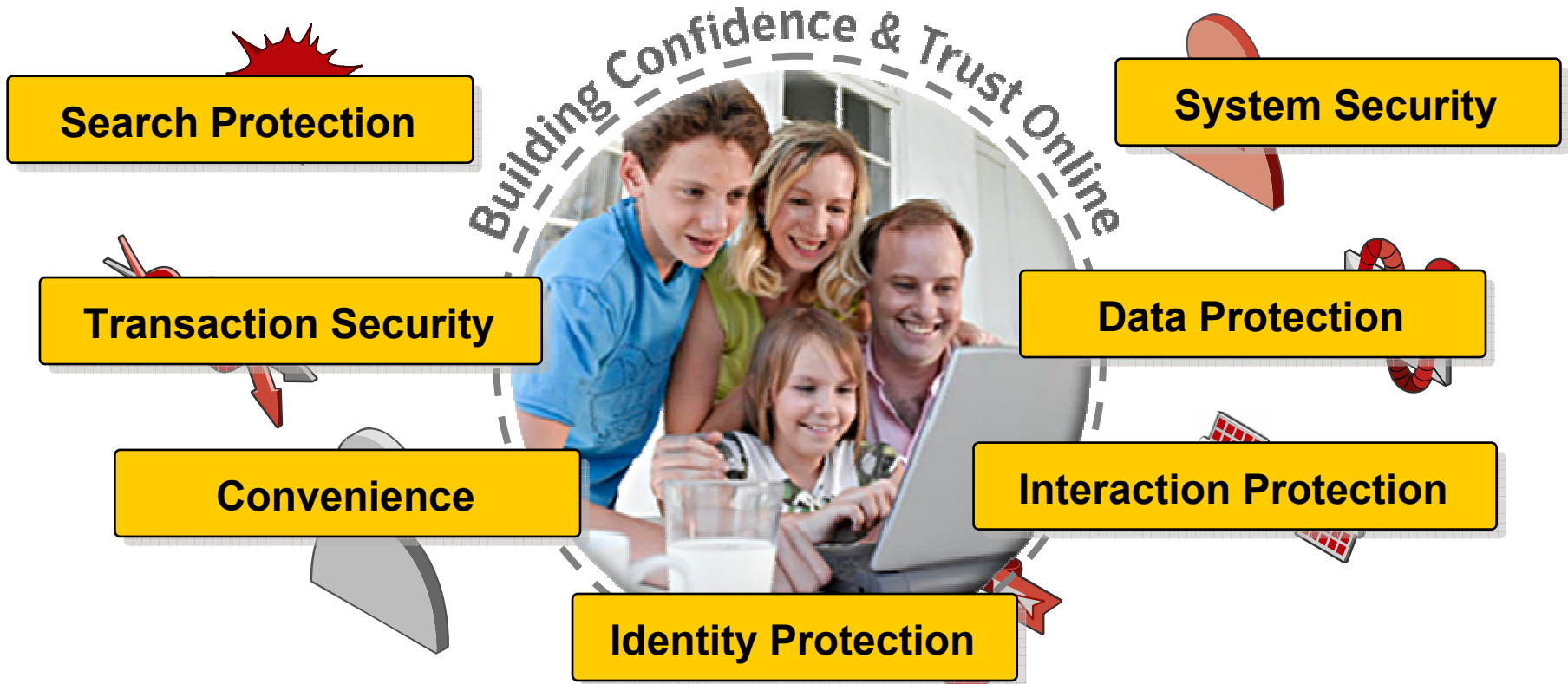
Protection From





# Security 2.0 Vision

## Benefits To Consumer





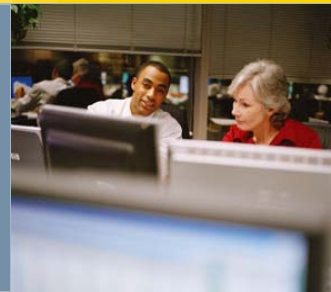
## Summary

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- ▶ Changing threat landscape
- ▶ Continue leadership in consumer security
- ▶ Drive operational improvements
- ▶ Invest in the future



Thank You





## Question & Answer Session





# Security & Data Management



*Jeremy Burton*

*Group President  
Enterprise Security & Data Management*





## Today's Discussion Topics

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- ▶ Group Strategy & Business Drivers
- ▶ IT Policy Compliance
- ▶ Enterprise Message Management
- ▶ Product Delivery

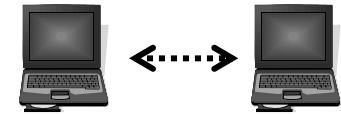


# Symantec Company Strategy – Protection

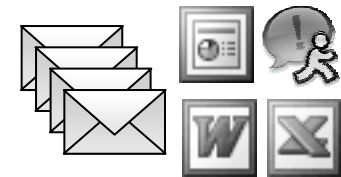
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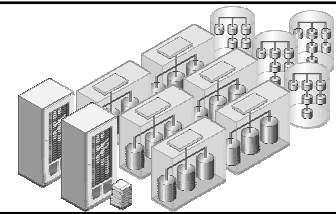
## Protecting Interactions



## Protecting Information



## Protecting Infrastructure



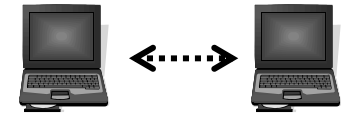


# SDMG Focus – Protection of Information

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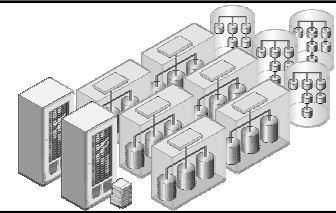
## Protecting Interactions



## Protecting Information



## Protecting Infrastructure





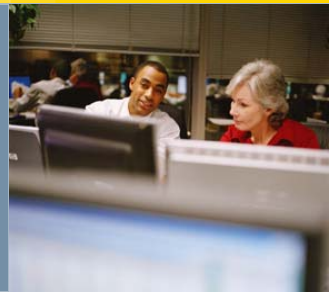
## Protecting Information – From What ?

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- ▶ Risk Of Attack From External Threats
  - Hacker, Spies ... And Now Thieves
- ▶ Risk Of Attack From Internal Threats
  - Supervise Employee Information Flow
- ▶ Risk Of Non-Compliance
  - Policy Management Ensures Adherence To Regulations



# IT Policy Compliance

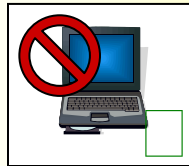




# The Journey to IT Compliance

**Endpoint  
Compliance**

**Discover  
& Enforce**



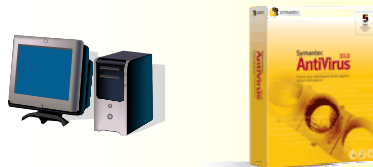
**Remediate**

**Endpoint  
Protection**



**Hackers  
Spies  
Thieves**

**Desktop  
Antivirus**

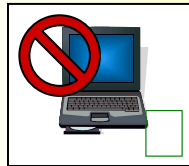




# Endpoint Compliance, Not Just Symantec

**Endpoint  
Compliance**

**Discover  
& Enforce**



**Remediate**

**Endpoint  
Protection**



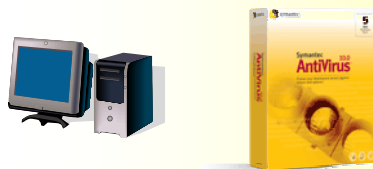
**Hackers  
Spies  
Thieves**



**SOPHOS**

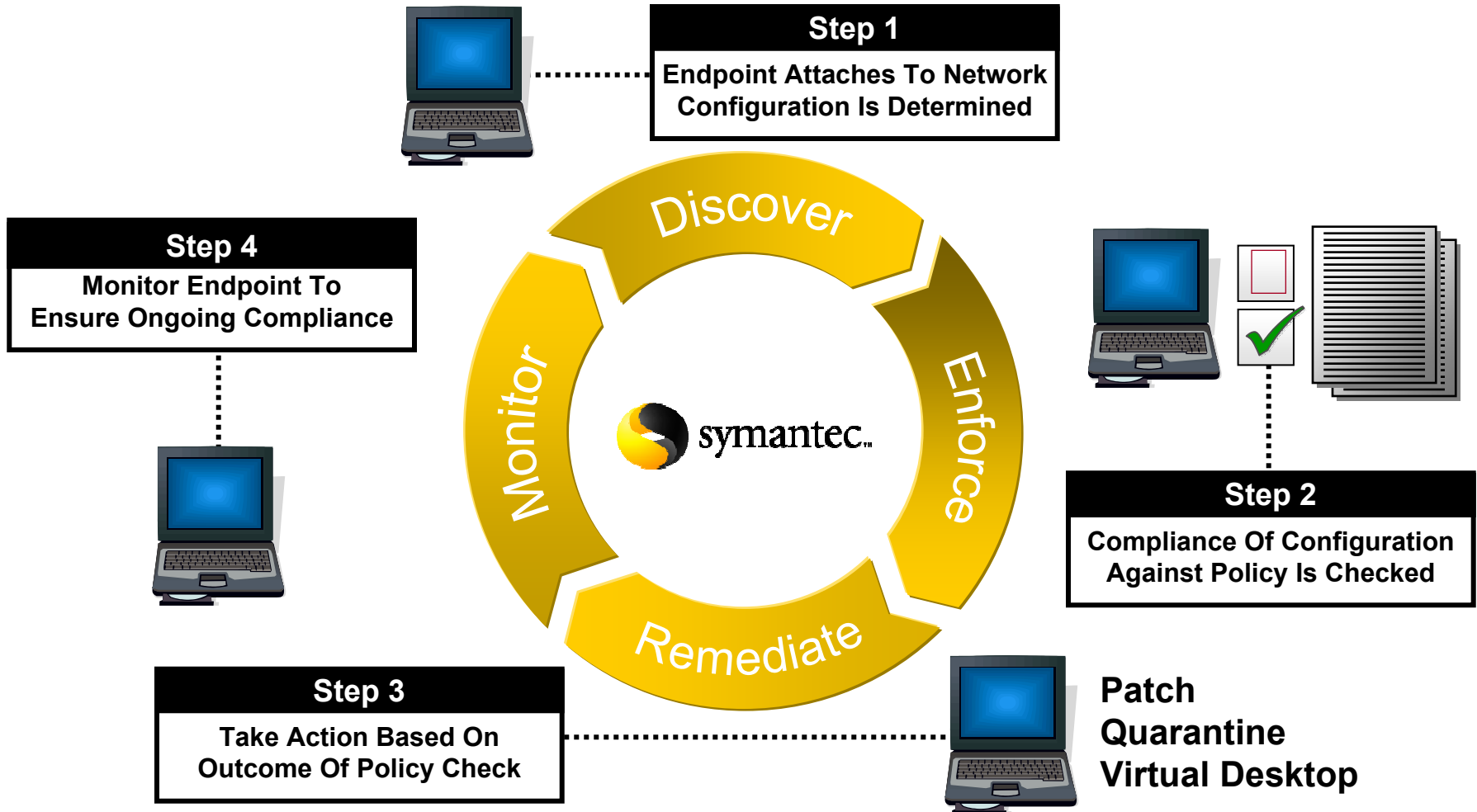
**KASPERSKY**

**Desktop  
Antivirus**





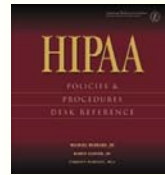
# Endpoint Compliance



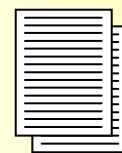


# The Journey to IT Compliance

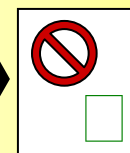
**IT  
Compliance**



**Define**



**Control**

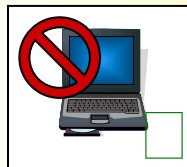


**Report**



**Endpoint  
Compliance**

**Discover  
& Enforce**



**Remediate**

**Endpoint  
Protection**



**Hackers  
Spies  
Thieves**

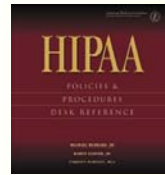
**Desktop  
Antivirus**



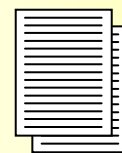


# IT Compliance, Not Just Security

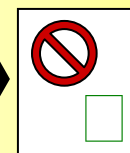
**IT  
Compliance**



**Define**



**Control**

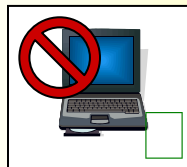


**Report**



**Endpoint  
Compliance**

**Discover  
& Enforce**



**Remediate**

**Backup**

**Archive**

**Fallover**

**Endpoint  
Protection**



**Hackers  
Spies  
Thieves**

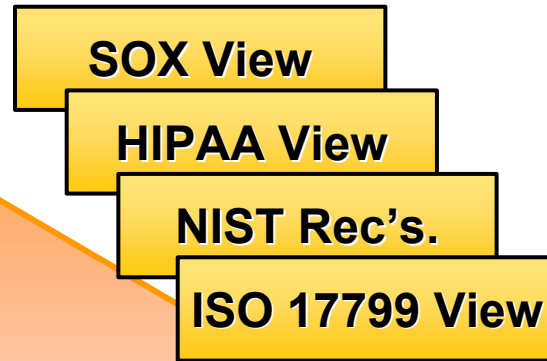
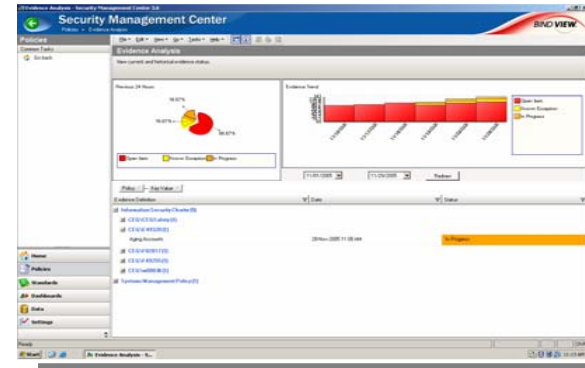
**Desktop  
Antivirus**





# IT Policy Management – Product Strategy

Policy Manager's View

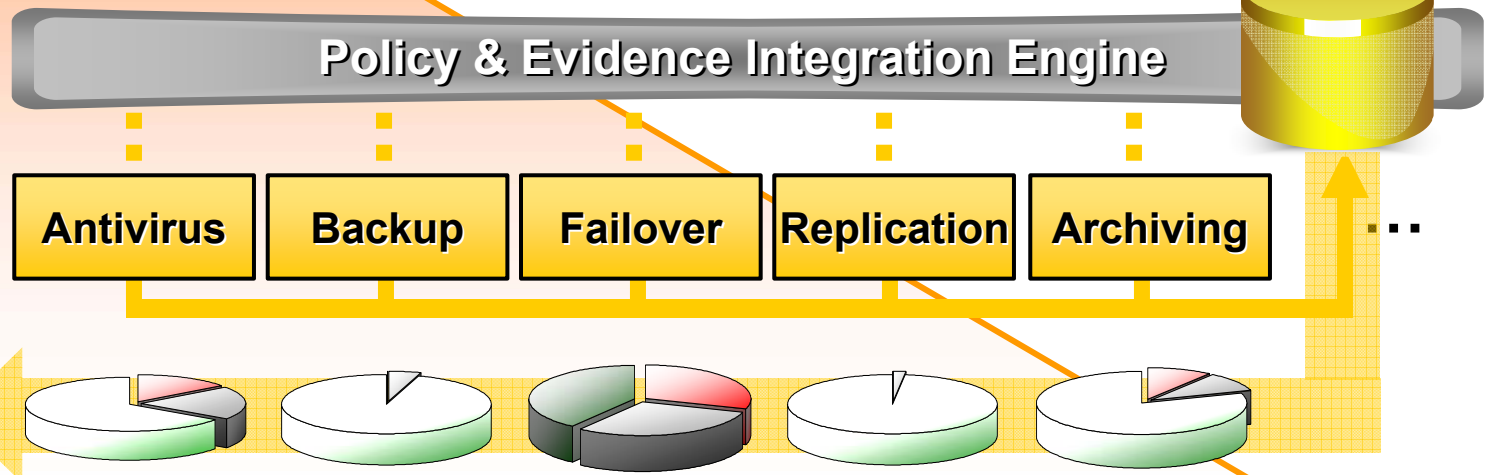


Regulation

Framework

Policy

Evidence





## IT Policy Compliance – FY-07 Initiatives

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- ▶ Endpoint Security Product Integration
  - Hamlet Project : Integrate Sygate, Whole Security, AV
- ▶ Security Management Integration
  - Rationalize ESM And BindView Technologies
- ▶ Integrate Policy Manager With Infrastructure Products
  - Enterprise Vault, AntiVirus, Backup, Clustering...
  - Unified View Of Policy Compliance Across Infrastructure

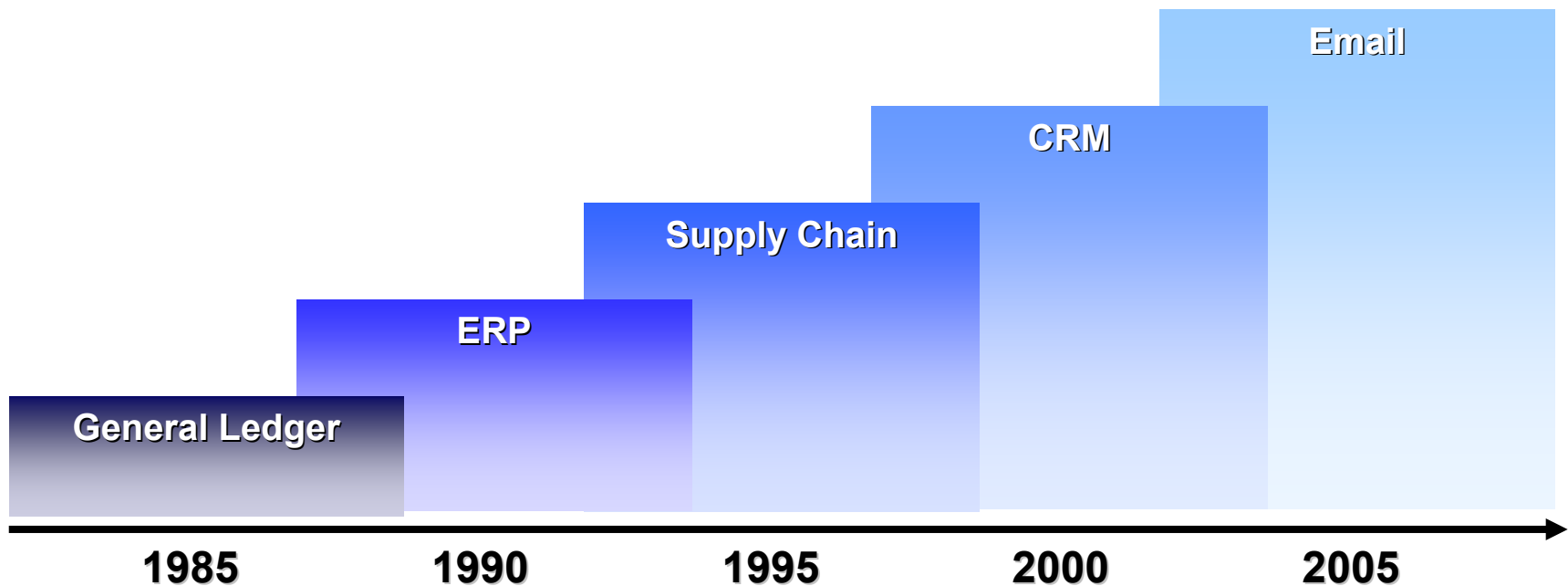


# Enterprise Message Management





# Email – A Mission Critical Application



**79%**

Of Companies Accept Email As  
Written Confirmation Of Transactions

**75%**

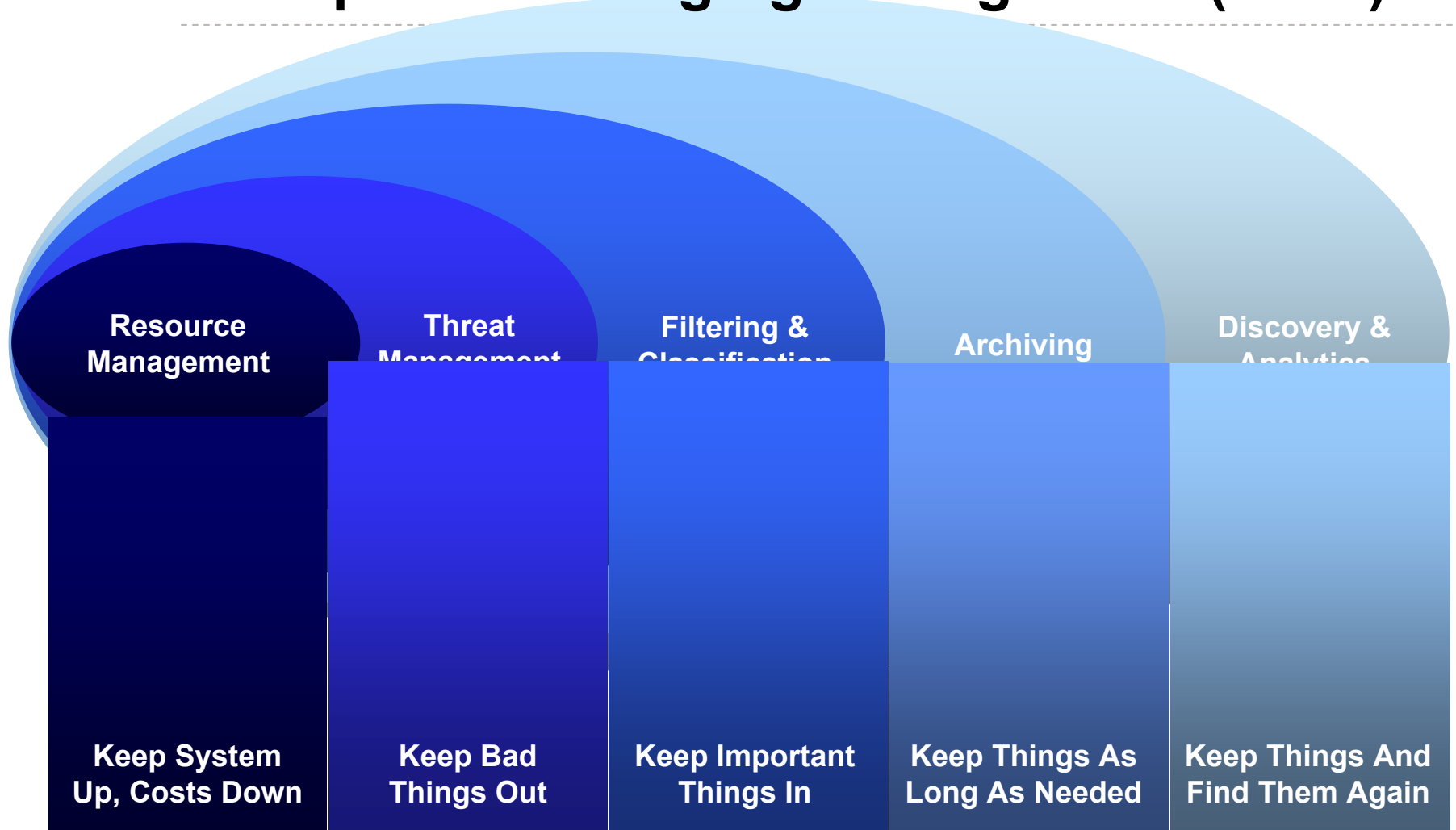
Of Fortune 500 Litigation Involves  
Discovery Of Email Communication

**75%**

Of A Typical Company's Intellectual  
Property Is Contained In Email



# Enterprise Messaging Management (EMM)





# We Look for Malicious Threats at the Gateway

Mail Gateway

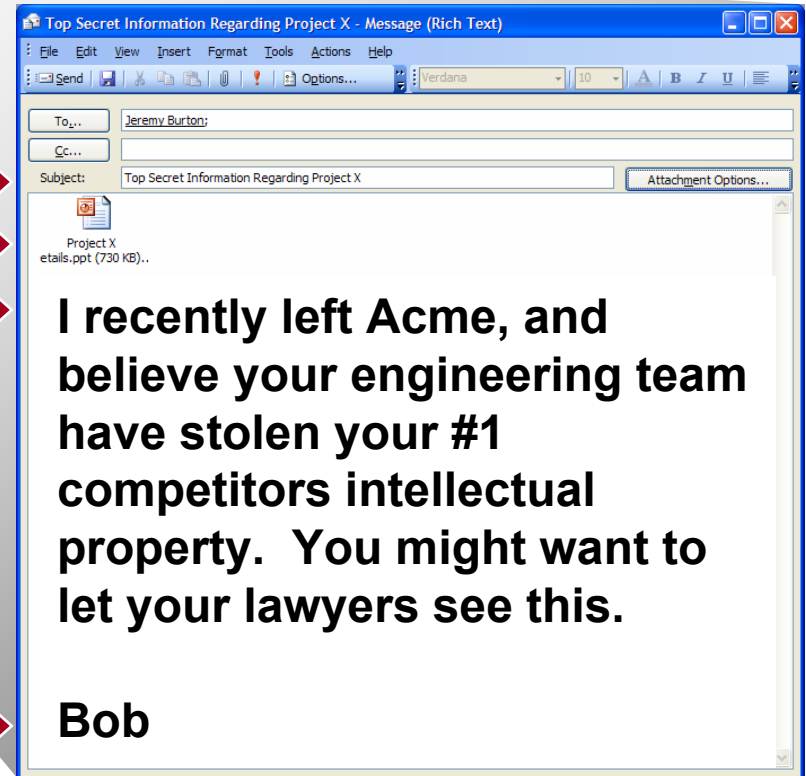


Spam ?

Virus ?

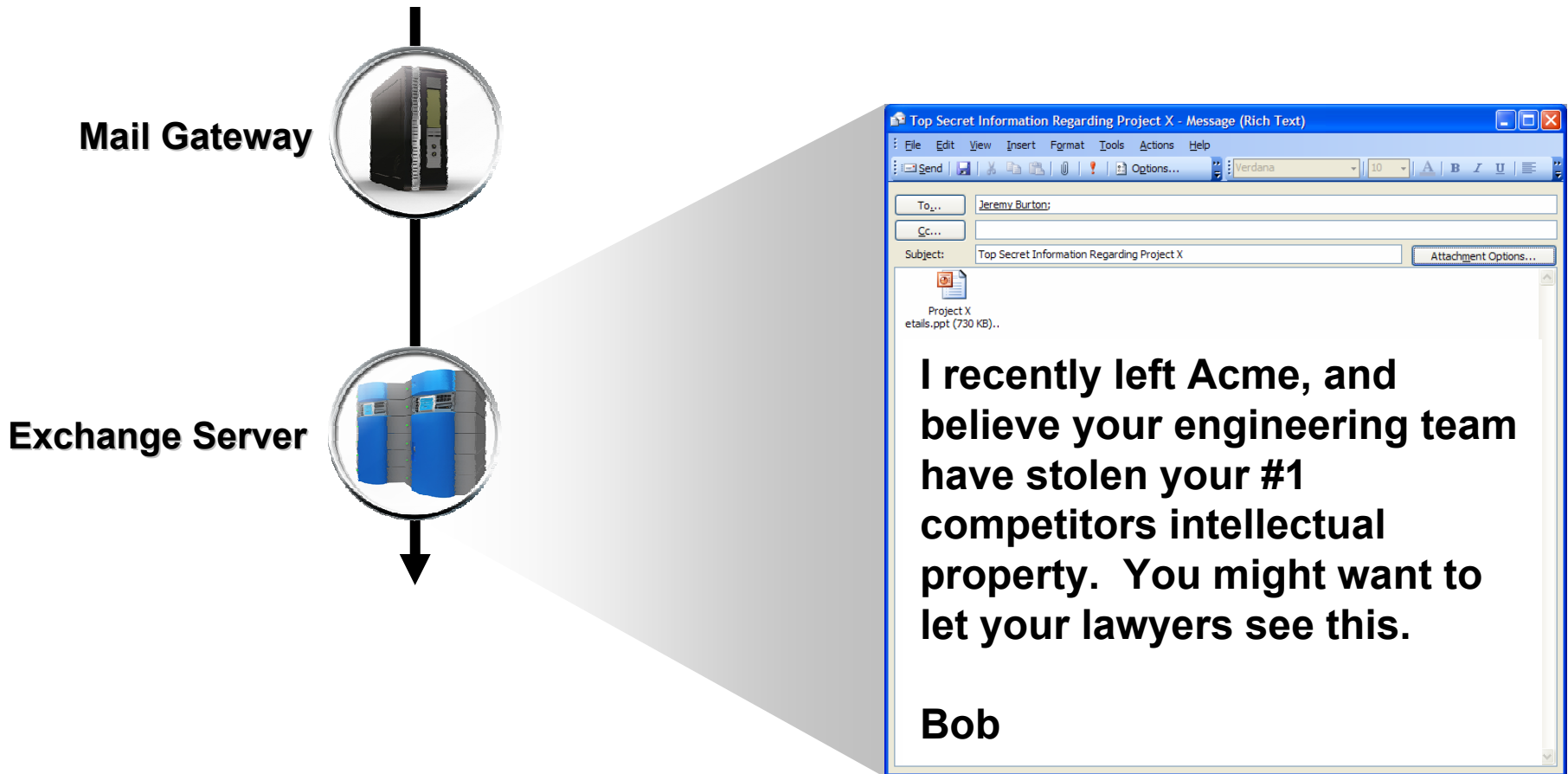
Spam ?

Phishing ?



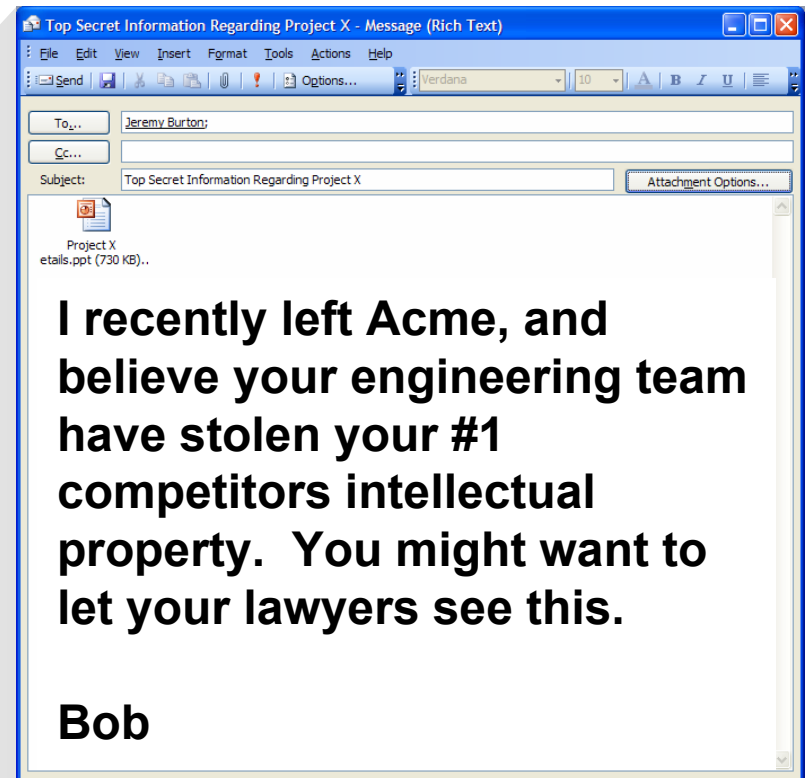
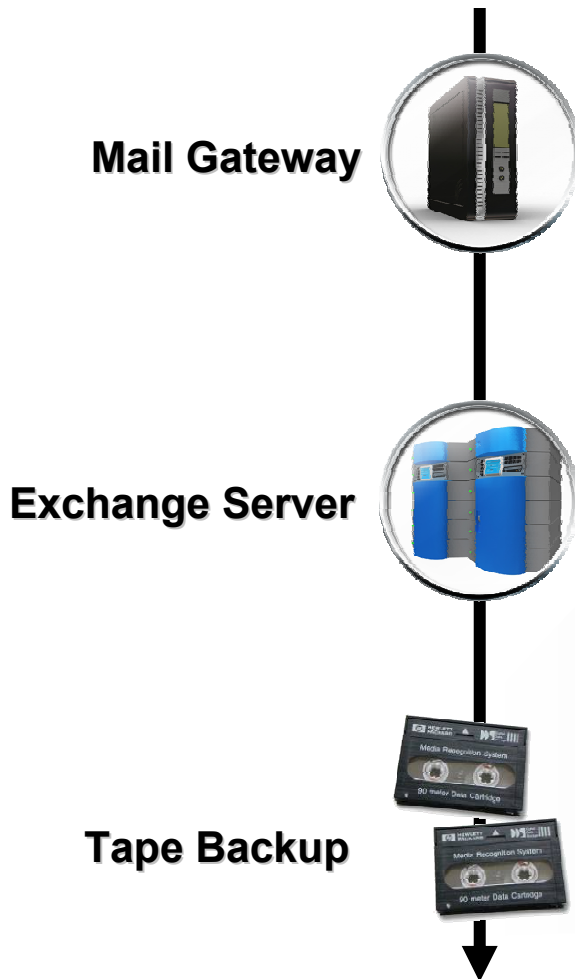


# Then the Email Just Sits in Exchange...



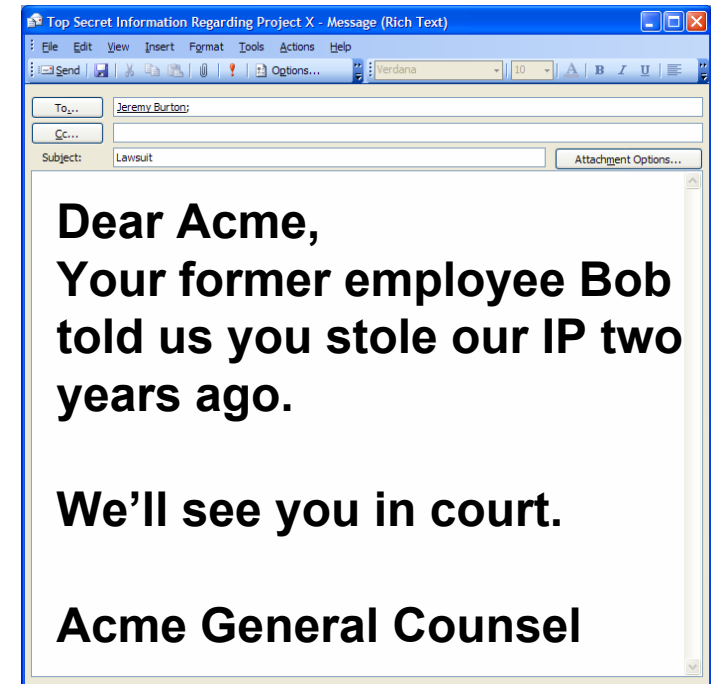
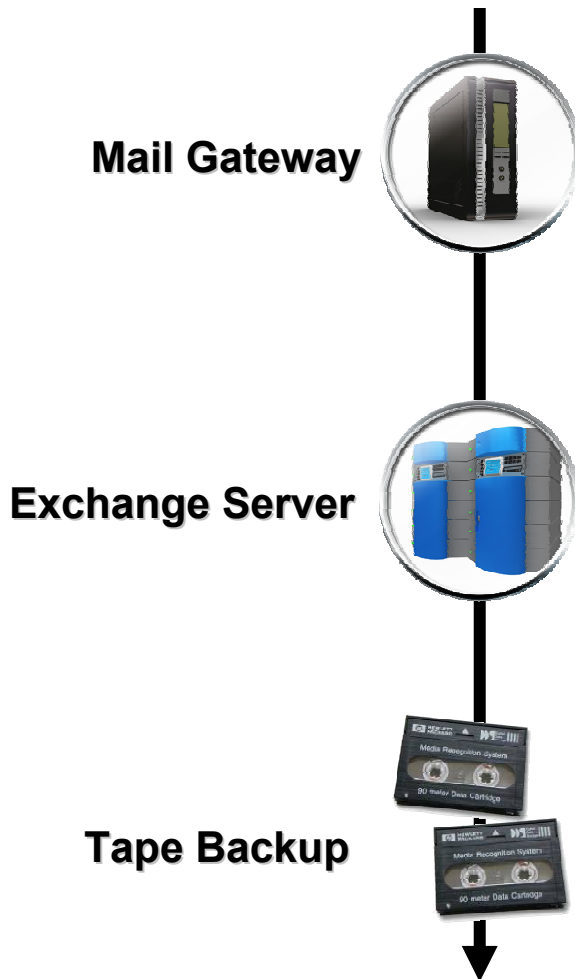


# And it Might Get Saved... If it Wasn't Deleted





# Then the Lawsuit Comes in ...



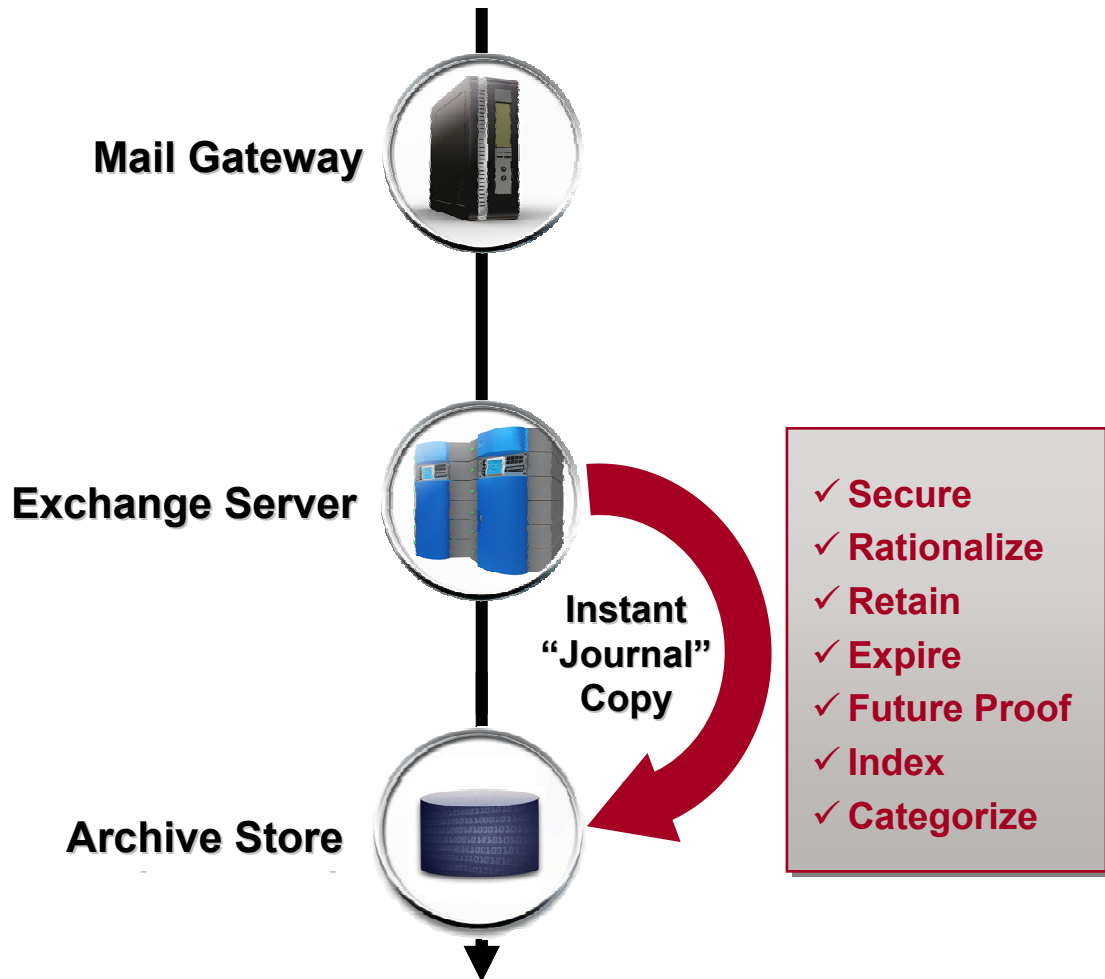


# What if We Had Intelligent Mail Security Software ?



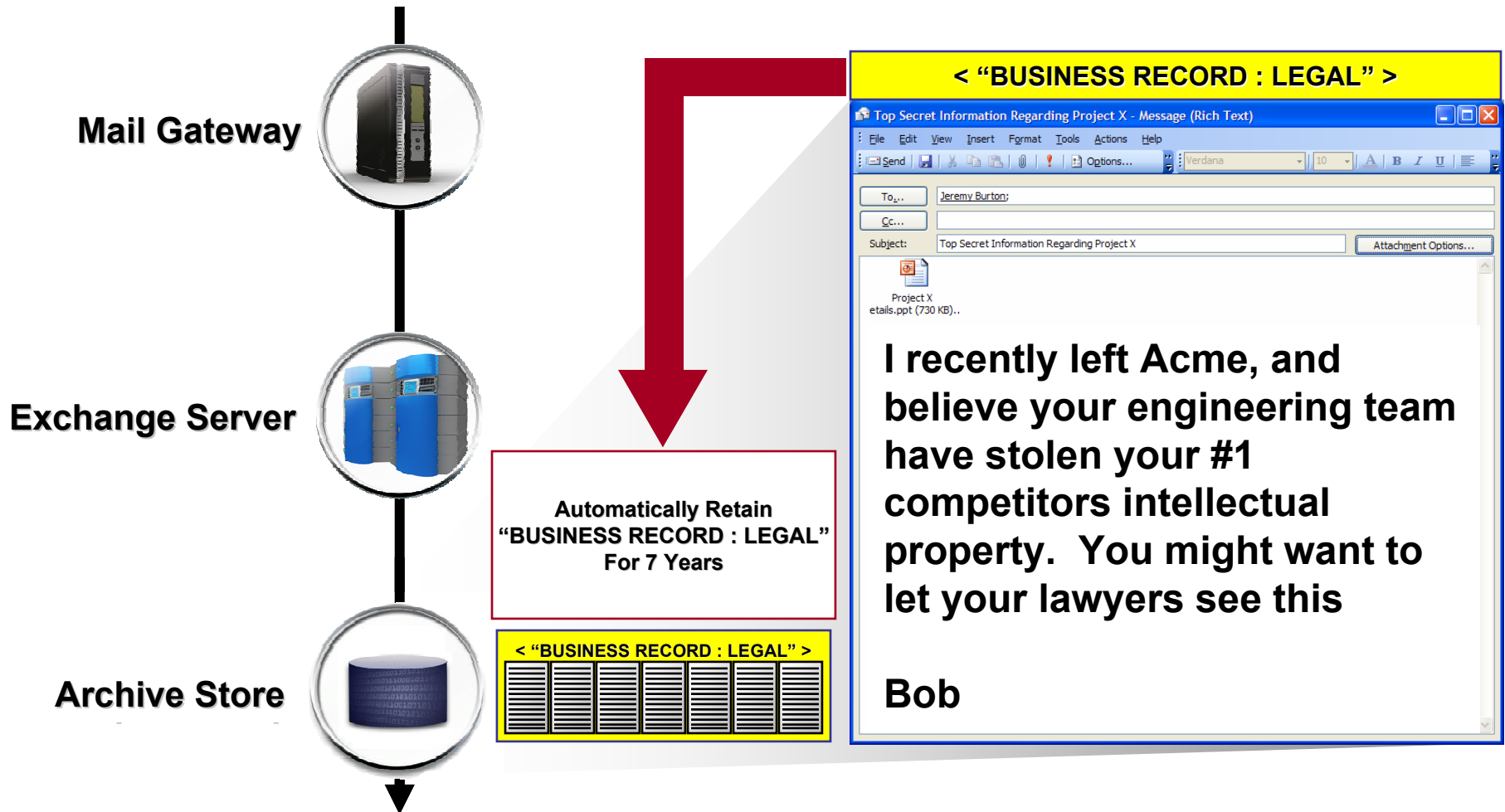


## What if We Had An Archive Instead Of Backup ?



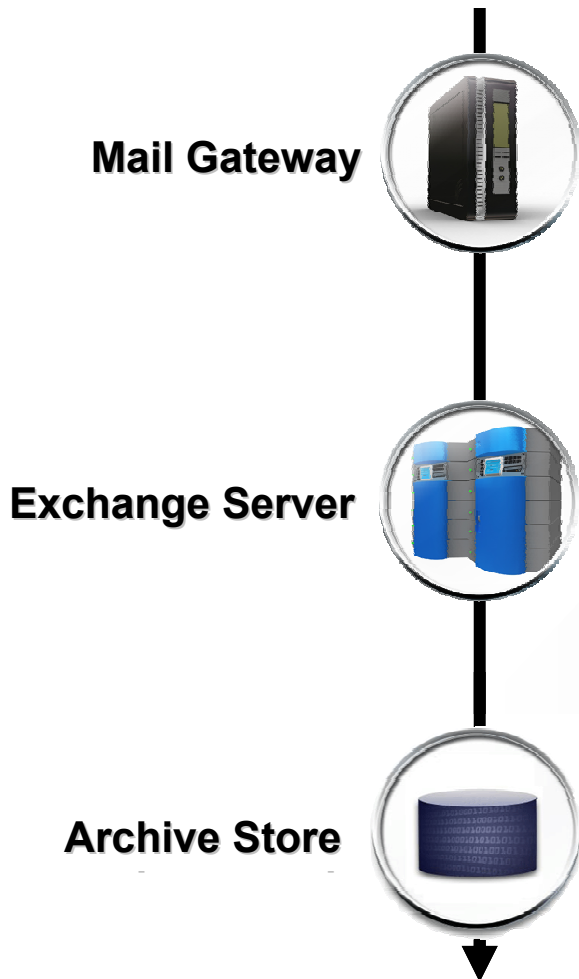


# What if We Had An Intelligent Archive ?








## ... And Intelligent Discovery ?



Vault PublicFolderVaultStore01 (3 found)

< "BUSINESS RECORD : LEGAL" >

-  **Green Bros. Repos**  
Case due before John Doe 20 April 2005  
User2 - 22/02/2005 10:29:00 AM - Test public folder 4 - MSG - Public  
**Author : Bob**  
Status : Submitted
-  **K Brown Patent Case**  
Patent Case 67891234 Case due before John Doe 14 May 2005  
User2 - 22/02/2005 10:30:45 AM - Test public folder 4 - MSG - Public  
**Author : Bob**
-  **JB Green Fraud**  
Case 34567 Date Set 14 April 2005-02-22 Presiding Judge John Doe  
User2 - 22/02/2005 12:36:45 PM - Test public folder 4 - MSG - Public  
**Author : Bob**  
Status : Date Set



## Next Stop : Email Mining ... Imagine if You Knew...

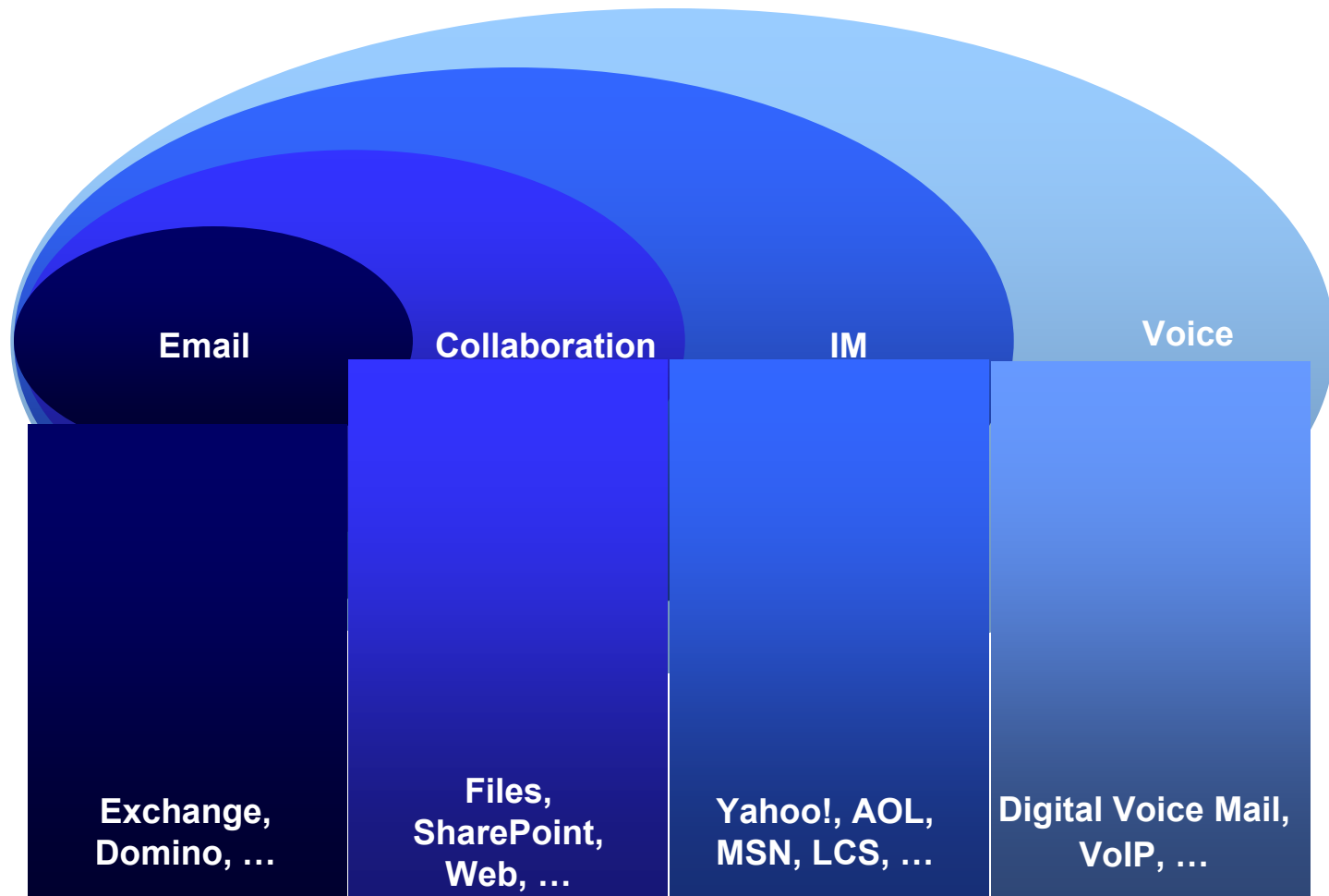
---

- ▶ Top 10 Employees Leaking Intellectual Property?
- ▶ Top 10 Employees Who Are Non-Responsive To Customers?
- ▶ Top 10 Employees Creating A “Hostile Environment”?
- ▶ Which Emails Should Be Marked “Attorney Client Privileged”?
- ▶ Almost ALL Of It Is In Email



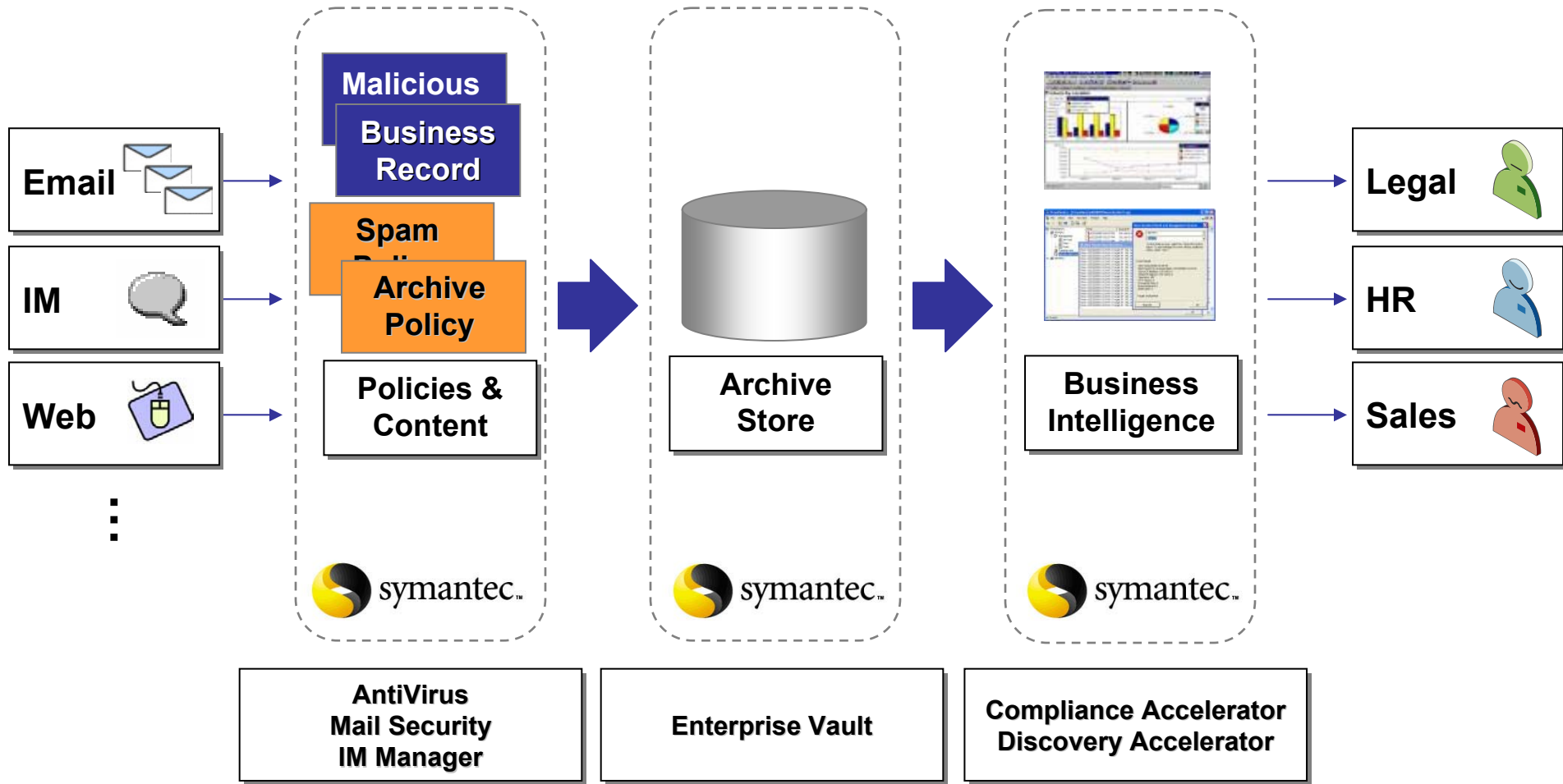
# And it's Much More than Just Email...

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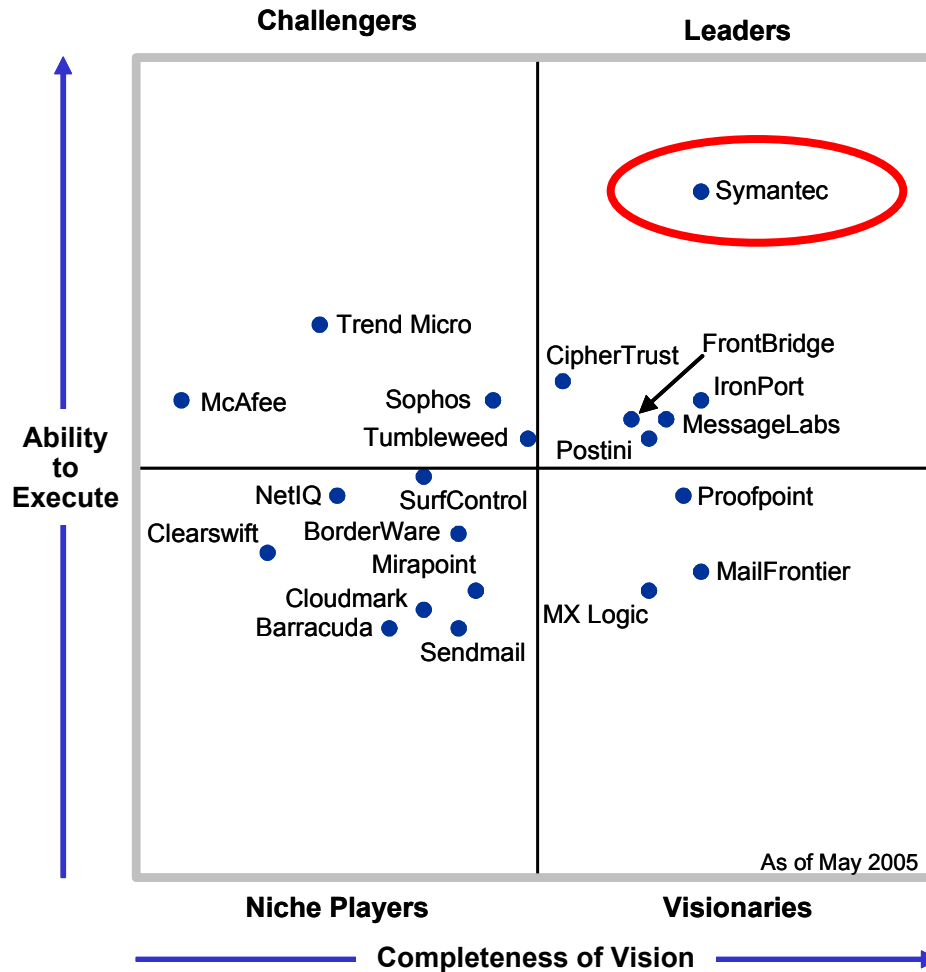


# EMM Technology Overview





# Symantec: 2005 Leader in Email Security





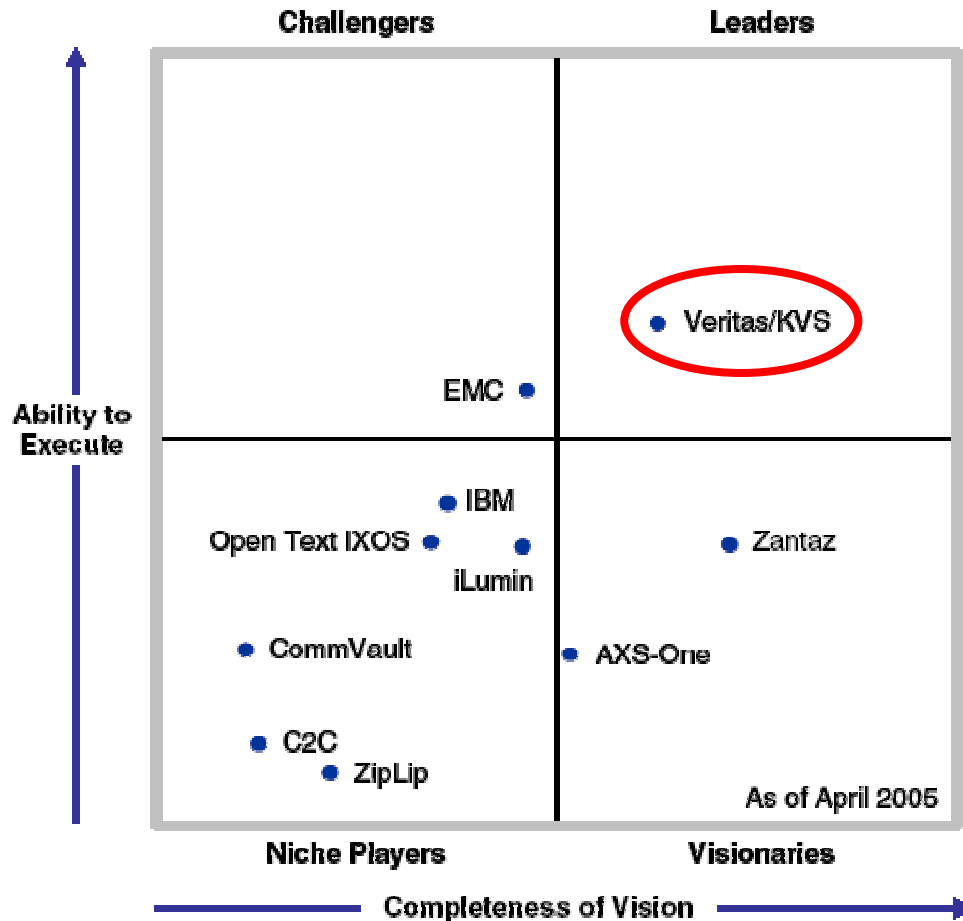
# Symantec: 2005 Leader in IM Security



Source: IDC 2005



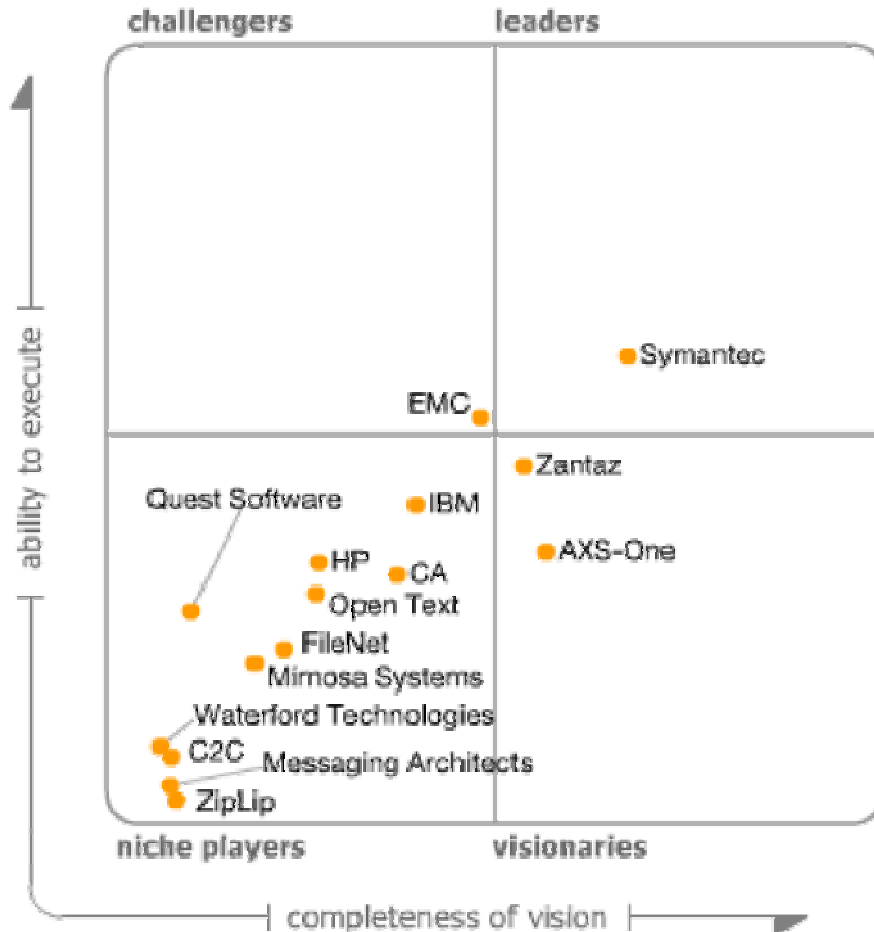
# Symantec: 2005 Leader in Email Archiving



Source: Gartner (April 2005)



# Symantec: 2006 Leader in Email Archiving



As of May 2006



## EMM: Key FY-07 Initiatives

---

- ▶ Integration Across Messaging Security & Archiving
  - Unified Policy Management
  - Unified Meta-Data Management To Drive Analysis
- ▶ Extend Lead In Messaging Security & Archiving
  - Filtering & Classification
  - Scalability, Reliability, Manageability (Billions Of Objects!)

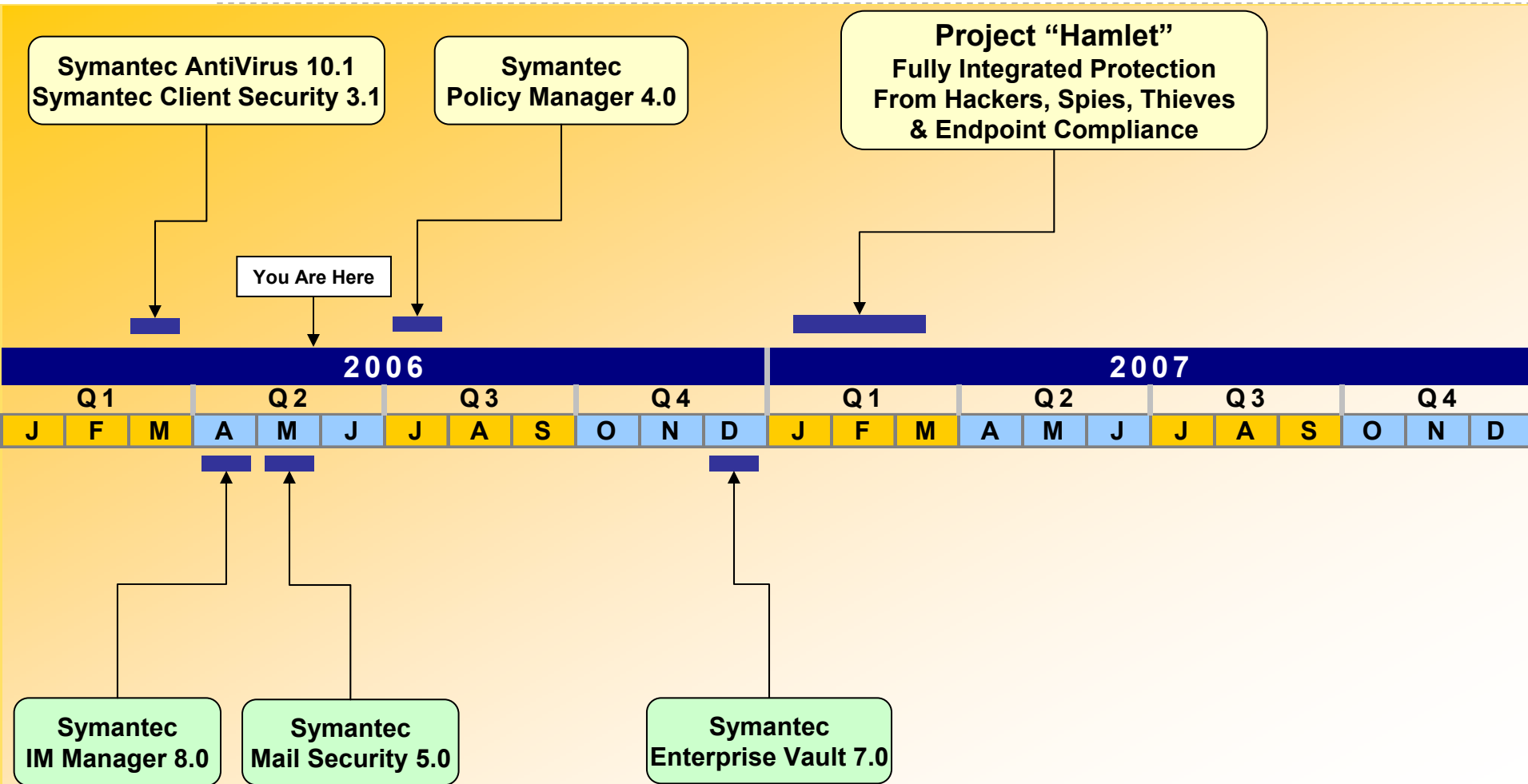


## Product Delivery





# SDMG Major Product Delivery





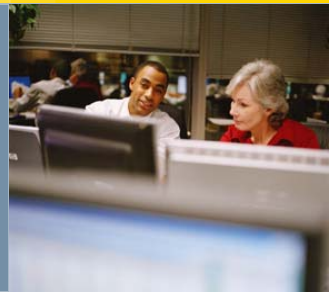
## Summary

---

- ▶ Symantec Uniquely Enables Organizations To Protect Information
  - Risk Of Attack From External Threats
  - Risk Of Attack From Internal Threats
  - Risk Of Non-Compliance With Policy
- ▶ Compliance Is A Major Driver Of IT Software Deployments
  - At The Endpoint... And Across IT
- ▶ Enterprise Message Management Represents A Big Opportunity
  - Rapidly Growing Segment, Best Of Breed Products
- ▶ All Major Products Will Be Revised This Fiscal Year



Thank You





## Question & Answer Session





15 Minute Break





# Symantec 2006 Analyst Day



*May 31, 2006*





# Data Center Management



*Kris Hagerman*

*Group President  
Data Center Management*





# The Data Center: An Enormous Opportunity

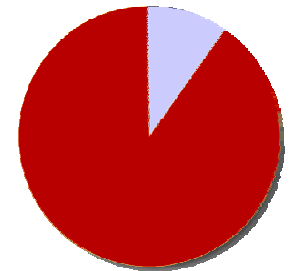
## G2000 COMPANIES SPEND A GREAT DEAL ON IT

- 70% of non-public IT spending
- Each of G2000 spends \$500M per year on IT



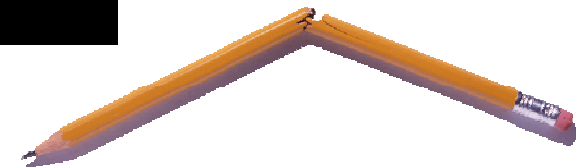
## BROAD PRESENCE, BUT A LOT OF UPSIDE

- 99% of Fortune 500 run some DCMG products
- But only 10% have deployed in a strategic way



## DATA CENTERS NEED OUR HELP

- Data centers are at the **breaking point!**





## Business Overview

---

Customer	Enterprise and large enterprise data center
Products	NBU, File System, Volume Manager, Clustering, Application Performance Mgmt
Channel	Direct, enterprise VAR, SI, OEM
Competitors	EMC, Oracle, Microsoft, IBM, HP, Sun
Partners	Sun, HP, IBM, NetApp, Microsoft



# Business Drivers

---

- ▶ Key customer challenges
  - Growing data volumes
  - Growing number of applications requiring 24x7 availability
  - Flat IT budget and headcount
  - Data center complexity
  
- ▶ What makes Symantec unique
  - Cross-platform: servers, storage, VM's, databases, app's
  - Integrated
  - Actionable
  - Market leadership



## DCMG Product Strategy

---

1. Become the standard infrastructure software layer for enterprise data centers
2. Lead the next generation of integrated, disk-based data protection and data management
3. Expand Storage Foundation and Server Foundation footprint to every server, every O/S, every application
4. Deliver a complete server/application lifecycle management solution
5. Enable customers to address immediate pain points, while putting them on a clear path to the future



# The Data Center

ORACLE  
DB2  
Microsoft SQL Server 2005  
SYBASE  
Informix SOFTWARE  
MySQL

Databases

bea  
IBM  
SAP  
ORACLE  
Microsoft

Middleware

SAP  
ORACLE  
Microsoft  
Custom Applications

Applications

## Network

NORTEL NETWORKS  
Juniper NETWORKS  
CISCO SYSTEMS  
BROCADE  
MCDATA

## Storage

hp invent  
HITACHI  
IBM  
EMC²  
Network Appliance

## Servers

AXL  
solaris  
Linux  
Windows  
hp invent

## Virtual Machines

Xen  
vmware  
intel



# Infrastructure Software in the Data Center

 <p><b>Databases</b></p>	 <p><b>Middleware</b></p>	 <p><b>Applications</b></p>
--	---	--

## Data Protection

- Backup
- Media management
- Snapshot services
- Archiving

## Storage Management

- File system
- Volume management
- Copy services
- Multi-pathing
- Resource mgmt.


## Server Management

- Clustering
- App. placement
- Provisioning
- Configuration mgmt.

## Application Performance

- Tuning advice
- Alerting
- Root cause analysis
- SLA reporting


### Network




### Storage



### Servers



### Virtual Machines





**TOOLS REQUIRED** **100+**

# Data Center Complexity












**Databases**







**Middleware**

**Applications**

## Data Protection

## Storage Management

## Server Management

## Application Performance

- |               |                |
|---------------|----------------|
| NetWorker     | Data Protector |
| Galaxy        | EDM            |
| ArcServe      | NT Backup      |
| Media Mirror  | OnTap          |
| DiskXtender   | NetVault       |
| EmailXtender  | LiveVault      |
| TSM           | SyncSort       |
| SAM-FS        | Retrospect     |
| Data Migrator | Ultrabac       |
| RSS           | Tapeware       |
| NearStore     | DLM            |
| BrightStor    |                |
| Mobile Backup |                |


- |            |               |      |
|------------|---------------|------|
| ECC        | Sun SRM       | DLM  |
| AppIQ      | ReiserFS      | LVM  |
| Creekpath  | SAN Navigator | SVM  |
| HiCommand  | Aperi         | ASM  |
| TPM        | ShadowImage   | MDUX |
| SAN Copy   | InstantImage  | SVC  |
| MirrorView | SnapView      | LDM  |
| RepliStor  | Shadow Copy   | OCFS |
| TrueCopy   | FlashCopy     | DFM  |
| DoubleTake | TimeFinder    | UFS  |
| PPRC       | Ext3          | ZFS  |
| SRDF       | SANFS         | JFS  |
| MPIO       | PowerPath     | GPFS |

- |               |              |
|---------------|--------------|
| ServiceGuard  | Altiris      |
| Sun Cluster   | ClusterFrame |
| MSCS          | Polyserve    |
| HA-CMP        | GeoSpan      |
| TrueCluster   | Qlusters     |
| IBM TPM / TIO | SteelEye     |
| BMC           | Kickstart    |
| HP OpenView   | N1 Grid      |
| CA            | HP UDC       |
| Jumpstart     | ADS, SMS     |
| Opware        | Marimba      |
| Bladelogic    |              |
| Tivoli        |              |

- |            |              |
|------------|--------------|
| AppManager | Vantage      |
| OEM        | PathFinder   |
| Patrol     | Introscope   |
| Foglight   | JProbe       |
| DBArtisan  | Sitraka      |
| DGI        | MOM          |
| Topaz      | Performasure |
| CCMS       | Tivoli       |
| PAC        | Patrol       |
| Optane     | Corefirst    |
| Silk       | Appsight     |
| TheGuard   |              |
| eHealth    |              |

**Network**









**Storage**







**Servers**

**Virtual Machines**







# Symantec Data Center Foundation

ORACLE  
Microsoft SQL Server 2005  
Informix SOFTWARE  
SYBASE  
MySQL

Databases

ibm  
IBM  
ORACLE  
Microsoft

Middleware

ORACLE  
Microsoft  
Custom Applications

Applications

## Symantec Data Center Foundation

**Veritas  
NetBackup**



**Veritas  
Storage Foundation**



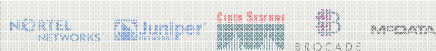
**Veritas  
Server Foundation**



**Veritas  
i<sup>3</sup>—APM**



Network



Storage



Servers



Virtual Machines





## Standardization: A Compelling ROI

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**167% ROI**

### **DIRECT COST SAVINGS**

<b>Server Software Cost Avoidance</b>	<b>\$2.5 M</b>
<b>Storage Software Cost Avoidance</b>	<b>\$0.2 M</b>
<b>Hardware Savings</b>	<b>\$2.8 M</b>

<b>Total Savings</b>	<b>\$5.5 M</b>
----------------------	----------------



# What's New



## Symantec Data Center Foundation

### Veritas NetBackup

- NBU 6.0
- NBU PureDisk
- NBU + CC-Service

### Veritas Storage Foundation

- SF 5.0
- SF Basic
- SF MS
- SF + CC-Storage

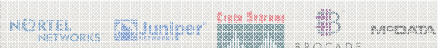
### Veritas Server Foundation

- VCS 5.0
- VCS Fire Drill
- VCM

### Veritas i<sup>3</sup>—APM

- i<sup>3</sup> 7.5

### Network



### Storage



### Servers



### Virtual Machines





# Enabling IT Service Management

Event Console

Help Desk

IT Ops Management

Console/ Framework

## Symantec Data Center Foundation

Capacity  
Management

Configuration  
Management

Security  
Management

Availability  
Management

IT Service  
Continuity

Veritas  
NetBackup



Veritas  
Storage Foundation



Veritas  
Server Foundation



Veritas  
i3—APM



## Integration Platform

Federated Console

Business Analytics

Workflow

Single Sign-On

License Management

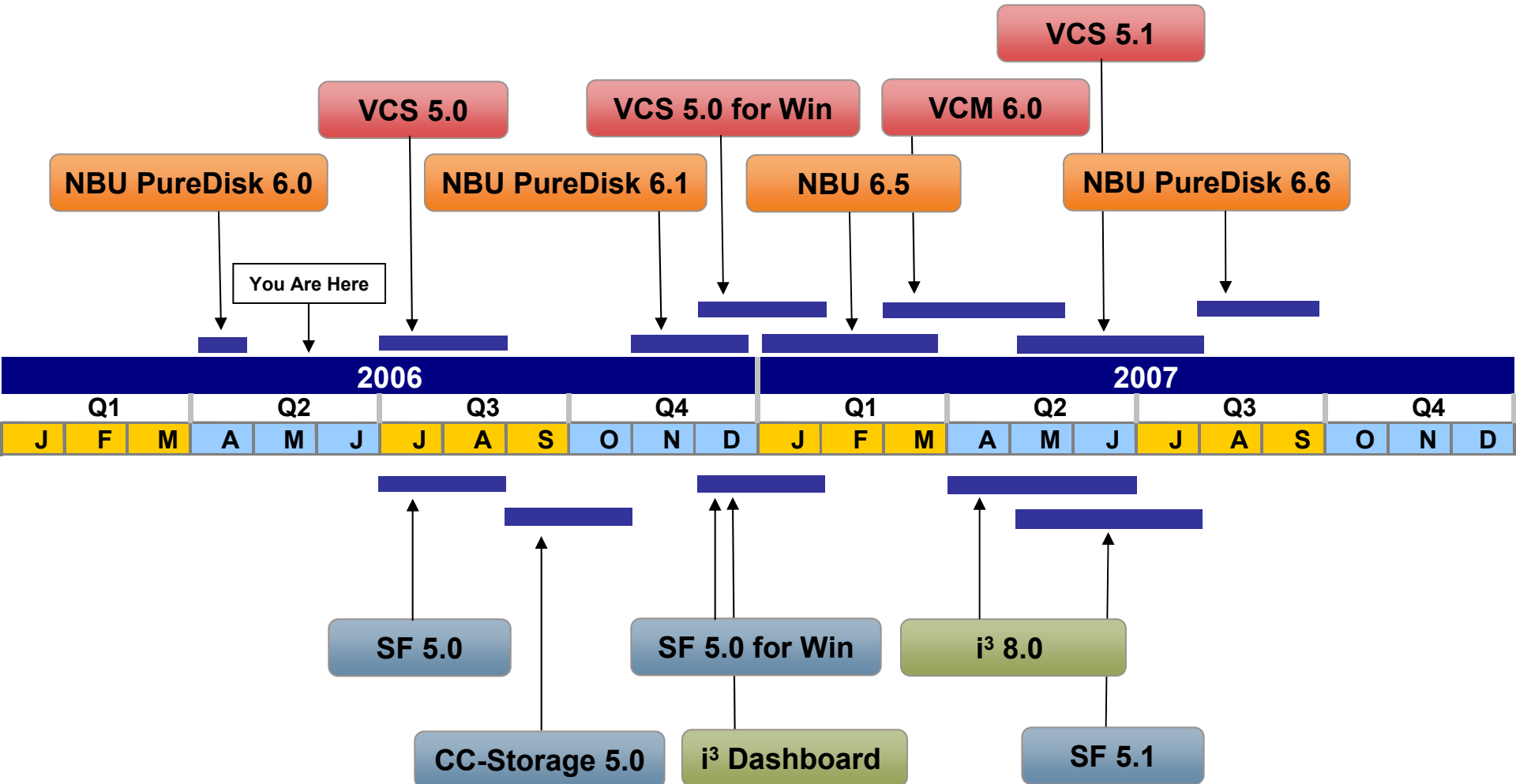
Common Agent Deploy

CMDB Integration

Directory Integration



# Product Roadmap





## Focus Areas in FY-07

---

- ▶ NBU 6.0
- ▶ Storage Foundation/Veritas Cluster Server 5.0
- ▶ Storage Foundation standardization
- ▶ Emerging product areas
  - NBU PureDisk
  - Configuration Manager
  - CommandCentral Storage
  - i<sup>3</sup> – APM
- ▶ Expand and deepen Common Integration Platform



Thank You





## Question & Answer Session





# WW Sales & Services



*Tom Kendra*

*Group President  
Worldwide Sales & Services*





## Sales Force Integration Objectives

---

- ▶ Broaden sales coverage – direct and partners
- ▶ Deepen customer relationships
- ▶ Increase share of customer spend
- ▶ Drive product, services and solution sales



# Focused Approach

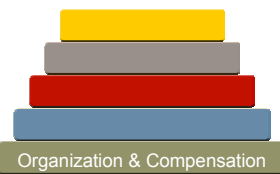
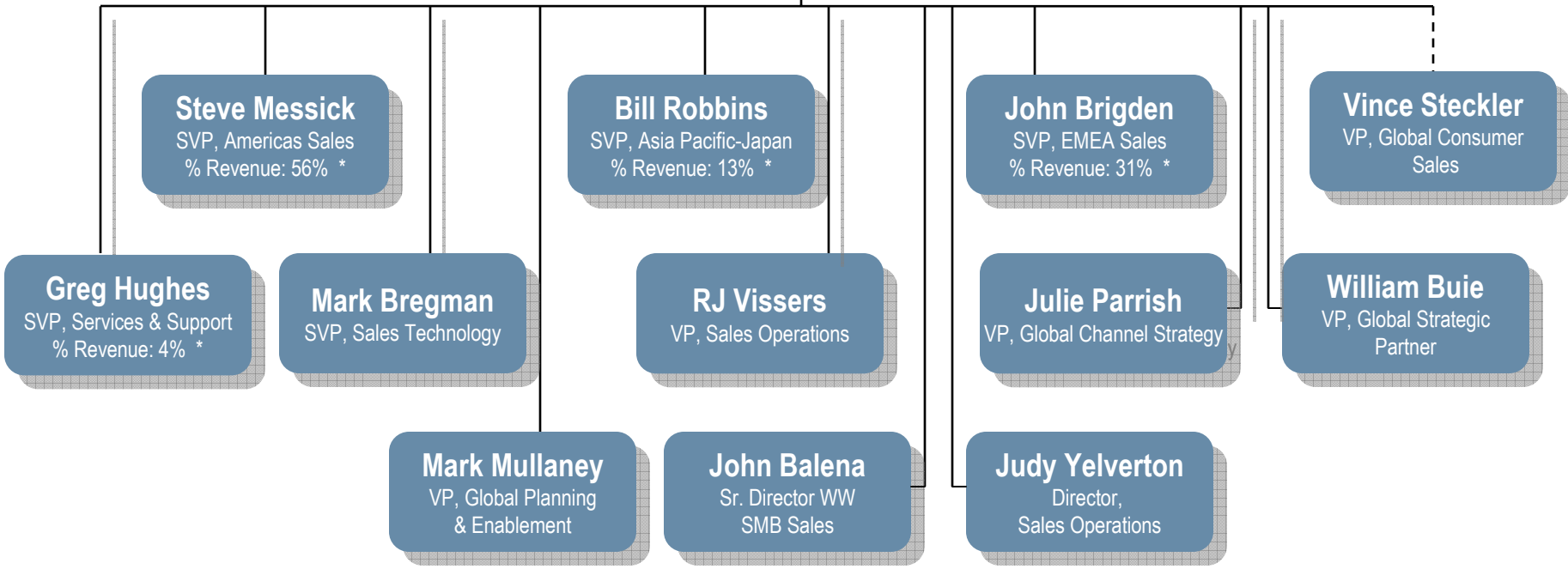
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Note: A detailed outline of the sales integration roadmap is located in the Appendix



**Tom Kendra**  
EVP, Global Sales & Services

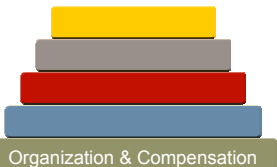


\* Fiscal Year 2006



# Organization and Compensation

Milestones	Date
<ul style="list-style-type: none"><li>▶ Announced sales organization<ul style="list-style-type: none"><li>▪ Leveraged very similar worldwide/regional structures</li></ul></li></ul>	March 2005
<ul style="list-style-type: none"><li>▶ Aligned sales compensation plans<ul style="list-style-type: none"><li>▪ Moved to opportunity based/relative plans</li><li>▪ Some differences in crediting provisions remained</li></ul></li></ul>	April 2005
<ul style="list-style-type: none"><li>▶ Merged sales management at 2nd line and above</li></ul>	July 2005
<ul style="list-style-type: none"><li>▶ Merged partner sales</li></ul>	July 2005
<ul style="list-style-type: none"><li>▶ Merged all sales in Australia, South Asia, .....</li></ul>	Sept 2005



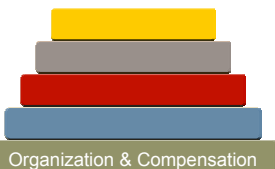


## Organization and Compensation - cont.

<u>Milestones</u>	<u>Date</u>
▶ Merged Geo Services Business	January 2006
▶ Single compensation plan globally	April 2006
▶ Entire sales force merged	April 2006

### Impact

- Fiscal 2006 year-over-year attrition ↓
- Enterprise productivity
  - Increased 5% full year
  - Increased 12% in Q406 year-over-year





# Enablement: Education and Infrastructure

<u>Milestones</u>	<u>Date</u>
▶ Customer and partner deliverables <ul style="list-style-type: none"><li>▪ Common solution &amp; strategy messaging</li></ul>	July 2005 (ongoing)
▶ Education and training organization merged	July 2005
▶ Merged briefing centers	July 2005
▶ Single sales portal	March 2006
▶ Single worldwide sales & marketing conference	April 2006
▶ Merged licensing and buying programs	Nov 2006 (target)



# Channel Integration

<u>Milestones</u>	<u>Date</u>
<ul style="list-style-type: none"><li>▶ PartnerNet – the integrated partner portal<ul style="list-style-type: none"><li>▪ 60,000 partners representing 20 program categories</li></ul></li></ul>	April 2006
<ul style="list-style-type: none"><li>▶ Global launch of integrated partner program in 37 countries<ul style="list-style-type: none"><li>▪ Merged two award winning partner programs</li><li>▪ Partner surveys, interviews and councils used to design, validate and support program rollout</li><li>▪ Partner rewards for both volume and value investments</li></ul></li></ul>	March 2006



# Sales Management Process

<u>Milestones</u>	<u>Date</u>
<ul style="list-style-type: none"><li>▶ Single weekly Global Sales Review (GSR)<ul style="list-style-type: none"><li>▪ Review of forecast, pipeline, large deals and hiring</li><li>▪ By geo and routes to market (online, partner, direct, etc)</li><li>▪ Includes Business Units, finance and marketing</li></ul></li></ul>	July 2005
<ul style="list-style-type: none"><li>▶ Established technical support escalation process and weekly review</li></ul>	July 2005
<ul style="list-style-type: none"><li>▶ Common opportunity management system<ul style="list-style-type: none"><li>▪ Salesforce.com</li><li>▪ Deal Desk established for large transactions</li></ul></li></ul>	Nov 2005
<ul style="list-style-type: none"><li>▶ Sales compensation plans for FY-07 delivered 4/4/06<ul style="list-style-type: none"><li>▪ Earliest compensation plan rollout for either company</li></ul></li></ul>	April 2006



Sales Process



# Account & Territory Coverage

<u>Milestones</u>	<u>Date</u>
<ul style="list-style-type: none"><li>▶ Single account manager for largest customers<ul style="list-style-type: none"><li>▪ Consistent with industry approach (IBM, HP, etc)</li><li>▪ Fewer accounts per account manager</li><li>▪ Minimal territory change to approximately 70% of account managers</li></ul></li></ul>	April 2006
<ul style="list-style-type: none"><li>▶ Enhanced solution specialization<ul style="list-style-type: none"><li>▪ Enterprise Messaging, Datacenter Management, Compliance and Security</li><li>▪ Sales and SE specialization</li><li>▪ Compensation plans incent/reward solution sales</li></ul></li></ul>	April 2006
<ul style="list-style-type: none"><li>▶ Increased mid-market sales resources</li></ul>	April 2006



Account Coverage



# Mid-Market Customer Profile

## Definition

- ▶ Customers with 100 to 1,000 employees
- ▶ Windows-centric applications
- ▶ Channel-driven sale (local partner)

## Key IT Issues

- ▶ Keeping what they already have running
- ▶ ROI required immediately, vs. over time
- ▶ Limited staff and expertise
- ▶ Tools needed to improve IT effectiveness



## Solution Selection Criteria

- ▶ Immediate out-of-pocket cost to implement
- ▶ Peer references
- ▶ Ease of integration with existing solutions

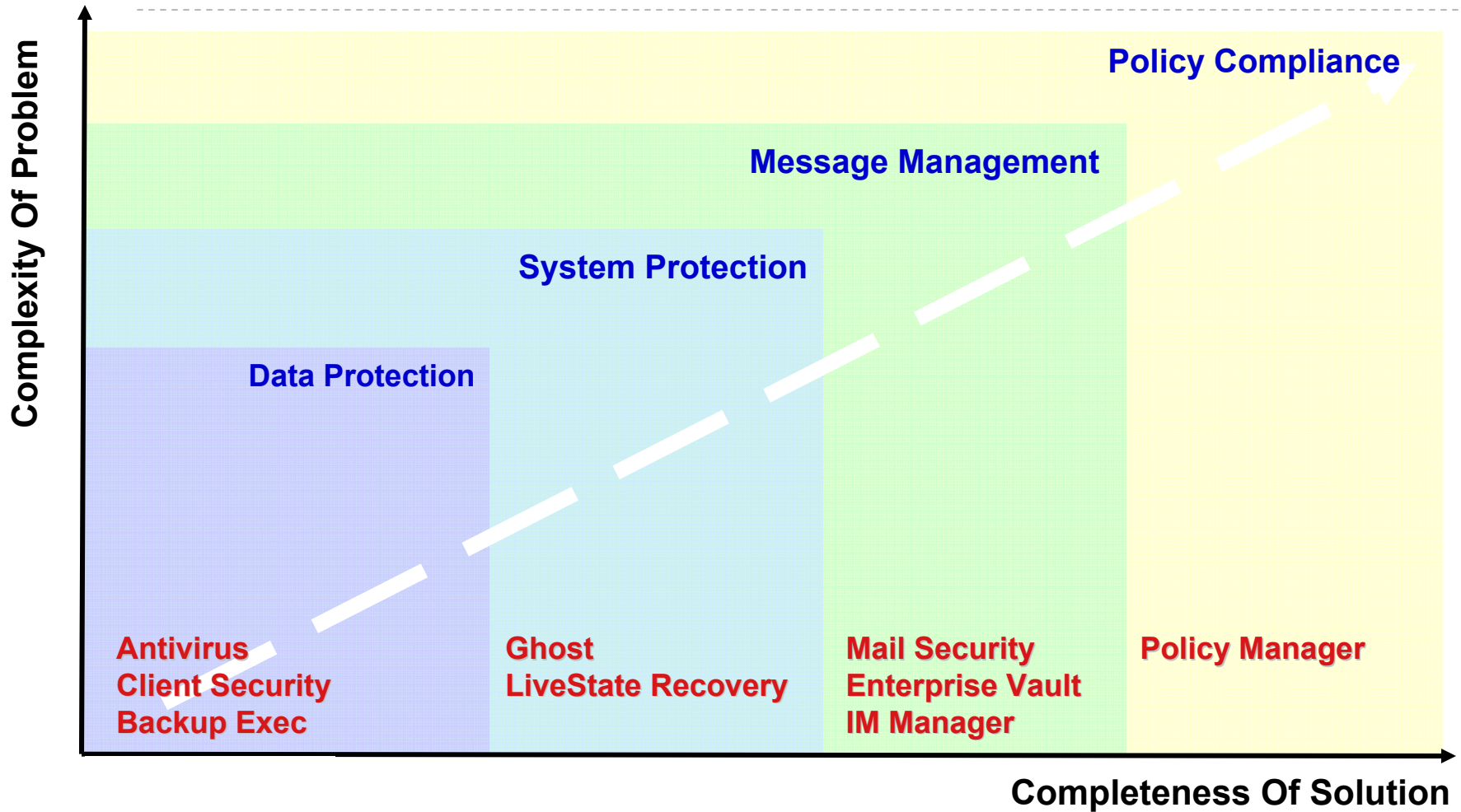
## Investment Drivers

- ▶ Operational efficiency
- ▶ Compliance / regulations

Source: Gartner 2005; Internal Sources



# Mid-Market Blueprint





# Mid-Market Opportunity

Mid Market Product Category		Market		Symantec Position	
		Market Size	CAGR	Products	Analyst View
Data & System Management	Availability	\$2,261	11.0%	BE, LSR	Leader
	Security	\$2,105	27.1%	SAV, SCS	Leader
Enterprise Message Management		\$666	37.7%	SMS, EV, IM	Leader
Policy Management/Compliance		\$349	32.1%	BV, EV, Sygate	Leader
Symantec Addressable Market		\$5,381			
Other (Services/Identity Management, etc)		\$6,900	12.0%		
Sub Total Mid Market		\$12,281	17.0%		

CAGR is for 2005-2008. Source for total market (chart in Appendix) from AMI Partners & IDC



## Success in the Middle Market

---

- ▶ Focus on Mid-market as a discrete segment
- ▶ Product portfolio optimized for mid-market
  - Mid-market product packaging, bundling & pricing
- ▶ Enhanced Partner Program infrastructure & investment
- ▶ Increased Mid-market sales coverage



# Services: Go To Market

## Services

### Plan

- Strategy
- Prioritizing Risks

### Design

- Secure & resilient architectures
- Process
- Project Plans

### Build

- Installation
- Roll-out
- Training

### Manage

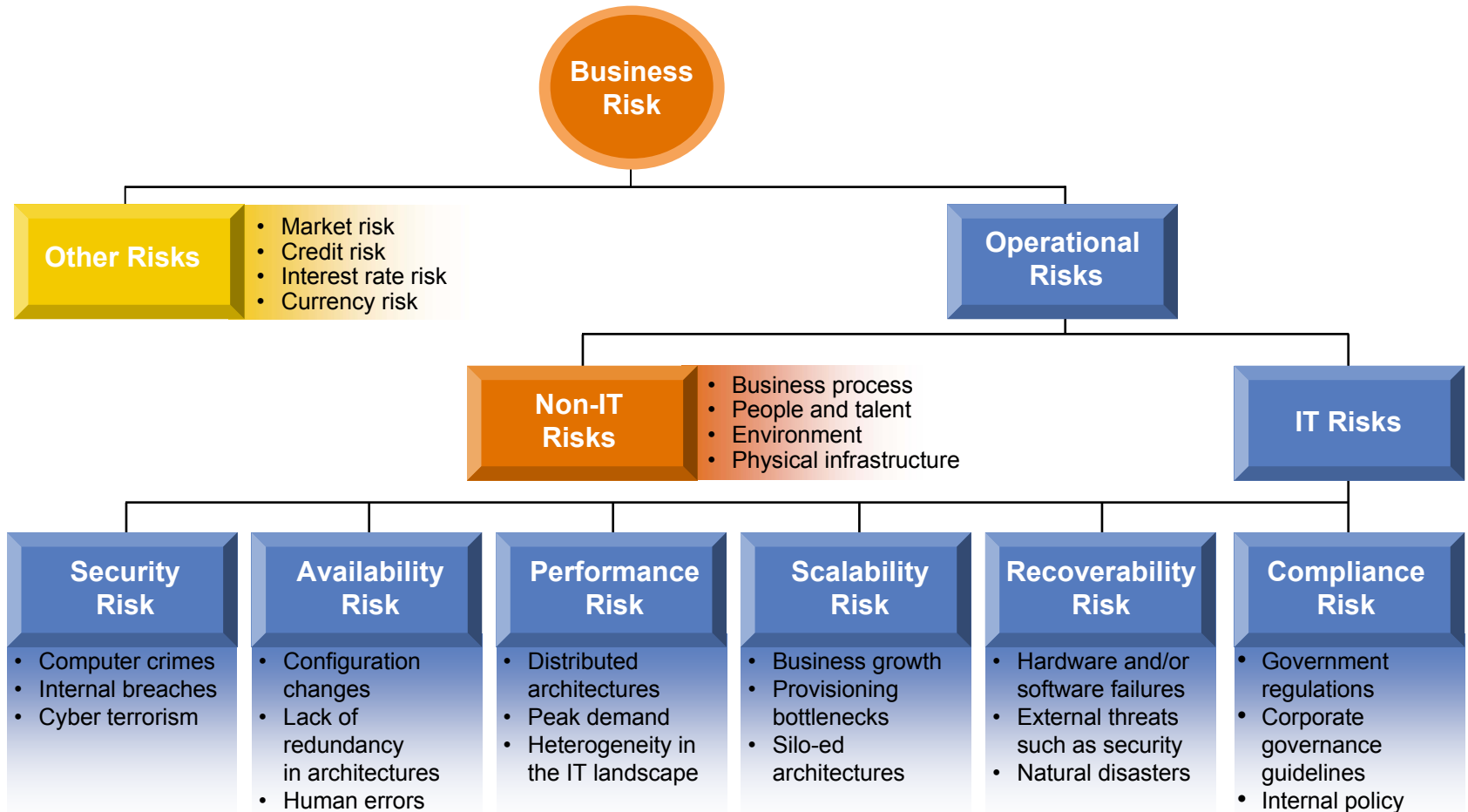
- Incident Response
- Compliance
- Continuity of operations
- Support

## Sales & Partner

- Strategic go-to-market partners
- Major systems integrators: IBM, CSC, UNISYS, EDS:
  - Prime outsourcer on large accounts leveraging Symantec product/services
- Subcontracting support
- Technical Support Partners
- Education Partners



# Services: Focus Areas





# Symantec Award Winning Support



“ The detailed and extensive practices that Symantec uses to collect and use customer feedback are a model for the industry.”

– *Bill Rose, SSPA Founder and Executive Director*

## Transforming Support to enhance customer Value.....

- ▶ **Innovate with Technology**
- ▶ **Improve Onsite Support**
- ▶ **Differentiate Support Experience**
- ▶ **Increase Customer Awareness**
- ▶ **Align with Engineering**



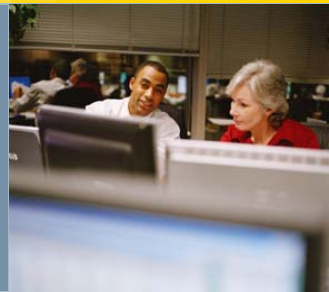
## Summary

---

- ▶ Sales integration is not a “Big Bang” but an ongoing process
- ▶ Integration is on schedule
- ▶ Also integrated Whole Security, Relicore, BindView, and IMlogic along the way
- ▶ We continue to refine our processes, tools and sales techniques to ensure future success



Thank You





## Question & Answer Session





# Financial Overview



*James Beer*

*Executive Vice President Finance  
and Chief Financial Officer*





# Agenda

---

- ▶ June Quarter Guidance
- ▶ Enterprise Revenue Model
- ▶ FY-07 Guidance
- ▶ FY-07 Review
- ▶ Cash Flow Update
- ▶ New Business Segments
- ▶ Summary



## June Quarter Guidance

---

- ▶ No change to June quarter guidance
- ▶ June 2006 guidance
  - GAAP revenue forecast of \$1.20 to \$1.23 billion
  - GAAP EPS forecast of 5¢ to 7¢
  - Non-GAAP revenue forecast of \$1.22 to \$1.25 billion
  - Non-GAAP EPS forecast of 20¢ to 21¢

See reconciliation of GAAP to non-GAAP forecast in appendix.



## Enterprise Revenue Model

---

- ▶ The integration of our ERP systems will provide the catalyst for the merging of our buying programs
- ▶ Our revised buying program structure will:
  - Provide customers with increased flexibility in terms of how they do business with Symantec
  - Simplify the sales process for Symantec, our customers and partners
  - Improve the buying experience and customer satisfaction
- ▶ We expect the integration to be implemented during the December 2006 quarter



## Enterprise Revenue Model (continued)

---

- ▶ We are expecting a total of \$100 million of enterprise revenue to shift from recognized revenue to deferred revenue
- ▶ This accounting change will not impact our planned operating expenses, however, direct expenses (COGS) associated with enterprise revenue will be deferred in line with revenue generation
- ▶ EPS is projected to be impacted by approximately 5¢
- ▶ There is no impact to cash flow from operations for FY-07
- ▶ Given the timing of the implementation, the change to guidance will impact the fiscal 3rd and 4th quarters of 2007



## New FY-07 Guidance

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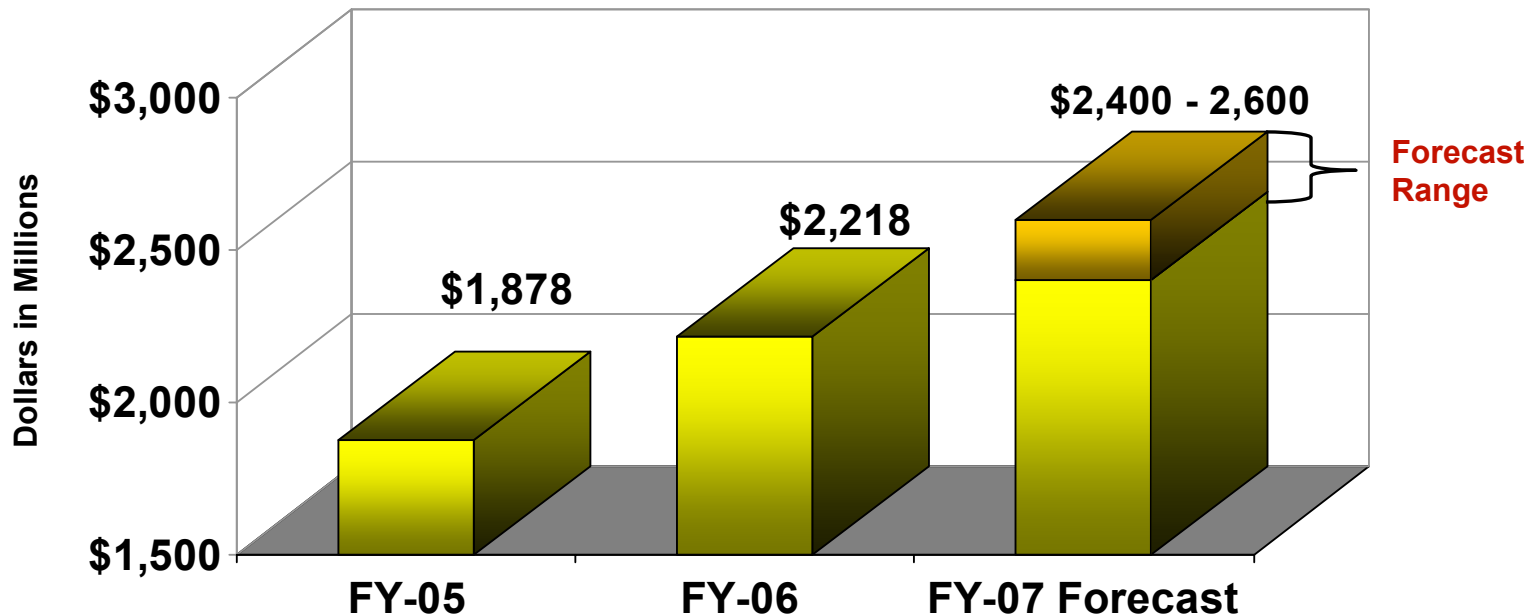
- ▶ FY-07 guidance is being adjusted for the enterprise revenue model change
- ▶ Fiscal year 2007 guidance
  - GAAP revenue forecast of \$5.1 to \$5.3 billion
  - GAAP EPS forecast of 41¢ to 52¢
  - Non-GAAP revenue forecast of \$5.2 to \$5.4 billion
  - Non-GAAP EPS forecast of \$1.00 to \$1.10

See reconciliation of GAAP to non-GAAP forecast in appendix.



## Strong Non-GAAP Deferred Revenue Growth

- ▶ FY-07 growth is driven by new bookings and the enterprise model change

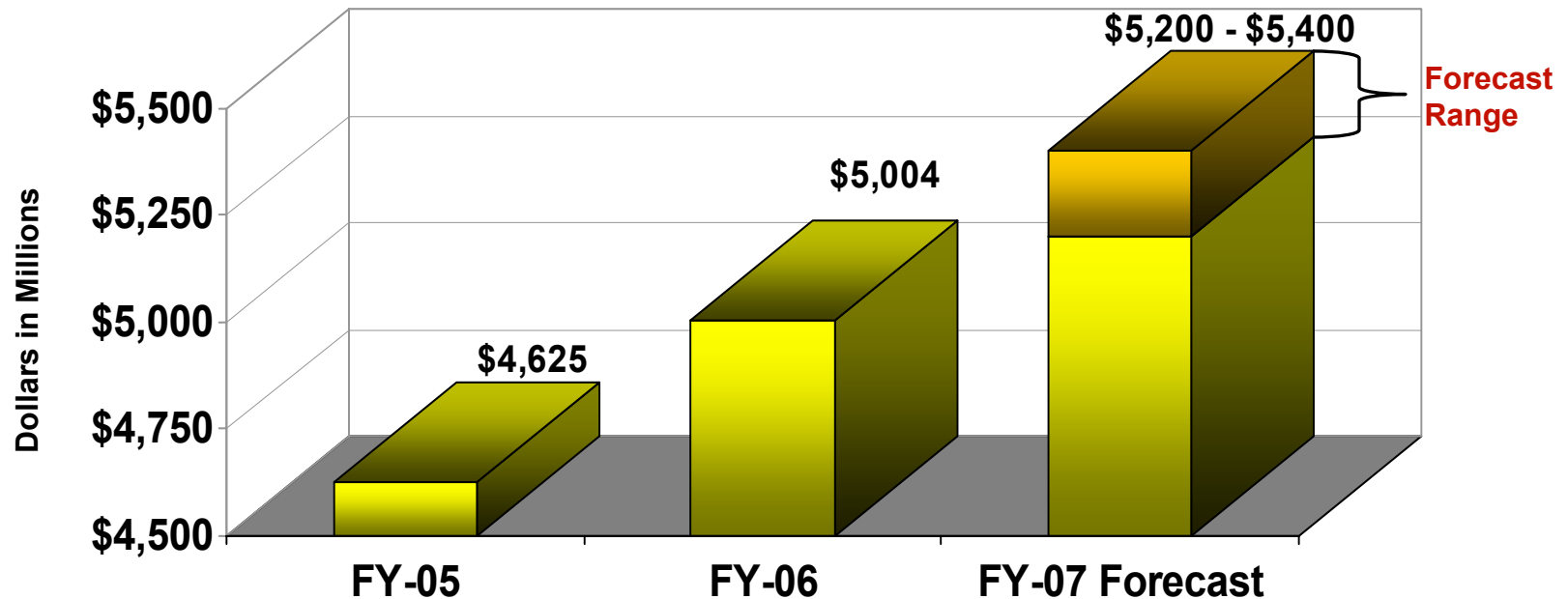


See reconciliation in appendix.



## FY-07 Review: Non-GAAP Revenue

- ▶ 4 – 8% expected growth in FY-07 vs FY-06 takes into account the change to our enterprise revenue model

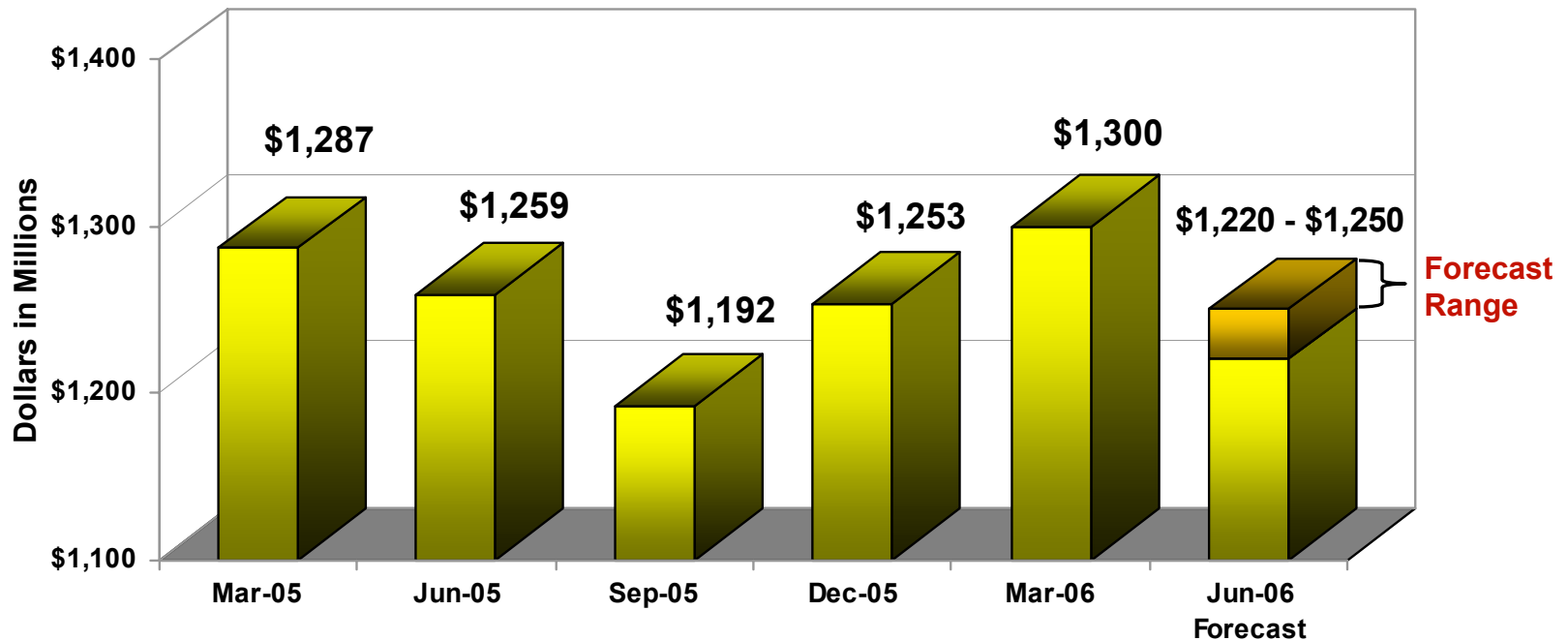


See reconciliation in appendix.



# Non-GAAP Revenue by Quarter

- ▶ We expect the second half of the fiscal year to be stronger than the first half, as is normal

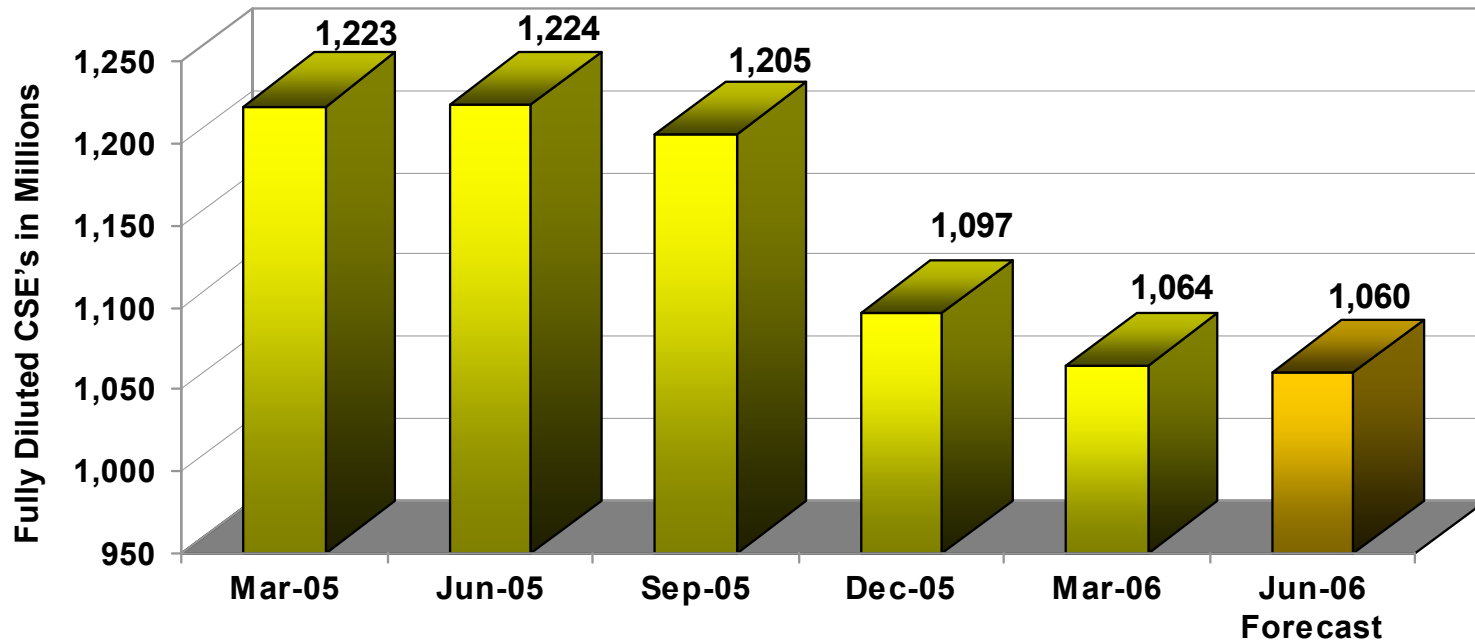


See reconciliation in appendix.



# Non-GAAP Common Stock Equivalents

- ▶ Significant progress has been achieved in reducing our share count, driven by a substantial repurchasing program
- ▶ FY-07 CSE forecast is expected to be 1.05 billion

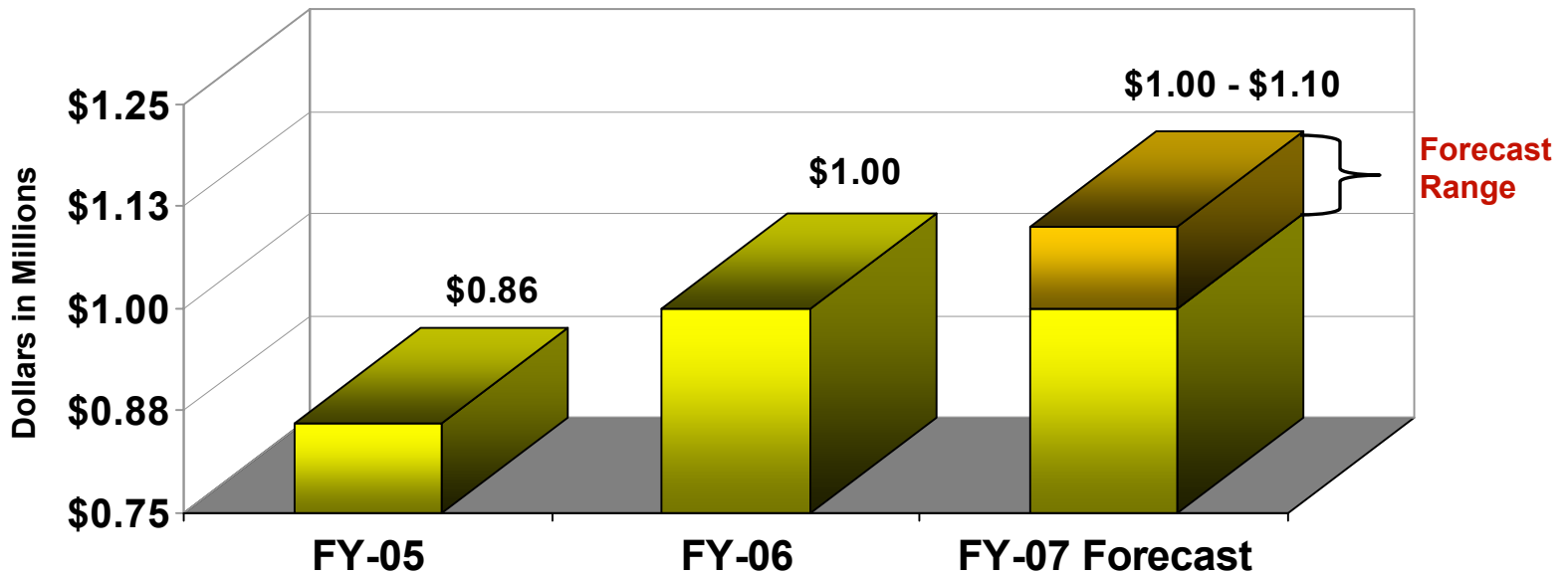


See reconciliation in appendix.



## Non-GAAP Earnings Per Share

- ▶ Flat to 10% expected growth in FY-07 vs FY-06 takes into account our execution of the current \$1 billion buy back program

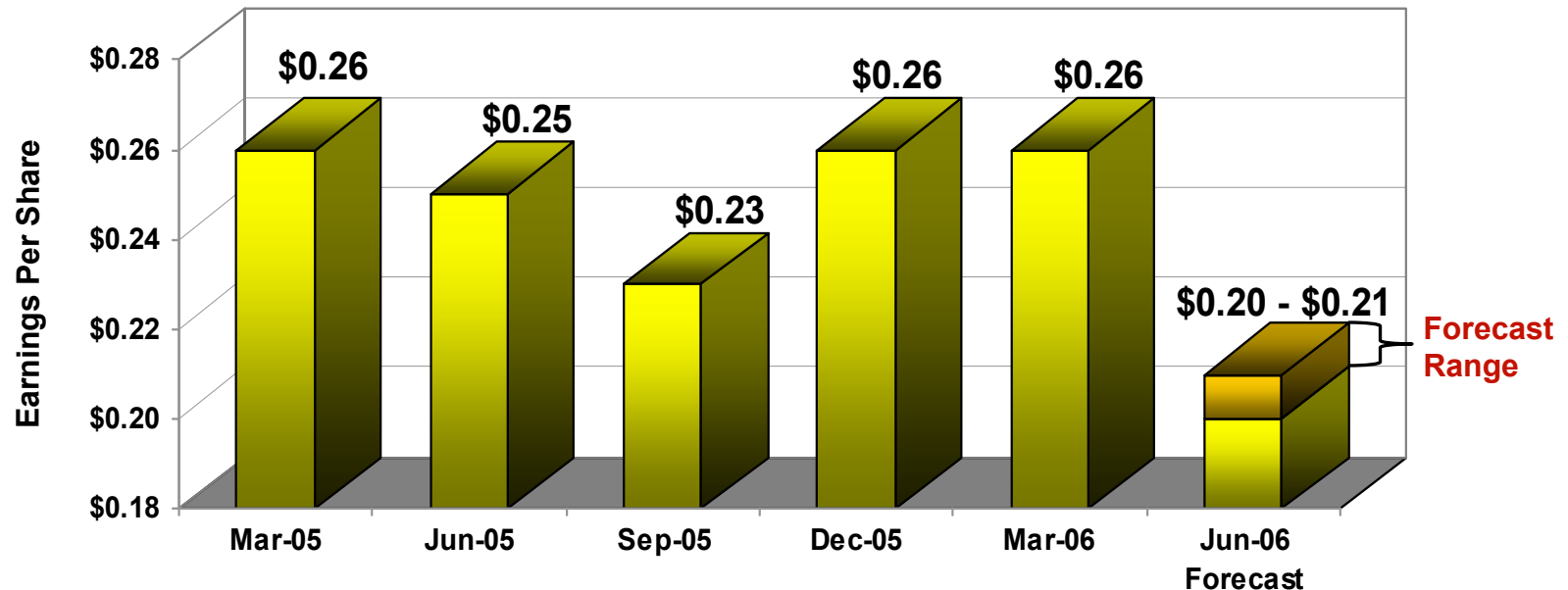


See reconciliation in appendix.



# Non-GAAP Earnings Per Share by Quarter

- ▶ As with revenue, we expect EPS to be stronger in the second half of the fiscal year



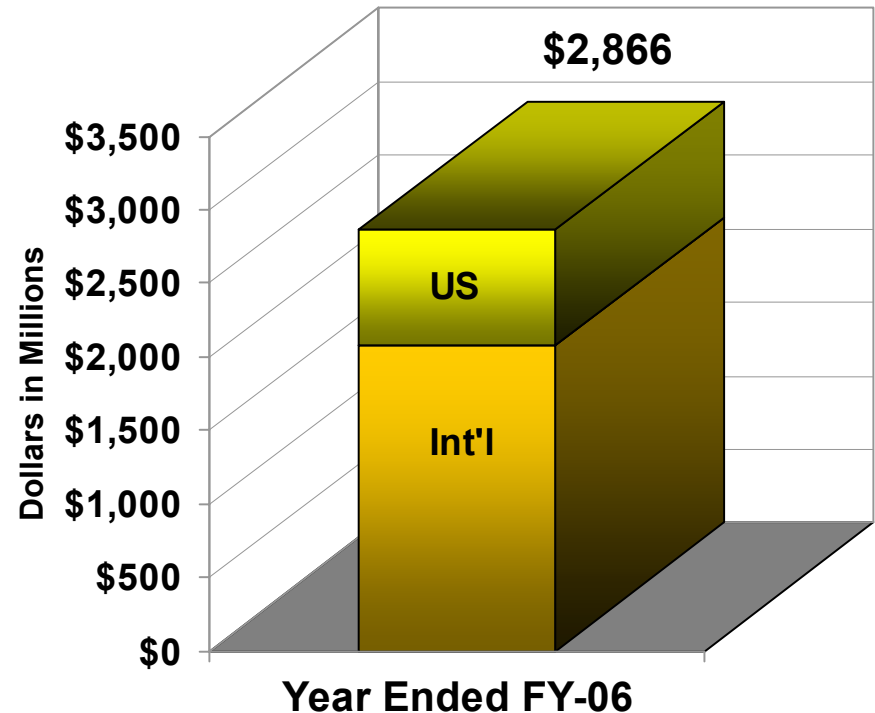
See reconciliation in appendix.



## Cash Flow Update: FY-06

### ► Sources/Uses of Cash for FY-06:

- Generated \$1.6 billion of pro forma\* cash flow from operations
- Generated \$482 million cash flow from operations in 4Q06
- Purchased \$3.6 billion of shares
- Acquired six companies for \$625 million



\*Pro forma includes Veritas' June quarter 2005 cash flow from operations of \$106 million.



## Cash Flow Update: FY-07

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- ▶ Sources/Uses of Cash for FY-07:
  - We expect cash flow from operations to be \$1.5 – 1.7 billion
  - Executing \$1 billion repurchase program
  - Repay \$520 million of convertible debt
  - Focus on integrating acquisitions to maximize return
  - Continue to evaluate opportunities for “tuck-in” acquisitions
  - Analyzing capital structure
  - Internal restructuring improves U.S. cash balance
  - Based on seasonality, we expect the December and March quarters to be our largest cash generation periods



## New Business Segments

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- ▶ In FY-06, we were organized around five business segments:
  - Consumer
  - Enterprise Security
  - Data Protection
  - Storage and Server Management
  - Services
- ▶ We have reorganized our business units into four segments for FY-07:
  - Consumer
  - Security and Data Management
  - Data Center Management
  - Services



# Business Segments Changes

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- ▶ Four primary changes occurred
  - The Data Protection and Enterprise Security segments merged into the Security and Data Management segment
  - NetBackup moved from Data Protection to Data Center Management
  - Enterprise administration products moved from Storage and Server Management to Security and Data Management
  - Consumer backup products moved from Storage and Server Management to Consumer
  
- ▶ A detailed view of products by business segment and a historical view of the revenue generated in FY-05 and FY-06 by the new business units is provided in the appendix.



## Summary of Focus Areas

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- ▶ Investing in areas such as compliance, end point security, message management, data center management, consumer and services
- ▶ Working to maintain our technology leadership with the introduction of a robust pipeline of new products and services
- ▶ Building brand awareness and launching enterprise and consumer sales and marketing initiatives to support our product portfolio
- ▶ Integrating back-end ERP systems while continuing to invest in IT infrastructure
- ▶ Consolidating the real estate portfolio that resulted from Veritas and other acquisitions
- ▶ Reducing manufacturing costs
- ▶ Focusing on the infrastructure to be able to effectively handle future growth



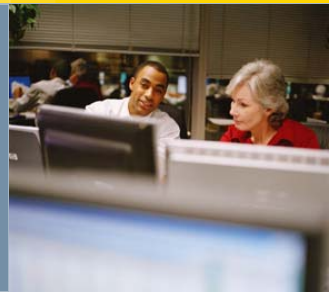
## Summary of Investment Attributes

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- ▶ Diversified set of differentiated products and services
- ▶ Leading brand and functionality in the consumer market
- ▶ Strong market leadership positions across the top spending areas for CIOs
- ▶ R&D initiatives and recent acquisitions driving growth in FY-07 and beyond
- ▶ Geographically diverse revenue base
- ▶ Significant global expansion opportunities
- ▶ Financial strength
  - Substantial cash flow from operations
  - Strong deferred revenue growth
  - Balance sheet strength and financial flexibility



Thank You





## Question & Answer Session





# Closing Remarks



*John W. Thompson*

*Chairman and Chief Executive Officer*





## Question & Answer Session





# Symantec 2006 Analyst Day



*May 31, 2006*

