

Symantec's Fiscal 2008 Fourth Quarter Supplemental Information
(Unaudited)

SUMMARY ⁽¹⁾ (in thousands)

Revenue and Earnings Results				Q408 vs. Q407 Growth	Q4 vs. Q3 Growth	FY 08	FY 07	Y/Y	Growth
	Mar-08Q	Dec-07Q	Mar-07Q						
Non-GAAP Revenue:	\$1,547,987	\$1,529,026	\$1,364,782	13%	1%	\$5,937,189	\$5,252,664	13%	
GAAP Revenue:	\$1,539,741	\$1,515,251	\$1,357,217	13%	2%	\$5,874,419	\$5,199,366	13%	
Non-GAAP EPS:	\$0.36	\$0.33	\$0.24	50%	9%	\$1.27	\$1.01	26%	
GAAP EPS:	\$0.22	\$0.15	\$0.07	214%	47%	\$0.52	\$0.41	27%	

Revenue by Segment - Non-GAAP ⁽²⁾				Q408 vs. Q407 Growth	Q4 vs. Q3 Growth	% of Total Revenue	FY 08	FY 07	Y/Y	Growth
	Mar-08Q	Dec-07Q	Mar-07Q							
Security & Compliance	\$438,969	\$426,981	\$361,294	21%	3%	28%	\$1,677,515	\$1,412,686	19%	
Storage and Server Management	\$562,910	\$565,155	\$508,783	11%	0%	37%	\$2,151,693	\$1,955,923	10%	
Services:	\$96,610	\$96,189	\$86,439	12%	0%	6%	\$359,955	\$293,428	23%	
Total Enterprise:	\$1,098,489	\$1,088,325	\$956,516	15%	1%	71%	\$4,189,163	\$3,662,037	14%	
Consumer:	\$448,625	\$440,206	\$408,200	10%	2%	29%	\$1,746,089	\$1,590,506	10%	
Other:	\$873	\$495	\$66	1223%	76%	0%	\$1,937	\$122	1488%	

Revenue by Geography - Non-GAAP				Q408 vs. Q407 Growth	Q4 vs. Q3 Growth	% of Total Revenue	FY 08	FY 07	Y/Y	Growth
	Mar-08Q	Dec-07Q	Mar-07Q							
International:	\$812,912	\$811,760	\$705,633	15%	0%	53%	\$3,080,962	\$2,659,067	16%	
U.S.:	\$735,075	\$717,266	\$659,149	12%	2%	47%	\$2,856,227	\$2,593,597	10%	
Americas (U.S., Latin America, Canada):	\$805,807	\$789,075	\$734,458	10%	2%	51%	\$3,137,974	\$2,876,065	9%	
EMEA:	\$521,843	\$528,860	\$444,734	17%	-1%	34%	\$1,980,668	\$1,657,421	20%	
Asia Pacific & Japan:	\$220,337	\$211,091	\$185,590	19%	4%	15%	\$818,547	\$719,178	14%	

Expenses and Profitability - Non-GAAP				FY 08	FY 07	Y/Y	Growth
	Mar-08Q	Dec-07Q	Mar-07Q				
Gross Margin:	86.0%	86.2%	84.0%	85.6%	83.7%	-	
Operating Expenses:	\$901,220	\$898,708	\$841,640	\$3,506,110	\$3,049,918	15%	
Operating Expenses as a % of total revenue:	58%	59%	62%	59%	58%	-	
Operating Income:	\$430,751	\$419,538	\$305,205	\$1,576,810	\$1,345,690	17%	
Operating Margin:	27.8%	27.4%	22.4%	26.6%	25.6%	-	
Net Income:	\$309,430	\$291,748	\$226,767	\$1,126,511	\$992,477	14%	
Fully Diluted Shares Outstanding:	856,747	876,221	932,985	884,136	983,261	-10%	

Balance Sheet & Cash Flow Metrics				Q408 vs. Q407 Growth	Q4 vs. Q3 Growth	FY 08	FY 07	Y/Y	Growth
	Mar-08Q	Dec-07Q	Mar-07Q						
Cash position (including short-term investments):	\$2,426,953	\$1,984,596	\$2,987,653	-19%	22%	N/A	N/A	N/A	
DSO:	45 days	54 days	45 days	-	-	N/A	N/A	N/A	
Non-GAAP Deferred Revenue:	\$3,088,231	\$2,897,029	\$2,771,741	11%	7%	N/A	N/A	N/A	
GAAP Deferred Revenue:	\$3,076,569	\$2,877,173	\$2,753,783	12%	7%	N/A	N/A	N/A	
Cash Flow from Operating Activities:	\$674,370	\$462,005	\$566,984	19%	46%	\$1,818,653	\$1,666,235	9%	
Purchase of property and equipment	\$64,678	\$71,100	\$70,154	-8%	-9%	\$273,807	\$419,749	-35%	
Stock Repurchase - number of shares purchased:	11.3 million shares	22.7 million shares	33.1 million shares	80.9 million shares	161.7 million shares	-			

(1) The information presented above includes selected historical GAAP and non-GAAP financial information. To see the most directly comparable GAAP financial measures together with the reconciliation, go to: <http://investor.symantec.com/phoenix.zhtml?c=89422&p=irol-irhome>.

(2) During the March 2008 quarter, we modified the segment reporting structure to more readily match business operational changes as a result of the January 2008 promotion of Enrique Salem to Chief Operating Officer of Symantec. The following changes have been made to our segment reporting structure: (i) the Security and Data Management Group is now known as the Security and Compliance Group; (ii) the Altiris segment, in its entirety, has been moved into the Security and Compliance Group; (iii) the Data Center Management Group is now known as the Storage and Server Management Group; and (iv) we have moved the Backup Exec products to the Storage and Server Management Group from the Security and Data Management Group. There were no changes to the Consumer, Services, or Other segments. The new business structure more directly aligns the operating segments with markets and customers, and we believe will establish more direct lines of reporting responsibilities, speed decision making, and enhance the ability to pursue strategic growth opportunities. Data shown from the prior periods have been reclassified to match the current reporting structure.

Big Deal Summary

	Greater than \$300k	Greater than \$1m
Mar-08	449	115
Dec-07	554	127
Sep-07	302	64
Jun-07	249	48
Mar-07	391	101
Dec-06	409	115
Sep-06	293	67
Jun-06	299	64

Headcount

	Employees
Mar-08	17,648
Dec-07 ⁽¹⁾	17,906
Sep-07	18,059
Jun-07 ⁽²⁾	17,705
Mar-07	17,131
Dec-06	17,396
Sep-06	16,598
Jun-06	16,161

(1) Includes 164 employees added from the Vontu acquisition.

(2) Includes 980 employees added from the Altiris acquisition.

Symantec Corporation
GAAP Statements of Operations
(In thousands, except per share data)
(Unaudited)

	Fiscal 2008	Quarter Ended 31-Mar-08	Quarter Ended 31-Dec-07	Quarter Ended 30-Sep-07	Quarter Ended 30-Jun-07	Fiscal 2007	Quarter Ended 31-Mar-07	Quarter Ended 31-Dec-06	Quarter Ended 30-Sep-06	Quarter Ended 30-Jun-06
Net revenues:										
Content, subscriptions, and maintenance	\$ 4,561,566	\$ 1,190,440	\$ 1,167,443	\$ 1,117,165	\$ 1,086,518	\$ 3,917,572	\$ 1,051,112	\$ 993,889	\$ 955,025	\$ 917,546
Licenses	1,312,853	349,301	347,808	301,924	313,820	1,281,794	306,105	321,984	305,383	348,322
Total net revenues	5,874,419	1,539,741	1,515,251	1,419,089	1,400,338	5,199,366	1,357,217	1,315,873	1,260,408	1,265,868
Cost of revenues:										
Content, subscriptions, and maintenance	826,339	206,746	204,355	205,572	209,666	823,525	210,888	213,977	203,524	195,136
Licenses	44,664	13,230	10,304	9,892	11,238	49,968	10,502	12,015	11,539	15,912
Amortization of acquired product rights	349,327	86,403	84,502	89,062	89,360	342,333	84,873	84,511	85,338	87,611
Total cost of revenues	1,220,330	306,379	299,161	304,526	310,264	1,215,826	306,263	310,503	300,401	298,659
Gross Profit	4,654,089	1,233,362	1,216,090	1,114,563	1,090,074	3,983,540	1,050,954	1,005,370	960,007	967,209
Operating expenses:										
Sales and marketing	2,415,264	623,592	627,980	595,162	568,530	2,007,651	575,546	500,067	464,589	467,449
Research and development	895,242	223,314	225,293	221,057	225,578	866,882	218,468	216,969	218,250	213,195
General and administrative	347,642	92,792	82,600	86,405	85,845	316,783	79,266	78,820	80,076	78,621
Amortization of other purchased intangible assets	225,131	56,284	54,996	56,926	56,925	49,932	50,476	50,476	50,480	50,614
Restructuring	73,914	22,031	23,305	9,578	19,000	70,236	50,758	-	6,220	13,258
Integration	-	-	-	-	-	744	-	-	-	-
Loss on sale of assets	94,616	1,928	6,142	86,546	-	-	-	-	-	-
Total operating expenses	4,051,809	1,019,941	1,020,316	1,055,674	955,878	3,463,798	974,714	846,332	819,615	823,137
Operating income (loss)	602,280	213,421	195,774	58,889	134,196	519,742	76,240	159,038	140,391	144,072
Interest income	76,896	16,899	19,997	19,179	20,821	122,043	30,503	28,741	34,983	27,816
Interest expense	(29,480)	(9,095)	(7,477)	(6,617)	(6,291)	(27,233)	(6,246)	(6,257)	(8,053)	(6,678)
Settlements of litigation	58,500	58,500	-	-	-	-	-	-	-	-
Other income (expense), net	4,327	3,444	(2,348)	1,965	1,266	17,070	5,568	(3,897)	15,581	(182)
Income (loss) before income taxes	712,523	283,169	205,946	73,416	149,992	631,622	106,065	177,626	182,904	165,028
Provision for income taxes	248,673	96,783	74,056	23,048	54,786	227,242	45,171	60,855	56,722	64,494
Net income (loss)	\$ 463,850	\$ 186,386	\$ 131,890	\$ 50,368	\$ 95,206	\$ 404,380	\$ 60,894	\$ 116,769	\$ 126,181	\$ 100,535
Earnings per share - diluted	\$ 0.52	\$ 0.22	\$ 0.15	\$ 0.06	\$ 0.10	\$ 0.41	\$ 0.07	\$ 0.12	\$ 0.13	\$ 0.10
Weighted-average shares outstanding - diluted	884,136	856,747	876,221	892,759	910,302	983,261	932,985	963,309	987,916	1,048,833

Symantec Corporation
Non-GAAP Statements of Operations (1)
(In thousands, except per share data)
(Unaudited)

	Fiscal 2008	Quarter Ended 31-Mar-08	Quarter Ended 31-Dec-07	Quarter Ended 30-Sep-07	Quarter Ended 30-Jun-07	Fiscal 2007	Quarter Ended 31-Mar-07	Quarter Ended 31-Dec-06	Quarter Ended 30-Sep-06	Quarter Ended 30-Jun-06
Net revenues	\$ 5,937,189	\$ 1,547,987	\$ 1,529,026	\$ 1,437,332	\$ 1,422,844	\$ 5,252,664	\$ 1,364,782	\$ 1,326,341	\$ 1,273,392	\$ 1,288,149
Cost of revenues	854,269	216,016	210,780	210,964	216,508	857,056	217,936	222,172	209,879	207,069
Gross profit	5,082,920	1,331,971	1,318,246	1,226,368	1,206,336	4,395,608	1,146,846	1,104,169	1,063,513	1,081,080
Operating expenses:										
Sales and marketing	2,355,551	607,770	613,857	580,736	553,188	1,950,202	563,457	487,210	446,949	452,586
Research and development	835,977	209,079	209,579	206,056	211,263	807,950	206,148	202,607	200,963	198,232
General and administrative	314,582	84,371	75,272	78,028	76,911	291,766	72,036	72,844	73,293	73,593
Total operating expenses	3,506,110	901,220	898,708	864,820	841,362	3,049,918	841,641	762,661	721,205	724,411
Operating income	1,576,810	430,751	419,538	361,548	364,974	1,345,690	305,205	341,508	342,308	356,669
Interest income	76,896	16,899	19,997	19,179	20,821	122,043	30,503	28,741	34,983	27,816
Interest expense	(29,480)	(9,095)	(7,477)	(6,617)	(6,291)	(27,233)	(6,245)	(6,257)	(8,053)	(6,678)
Other income (expense), net	1,050	3,444	(5,626)	1,966	1,266	(2,919)	2,344	(3,897)	(1,184)	(182)
Income before income taxes	1,625,276	442,000	426,432	376,076	380,770	1,437,579	331,805	360,095	368,054	377,625
Provision for income taxes	498,765	132,570	134,684	113,440	118,072	445,102	109,288	109,288	106,590	124,185
Net income	\$ 1,126,511	\$ 309,430	\$ 291,748	\$ 262,636	\$ 262,698	\$ 992,477	\$ 226,767	\$ 250,807	\$ 261,464	\$ 253,440
Earnings per share - diluted	\$ 1.27	\$ 0.36	\$ 0.33	\$ 0.29	\$ 0.29	\$ 1.01	\$ 0.24	\$ 0.26	\$ 0.26	\$ 0.24
Weighted-average shares outstanding - diluted	884,136	856,747	876,221	892,759	910,302	983,261	932,985	963,309	987,916	1,048,833

(1) The method we use to produce non-GAAP results is not computed according to GAAP and may differ from the methods used by other companies. Our non-GAAP results are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our condensed consolidated financial statements prepared in accordance with GAAP.

Symantec Corporation
Reconciliation of Non-GAAP Adjustments
Statements of Operations
(In thousands, except per share data)
(Unaudited)

	Fiscal 2008	Quarter Ended 31-Mar-08	Quarter Ended 31-Dec-07	Quarter Ended 30-Sep-07	Quarter Ended 30-Jun-07	Fiscal 2007	Quarter Ended 31-Mar-07	Quarter Ended 31-Dec-06	Quarter Ended 30-Sep-06	Quarter Ended 30-Jun-06
NET REVENUES:										
GAAP net revenues	\$ 5,874,419	\$ 1,539,741	\$ 1,515,251	\$ 1,419,089	\$ 1,400,338	\$ 5,199,366	\$ 1,357,217	\$ 1,315,873	\$ 1,260,408	\$ 1,265,868
Deferred revenue related to acquisitions ⁽¹⁾	62,770	8,246	13,775	18,243	22,506	53,298	7,565	10,468	12,984	22,281
Non-GAAP net revenues	\$ 5,937,189	\$ 1,547,987	\$ 1,529,026	\$ 1,437,332	\$ 1,422,844	\$ 5,252,664	\$ 1,364,782	\$ 1,326,341	\$ 1,273,392	\$ 1,288,149
GROSS PROFIT:										
GAAP gross profit	\$ 4,654,089	\$ 1,233,362	\$ 1,216,090	\$ 1,114,563	\$ 1,090,074	\$ 3,983,540	\$ 1,050,954	\$ 1,005,370	\$ 960,007	\$ 967,209
Deferred revenue related to acquisitions ⁽¹⁾	62,770	8,246	13,775	18,243	22,506	53,298	7,565	10,468	12,984	22,281
Stock-based compensation ⁽²⁾	16,734	3,960	3,879	4,499	4,396	16,437	3,454	3,819	5,183	3,981
Amortization of acquired product rights ⁽³⁾	349,327	86,403	84,502	89,062	89,360	342,333	84,873	84,512	85,339	87,609
Gross profit adjustment	428,831	98,609	102,156	111,804	116,262	412,068	95,892	98,799	103,506	113,871
Non-GAAP gross profit	\$ 5,082,920	\$ 1,331,971	\$ 1,318,246	\$ 1,226,367	\$ 1,206,336	\$ 4,395,608	\$ 1,146,846	\$ 1,104,169	\$ 1,063,513	\$ 1,081,080
OPERATING EXPENSES:										
GAAP operating expenses	\$ 4,051,809	\$ 1,019,941	\$ 1,020,316	\$ 1,055,674	\$ 955,878	\$ 3,463,798	\$ 974,714	\$ 846,332	\$ 819,615	\$ 823,137
Stock-based compensation ⁽²⁾	(146,961)	(38,582)	(35,541)	(36,490)	(36,348)	(137,403)	(31,639)	(32,298)	(40,628)	(32,838)
Amortization of other intangible assets ⁽¹⁾	(225,131)	(56,284)	(54,996)	(56,926)	(56,925)	(201,502)	(49,932)	(50,476)	(50,479)	(50,615)
Restructuring ⁽⁴⁾	(73,914)	(22,031)	(23,305)	(9,578)	(19,000)	(70,236)	(50,758)	-	(6,220)	(13,258)
Write-down of assets ⁽⁵⁾	(1,200)	-	(1,200)	-	-	-	-	-	-	-
Loss on sale of assets ⁽⁶⁾	(94,616)	(1,928)	(6,142)	(86,546)	-	-	-	-	-	-
Executive incentive bonuses ⁽⁷⁾	(3,436)	104	(424)	(1,314)	(1,802)	(3,995)	-	(897)	(1,083)	(2,015)
Integration ⁽⁸⁾	(441)	-	-	-	(441)	(744)	-	-	-	-
Operating expense adjustment	(545,699)	(118,721)	(121,608)	(190,854)	(114,516)	(413,880)	(133,073)	(83,671)	(98,410)	(98,726)
Non-GAAP operating expenses	\$ 3,506,110	\$ 901,220	\$ 898,708	\$ 864,820	\$ 841,362	\$ 3,049,918	\$ 841,641	\$ 762,661	\$ 721,205	\$ 724,411
OPERATING INCOME:										
GAAP operating income	\$ 602,280	\$ 213,421	\$ 195,774	\$ 58,889	\$ 134,196	\$ 519,742	\$ 76,240	\$ 159,038	\$ 140,391	\$ 144,072
Gross profit adjustment	428,831	98,609	102,156	111,804	116,262	412,068	95,892	98,799	103,506	113,871
Operating expense adjustment	545,699	118,721	121,608	190,854	114,516	413,880	133,073	83,671	98,410	98,726
Non-GAAP operating income	\$ 1,576,810	\$ 430,751	\$ 419,538	\$ 361,547	\$ 364,974	\$ 1,345,690	\$ 305,205	\$ 341,508	\$ 342,307	\$ 356,669
NET INCOME:										
GAAP net income	\$ 463,850	\$ 186,386	\$ 131,890	\$ 50,368	\$ 95,206	\$ 404,380	\$ 60,894	\$ 116,770	\$ 126,181	\$ 100,535
Gross profit adjustment	428,831	98,609	102,156	111,804	116,262	412,068	95,892	98,799	103,506	113,871
Operating expense adjustment	545,699	118,721	121,608	190,854	114,516	413,880	133,073	83,671	98,410	98,726
Gain on sale of assets ⁽⁹⁾	(3,277)	-	(3,277)	-	-	(19,988)	(3,223)	-	(16,765)	-
Settlements of litigation ⁽¹⁰⁾	(58,500)	(58,500)	-	-	-	-	-	-	-	-
Income tax effect on above items ⁽¹¹⁾	(250,092)	(35,786)	(60,629)	(90,391)	(63,286)	(217,863)	(59,869)	(48,433)	(49,868)	(59,692)
Non-GAAP net income	\$ 1,126,511	\$ 309,430	\$ 291,748	\$ 262,635	\$ 262,698	\$ 992,477	\$ 226,767	\$ 250,807	\$ 261,464	\$ 253,440
EARNINGS PER SHARE - DILUTED:										
GAAP earnings per share	\$ 0.52	\$ 0.22	\$ 0.15	\$ 0.06	\$ 0.10	\$ 0.41	\$ 0.07	\$ 0.12	\$ 0.13	\$ 0.10
Stock-based compensation adjustment per share, net of tax ⁽²⁾	0.14	0.04	0.04	0.04	0.04	0.12	0.03	0.03	0.04	0.03
Other non-GAAP adjustments per share, net of tax ^(1, 3-10)	0.61	0.10	0.14	0.19	0.15	0.48	0.14	0.11	0.09	0.11
Non-GAAP earnings per share	\$ 1.27	\$ 0.36	\$ 0.33	\$ 0.29	\$ 0.29	\$ 1.01	\$ 0.24	\$ 0.26	\$ 0.26	\$ 0.24
WEIGHTED-AVERAGE SHARES OUTSTANDING - DILUTED:										
GAAP weighted-average shares outstanding	884,136	856,747	876,221	892,759	910,302	983,261	932,985	963,309	987,916	1,048,833

(See notes on following page)

The non-GAAP financial measures included in the tables above are non-GAAP net revenues, non-GAAP net income and non-GAAP earnings per share, which adjust for the following items: business combination accounting entries, stock-based compensation expense, restructuring charges, charges related to the amortization of intangible assets, litigation settlements, write-downs 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.

(1) *Fair value adjustment to deferred revenue.* We have completed numerous business combinations and acquisitions for a variety of strategic purposes over the past several years. As is the case with our existing business, at the time of acquisition, these acquired businesses recorded deferred revenue related to past transactions for which revenue would be recognized in future periods as revenue recognition criteria are satisfied. The purchase accounting entries for these acquisitions require us to write down a portion of this deferred revenue to its then current fair value. Consequently, in post acquisition periods, we do not recognize the full amount of this deferred revenue. When measuring the performance of our business, however, we add back non-GAAP revenue associated with certain types of deferred revenue that were excluded as a result of these purchase accounting adjustments, as we believe that this provides information about the operating impact of the acquired businesses in a manner consistent with the revenue recognition for our pre-existing products and services. We believe that the inclusion of this revenue provides useful information to our management as well as to investors.

(2) *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 Statement of Financial Accounting Standards Number 123(R), or SFAS 123(R). 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 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. Further, we believe it is useful to investors to understand the impact of SFAS 123(R) to our results of operations. For the three months and twelve months ended March 31, 2008 and 2007, respectively, stock-based compensation was allocated as follows:

	Three Months Ended		Year Ended	
	March 31,		March 31,	
	2008	2007	2008	2007
Cost of revenues	\$ 3,960	\$ 3,454	\$ 16,734	\$ 16,437
Sales and marketing	15,748	12,084	58,181	55,855
Research and development	14,158	12,325	57,597	57,132
General and administrative	8,676	7,230	31,183	24,416
Total stock based compensation	<u>\$ 42,542</u>	<u>\$ 35,093</u>	<u>\$ 163,695</u>	<u>\$ 153,840</u>

(3) *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 this amortization charge 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.

(4) *Restructuring.* We have engaged in various restructuring activities over the past several years that have resulted in costs associated with severance, benefits, outplacement services, and excess facilities. Each restructuring has been a discrete event based on a unique set of business objectives or circumstances, and each has differed from the others in terms of its operational implementation, business impact and scope. We do not engage in restructuring activities in the ordinary course of business. While our operations previously benefited from the employees and facilities covered by our various restructuring charges, these employees and facilities have benefited different parts of our business in different ways, and the amount of these charges has varied significantly from period to period. We believe that it is important to understand these charges; however, we do not believe that these charges are indicative of future operating results and that investors benefit from an understanding of our operating results without giving effect to them.

(5) *Write-down of assets.* During the December 2007 quarter, we recorded a \$1.2 million write-down on a facility classified as held for sale.

(6) *Loss on sale of assets.* During the September 2007 quarter, management determined that certain tangible and intangible assets and liabilities of the Storage and Server Management segment (formally the Data Center Management segment) did not meet the long term strategic objectives of the segment, and we recorded a write-down of \$87 million to value these assets and liabilities at the respective estimated fair value. We adjusted this amount to \$93 million in the December 2007 quarter and to \$95 million in the March 2008 quarter. On March 8, 2008 these assets were sold to a third party.

(7) *Executive incentive bonuses.* We have excluded bonuses related to acquisitions and executive sign-on bonuses for newly hired executives. We expect the benefit from these hires and retentions to extend over an indeterminate future period, but under GAAP we are required to expense the entire cost of the bonus in the period paid. We exclude these amounts to provide better comparability of the periods that include and do not include these charges. We believe that investors benefit from an understanding of our operating results for the periods presented without giving effect to these charges.

(8) *Integration.* These charges consist of expenses incurred for consulting services and other professional fees associated with integration activities of acquisitions. Because these expenses are non-recurring and unique to specific acquisitions, we believe they are not indicative of future operating results and that investors benefit from an understanding of our operating results without giving effect to them.

(9) *Gain on sale of assets.* We exclude these gains because each is a unique one-time occurrence that is not closely related to, or a function of, our ongoing operations.

(10) *Settlements of litigation.* This gain represents the net effect of a charge incurred from our settlements of litigation that was pending against Veritas when we acquired it in July 2005 and a gain from our settlement of certain patent-related matters. We exclude the impact of these settlements because we do not consider the defense and prosecution of these pieces of litigation to be part of the ongoing operation of our business and because of the singular nature of the claims underlying each matter.

(11) *Income tax effect on above items.* This amount adjusts the provision for income taxes to reflect the effect of the non-GAAP adjustments on non-GAAP net income.

SYMANTEC CORPORATION

Reconciliation of GAAP Revenue Components to Non-GAAP Revenue Components

(In thousands)

(Unaudited)

	FY 2008			Three Months Ended Mar 31, 2008			Three Months Ended Dec 31, 2007			Three Months Ended Sep 30, 2007			Three Months Ended Jun 30, 2007		
	Non-GAAP		Non-GAAP	Non-GAAP		Non-GAAP	Non-GAAP		Non-GAAP	Non-GAAP		Non-GAAP	Non-GAAP		Non-GAAP
	GAAP	Adjustments ⁽¹⁾		GAAP	Adjustments ⁽¹⁾		GAAP	Adjustments ⁽¹⁾		GAAP	Adjustments ⁽¹⁾		GAAP	Adjustments ⁽¹⁾	
Net Revenues	\$ 5,874,419	\$ 62,770	\$ 5,937,189	\$ 1,539,741	\$ 8,246	\$ 1,547,987	\$ 1,515,251	\$ 13,775	\$ 1,529,026	\$ 1,419,089	\$ 18,243	\$ 1,437,332	\$ 1,400,338	\$ 22,506	\$ 1,422,844
Revenue by Segment⁽²⁾															
Security & Compliance Group	\$ 1,630,133	\$ 47,382	\$ 1,677,515	\$ 432,559	\$ 6,410	\$ 438,969	\$ 416,666	\$ 10,315	\$ 426,981	\$ 391,287	\$ 13,845	\$ 405,132	\$ 389,621	\$ 16,812	\$ 406,433
Storage and Server Management Group	2,136,307	15,386	2,151,693	561,076	1,834	562,910	561,695	3,460	565,155	507,956	4,398	512,354	505,580	5,694	511,274
Consumer	1,746,089	-	1,746,089	448,625	-	448,625	440,206	-	440,206	433,508	-	433,508	423,750	-	423,750
Services	359,955	-	359,955	96,610	-	96,610	96,189	-	96,189	86,010	-	86,010	81,146	-	81,146
Other ⁽³⁾	\$ 1,935	\$ 2	\$ 1,937	\$ 871	\$ 2	\$ 873	\$ 495	\$ -	\$ 495	\$ 328	\$ -	\$ 328	\$ 241	\$ -	\$ 241
Revenue by Geography:															
Americas ⁽⁴⁾	\$ 3,095,492	\$ 42,482	\$ 3,137,974	\$ 799,756	\$ 6,051	\$ 805,807	\$ 779,817	\$ 9,258	\$ 789,075	\$ 764,470	\$ 12,222	\$ 776,692	\$ 751,449	\$ 14,951	\$ 766,400
EMEA	1,963,319	17,349	1,980,668	520,049	1,794	521,843	524,981	3,879	528,860	460,485	5,191	465,676	457,804	6,485	464,289
Asia Pacific/Japan	\$ 815,608	\$ 2,939	\$ 818,547	\$ 219,936	\$ 401	\$ 220,337	\$ 210,453	\$ 638	\$ 211,091	\$ 194,134	\$ 830	\$ 194,964	\$ 191,085	\$ 1,070	\$ 192,155
Total U.S. Revenue	\$ 2,814,444	\$ 41,783	\$ 2,856,227	\$ 729,095	\$ 5,980	\$ 735,075	\$ 708,186	\$ 9,080	\$ 717,266	\$ 695,517	\$ 12,027	\$ 707,544	\$ 681,646	\$ 14,696	\$ 696,342
Total International Revenue	\$ 3,059,975	\$ 20,987	\$ 3,080,962	\$ 810,646	\$ 2,266	\$ 812,912	\$ 807,065	\$ 4,695	\$ 811,760	\$ 723,572	\$ 6,216	\$ 729,788	\$ 718,692	\$ 7,810	\$ 726,502

SYMANTEC CORPORATION

Reconciliation of GAAP Revenue

(In thousands)

(Unaudited)

	FY 2007			Three Months Ended Mar 31, 2007			Three Months Ended Dec 31, 2006			Three Months Ended Sep 30, 2006			Three Months Ended Jun 30, 2006		
	Non-GAAP		Non-GAAP	Non-GAAP		Non-GAAP	Non-GAAP		Non-GAAP	Non-GAAP		Non-GAAP	Non-GAAP		Non-GAAP
	GAAP	Adjustments ⁽¹⁾		GAAP	Adjustments ⁽¹⁾		GAAP	Adjustments ⁽¹⁾		GAAP	Adjustments ⁽¹⁾		GAAP	Adjustments ⁽¹⁾	
Net Revenues	\$ 5,199,366	\$ 53,298	\$ 5,252,664	\$ 1,357,217	\$ 7,565	\$ 1,364,782	\$ 1,315,873	\$ 10,468	\$ 1,326,341	\$ 1,260,408	\$ 12,984	\$ 1,273,392	\$ 1,265,868	\$ 22,281	\$ 1,288,149
Revenue By Segment⁽²⁾															
Security & Compliance Group	\$ 1,408,906	\$ 3,779	\$ 1,412,685	\$ 360,722	\$ 572	\$ 361,294	\$ 361,467	\$ 823	\$ 362,290	\$ 340,452	\$ 948	\$ 341,400	\$ 346,265	\$ 1,436	\$ 347,701
Storage and Server Management Group	1,906,607	49,317	1,955,924	501,790	6,993	508,783	479,758	9,645	489,403	459,151	12,036	471,187	465,908	20,643	486,551
Consumer	1,590,505	-	1,590,505	408,200	-	408,200	406,145	-	406,145	394,382	-	394,382	381,778	-	381,778
Services	293,226	202	293,428	86,439	-	86,439	68,517	-	68,517	66,356	-	66,356	71,914	202	72,116
Other ⁽³⁾	\$ 122	\$ -	\$ 122	\$ 66	\$ -	\$ 66	\$ (14)	\$ -	\$ (14)	\$ 67	\$ -	\$ 67	\$ 3	\$ -	\$ 3
Revenue by Geography:															
Americas ⁽⁴⁾	\$ 2,840,570	\$ 35,495	\$ 2,876,065	\$ 729,747	\$ 4,711	\$ 734,458	\$ 720,611	\$ 6,832	\$ 727,443	\$ 696,367	\$ 9,071	\$ 705,438	\$ 693,845	\$ 14,881	\$ 708,726
EMEA	1,644,177	13,244	1,657,421	442,395	2,339	444,734	417,813	2,987	420,800	386,422	3,166	389,588	397,547	4,752	402,299
Asia Pacific/Japan	\$ 714,619	\$ 4,559	\$ 719,178	\$ 185,075	\$ 515	\$ 185,590	\$ 177,449	\$ 649	\$ 178,098	\$ 177,619	\$ 747	\$ 178,366	\$ 174,476	\$ 2,648	\$ 177,124
Total U.S. Revenue	\$ 2,560,194	\$ 33,403	\$ 2,593,597	\$ 654,748	\$ 4,401	\$ 659,149	\$ 650,721	\$ 6,467	\$ 657,188	\$ 628,614	\$ 8,659	\$ 637,273	\$ 626,111	\$ 13,876	\$ 639,987
Total International Revenue	\$ 2,639,172	\$ 19,895	\$ 2,659,067	\$ 702,469	\$ 3,164	\$ 705,633	\$ 665,152	\$ 4,001	\$ 669,153	\$ 631,794	\$ 4,325	\$ 636,119	\$ 639,757	\$ 8,405	\$ 648,162

We include certain non-GAAP revenue and deferred revenue components in the tracking and forecasting of our revenue and management of our business. This includes non-GAAP revenue associated with deferred revenue that was excluded as a result of purchase accounting adjustments related to acquisitions. We believe the non-GAAP revenue measures set forth above are useful to investors, and such items are used by our management, because this revenue is reflective of our ongoing operating results.

(1) We have completed numerous business combinations and acquisitions for a variety of strategic purposes over the past several years. As is the case with our existing business, at the time of acquisition, acquired business had recorded deferred revenue related to past transactions for which revenue would be recognized in future periods as revenue recognition criteria are satisfied. The purchase accounting entries for these acquisitions require us to write down a portion of this deferred revenue to its then current fair value. Consequently, in post acquisition periods, we do not recognize the full amount of this deferred revenue. When measuring the performance of our business, however, we add back non-GAAP revenue associated with certain types of deferred revenue that were excluded as a result of these purchase accounting adjustments, as we believe that this provides information about the operating impact of the acquired businesses in a manner consistent with the revenue recognition for our for our pre-existing products and services. We believe that the inclusion of this revenue provides useful information to our management as well as to investors.

(2) During the March 2008 quarter, we modified the segment reporting structure to more readily match business operational changes as a result of the January 2008 promotion of Enrique Salem to Chief Operating Officer of Symantec. The following changes have been made to our segment reporting structure: (i) the Security and Data Management Group is now known as the Security and Compliance Group; (ii) the Altiris segment, in its entirety, has been moved into the Security and Compliance Group; (iii) the Data Center Management Group is now known as the Storage and Server Management Group; and (iv) we have moved the Backup Exec products to the Storage and Server Management Group from the Security and Data Management Group. There were no changes to the Consumer, Services, or Other segments. The new business structure more directly aligns the operating segments with markets and customers, and we believe will establish more direct lines of reporting responsibilities, speed decision making, and enhance the ability to pursue strategic growth opportunities. Data shown from the prior periods have been reclassified to match the current reporting structure.

(3) Other includes product lines nearing the end of their life cycle. See Item 15, Footnote 15 in our March 2007 10-K.

(4) The Americas includes the United States, Latin America, and Canada.

SYMANTEC CORPORATION
Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

	March 31, 2008	December 31, 2007	September 30, 2007	June 30, 2007	March 31, 2007	December 31, 2006	September 30, 2006	June 30, 2006
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 1,890,225	\$ 1,484,489	\$ 1,388,364	\$ 1,374,049	\$ 2,559,034	\$ 2,592,003	\$ 2,607,786	\$ 3,685,517
Short-term investments	536,728	500,107	627,478	660,543	428,619	382,519	343,489	409,216
Trade accounts receivable, net	758,200	901,615	601,837	568,721	666,968	744,766	563,608	540,552
Inventories	34,138	34,591	32,735	34,666	42,183	43,804	43,010	42,830
Current deferred income taxes	193,775	171,198	172,422	163,146	165,323	145,687	119,490	132,387
Other current assets	316,852	282,598	206,840	279,828	208,920	205,205	189,787	191,836
Total current assets	<u>3,729,918</u>	<u>3,374,598</u>	<u>3,029,676</u>	<u>3,080,953</u>	<u>4,071,047</u>	<u>4,113,984</u>	<u>3,867,170</u>	<u>5,002,338</u>
Property and equipment, net	1,001,750	1,039,510	1,125,560	1,113,315	1,092,240	1,114,018	1,062,354	1,098,629
Acquired product rights, net	648,950	733,278	788,884	925,595	909,878	992,638	1,067,766	1,150,352
Other intangible assets, net	1,243,524	1,299,083	1,315,003	1,411,713	1,245,638	1,295,445	1,339,779	1,390,258
Goodwill	11,207,357	11,208,960	10,948,364	10,969,774	10,340,348	10,344,055	10,326,629	10,329,888
Investment in joint venture	150,000	-	-	-	-	-	-	-
Other long-term assets	55,291	53,661	59,264	62,959	63,987	65,601	66,462	59,272
Long-term deferred income taxes	55,304	58,455	49,998	57,300	27,732	28,547	14,868	11,552
Total assets	<u>\$ 18,092,094</u>	<u>\$ 17,767,545</u>	<u>\$ 17,316,749</u>	<u>\$ 17,621,609</u>	<u>\$ 17,750,870</u>	<u>\$ 17,954,288</u>	<u>\$ 17,745,028</u>	<u>\$ 19,042,289</u>
LIABILITIES AND STOCKHOLDERS' EQUITY								
Current liabilities:								
Accounts payable	\$ 169,631	\$ 162,871	\$ 169,422	\$ 165,715	\$ 149,131	\$ 198,622	\$ 166,844	\$ 161,938
Accrued compensation and benefits	431,345	410,171	324,236	307,202	307,824	298,286	263,415	258,697
Current deferred revenue	2,661,515	2,497,697	2,265,575	2,330,411	2,387,733	2,199,844	1,990,193	2,021,949
Other current liabilities	264,832	231,686	191,500	224,416	234,915	182,760	169,515	170,572
Income taxes payable	72,263	78,997	40,520	13,056	238,486	338,049	260,183	360,681
Short-term borrowing	200,000	200,000	-	-	-	-	-	-
Short-term convertible debentures	-	-	-	-	-	-	-	518,200
Total current liabilities	<u>3,799,586</u>	<u>3,581,422</u>	<u>2,991,253</u>	<u>3,040,800</u>	<u>3,318,089</u>	<u>3,217,561</u>	<u>2,850,150</u>	<u>3,492,037</u>
Convertible senior notes	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Long-term deferred revenue	415,054	379,476	333,022	334,364	366,050	359,357	335,162	283,385
Long-term deferred tax liabilities	219,341	219,778	277,041	358,010	343,848	226,864	244,324	233,230
Long-term income taxes payable	478,743	459,126	424,595	414,322	-	-	-	-
Other long-term liabilities	106,187	98,662	85,419	38,647	21,370	22,118	21,470	26,320
Total Liabilities	<u>7,118,911</u>	<u>6,838,464</u>	<u>6,211,330</u>	<u>6,286,143</u>	<u>6,149,357</u>	<u>5,925,900</u>	<u>5,551,106</u>	<u>6,134,972</u>
Stockholders' equity:								
Common stock	8,393	8,452	8,650	8,813	8,994	9,275	9,413	9,875
Additional paid-in capital	9,139,084	9,207,367	9,495,987	9,740,361	10,061,144	10,511,659	10,759,857	11,552,839
Accumulated other comprehensive income	159,792	199,488	195,814	189,725	182,933	184,479	174,900	172,651
Retained earnings	1,665,914	1,513,774	1,404,968	1,396,567	1,348,442	1,322,975	1,249,752	1,171,952
Total stockholders' equity	<u>10,973,183</u>	<u>10,929,081</u>	<u>11,105,419</u>	<u>11,335,466</u>	<u>11,601,513</u>	<u>12,028,388</u>	<u>12,193,922</u>	<u>12,907,317</u>
Total liabilities and stockholders' equity	<u>\$ 18,092,094</u>	<u>\$ 17,767,545</u>	<u>\$ 17,316,749</u>	<u>\$ 17,621,609</u>	<u>\$ 17,750,870</u>	<u>\$ 17,954,288</u>	<u>\$ 17,745,028</u>	<u>\$ 19,042,289</u>

SYMANTEC CORPORATION
Reconciliation of GAAP deferred revenue
to Non-GAAP deferred revenue
(in thousands)
(Unaudited)

Balances as of:	Jun 30, 2006	Sep 30, 2006	Dec 31, 2006	Mar 31, 2007	Jun 30, 2007	Sep 30, 2007	Dec 31, 2007	Mar 31, 2008
<u>Deferred revenue reconciliation</u>								
GAAP deferred revenue	\$ 2,305,334	\$ 2,325,355	\$ 2,559,201	\$ 2,753,783	\$ 2,664,775	\$ 2,598,597	\$ 2,877,173	\$ 3,076,569
Add back:								
Deferred revenue related to acquisitions ⁽¹⁾	35,247	22,263	25,448	17,958	44,007	25,888	19,856	11,662
Non-GAAP deferred revenue	<u>\$ 2,340,581</u>	<u>\$ 2,347,618</u>	<u>\$ 2,584,649</u>	<u>\$ 2,771,741</u>	<u>\$ 2,708,782</u>	<u>\$ 2,624,485</u>	<u>\$ 2,897,029</u>	<u>\$ 3,088,231</u>

We include certain non-GAAP revenue and deferred revenue components in the tracking and forecasting of our revenue and management of our business. This includes non-GAAP revenue associated with deferred revenue that was excluded as a result of purchase accounting adjustments related to acquisitions. We believe the non-GAAP deferred revenue measures set forth above are useful to investors, and such items are used by our management, because this revenue is reflective of our ongoing operating results.

(1) We have completed numerous business combinations and acquisitions for a variety of strategic purposes over the past several years. As is the case with our existing business, at the time of acquisition, these acquired businesses had recorded deferred revenue related to past transactions for which revenue would be recognized in future periods as revenue recognition criteria are satisfied. The purchase accounting entries for these acquisitions require us to write down a portion of this deferred revenue to its then current fair value. Consequently, in post acquisition periods, we do not recognize the full amount of this deferred revenue. When measuring the performance of our business, however, we add back certain types of deferred revenue that were excluded as a result of these purchase accounting adjustments, as we believe that this provides information about the operating impact of the acquired businesses in a manner consistent with the revenue recognition for our pre-existing products and services. We believe that the inclusion of this deferred revenue provides useful information to our management as well as to investors.

Symantec Corporation
Trended Cash Flow Statements
(In thousands)
(Unaudited)

	Fiscal 2008	Quarter Ended 31-Mar-08	Quarter Ended 31-Dec-07	Quarter Ended 30-Sep-07	Quarter Ended 30-Jun-07	Fiscal 2007	Quarter Ended 31-Mar-07	Quarter Ended 31-Dec-06	Quarter Ended 30-Sep-06	Quarter Ended 30-Jun-06
OPERATING ACTIVITIES:										
Net income	\$ 463,850	\$ 186,386	\$ 131,890	\$ 50,368	\$ 95,206	\$ 404,380	\$ 60,894	\$ 116,770	\$ 126,182	\$ 100,534
Adjustments to reconcile net income to net cash provided by operating activities										
Depreciation and amortization	824,109	205,705	200,911	204,048	213,445	811,443	201,967	200,982	201,618	206,876
Stock-based compensation expense	163,695	42,544	39,417	40,991	40,743	153,880	35,134	36,117	45,770	36,859
Impairment of equity investments	1,000	1,000	-	-	-	2,841	-	-	-	2,841
Write-down of assets	1,200	-	1,200	-	-	-	-	-	-	-
Deferred income taxes	(180,215)	(1,568)	(74,747)	(78,781)	(25,119)	11,173	90,240	(61,945)	20,211	(37,333)
Income tax benefit from the exercise of stock options	29,443	1,713	10,462	7,405	9,863	43,118	17,477	14,798	5,705	5,138
Excess income tax benefit from the exercise of stock options	(26,151)	(7,844)	(4,778)	(4,485)	(9,044)	(25,539)	(5,951)	(13,694)	(4,001)	(1,893)
Loss (gain) on sale of assets	97,463	1,522	6,319	89,622	-	(19,937)	(3,221)	-	(16,716)	-
Net (gain) on settlements of litigation	(58,500)	(58,500)	-	-	-	-	-	-	-	-
Other	(894)	(894)	-	-	-	912	(302)	1,358	(144)	-
Net change in assets and liabilities, excluding effects of acquisitions:										
Trade accounts receivable, net	(7,002)	158,390	(284,378)	(22,405)	141,391	33,714	81,169	(167,072)	(24,449)	144,066
Inventories	10,791	1,567	(1,273)	7,706	10,324	1,982	185	185	(313)	8,470
Accounts payable	667	13,916	(20,896)	(5,035)	12,682	(25,623)	(50,696)	39,087	2,737	(16,751)
Accrued compensation and benefits	97,133	13,339	84,212	16,062	(16,480)	23,169	11,091	28,821	6,097	(22,840)
Deferred revenue	126,716	117,250	238,479	(119,009)	(110,004)	399,517	177,989	198,900	26,634	(4,006)
Income taxes payable	150,919	(64,543)	84,026	112,044	19,392	(181,926)	(94,702)	70,223	(97,362)	(60,085)
Other	124,429	64,387	51,161	37,093	(28,212)	24,789	43,913	(10,159)	(15,829)	6,864
Net cash provided by operating activities	1,818,653	674,370	462,005	330,969	351,309	1,666,235	566,984	454,371	276,640	368,240
INVESTING ACTIVITIES:										
Purchase of property and equipment	(273,807)	(64,678)	(71,100)	(63,341)	(74,688)	(419,749)	(70,154)	(113,108)	(89,413)	(147,074)
Proceeds from sale of property and equipment	104,715	104,715	-	(903)	903	121,464	34,560	-	86,904	-
Purchase of intangible assets	-	-	-	-	-	(13,300)	-	(13,300)	-	-
Cash payments for business acquisitions, net of cash and cash equivalents acquired	(1,162,455)	(11,772)	(298,397)	(11,718)	(840,568)	(33,373)	(8,358)	(20,425)	(2,944)	(1,646)
Investment in Joint Venture	(150,000)	(150,000)	-	-	-	-	-	-	-	-
Purchases of available-for-sale securities	(1,233,954)	(408,850)	(184,534)	(340,039)	(300,531)	(226,905)	(97,339)	(87,074)	(29,809)	(12,683)
Proceeds from sales of available-for-sale securities	1,189,283	358,380	332,517	394,775	103,611	349,408	53,950	49,490	98,703	147,265
Net cash (used in) provided by investing activities	(1,526,218)	(172,205)	(221,514)	(21,226)	(1,111,273)	(222,455)	(87,341)	(184,417)	63,441	(14,138)
FINANCING ACTIVITIES:										
Sale of common stock warrants	-	-	-	-	-	326,102	-	-	-	326,102
Repurchase of common stock	(1,499,995)	(200,019)	(399,992)	(399,989)	(499,995)	(2,846,312)	(594,998)	(384,996)	(974,958)	(891,360)
Net proceeds from issuance of common stock under employee stock plans	224,152	59,990	33,942	68,057	62,163	230,295	61,039	51,274	77,501	40,481
Proceeds from debt issuance	-	-	-	-	-	2,067,299	(463)	-	-	2,067,762
Purchase of bond hedge	-	-	-	-	-	(592,490)	-	-	-	(592,490)
Proceeds from short-term borrowing	200,000	-	200,000	-	-	-	-	-	-	-
Excess income tax benefit from the exercise of stock options	26,151	7,844	4,778	4,485	9,044	25,539	5,951	13,694	4,001	1,893
Repayment of other long-term liability	(11,724)	(1,811)	(2,309)	(2,271)	(5,333)	(520,000)	-	-	(520,000)	-
Tax payments related to restricted stock issuance	(4,137)	(395)	(692)	(111)	(2,939)	-	-	-	-	-
Net cash used in financing activities	(1,065,553)	(134,391)	(164,273)	(329,829)	(437,060)	(1,309,567)	(528,471)	(320,028)	(1,413,456)	952,388
Effect of exchange rate fluctuations on cash and cash equivalents	104,309	37,962	19,907	34,401	12,039	109,199	15,859	34,291	(4,356)	63,405
Increase in cash and cash equivalents	(668,809)	405,736	96,125	14,315	(1,184,985)	243,412	(32,969)	(15,783)	(1,077,731)	1,369,895
Beginning cash and cash equivalents	2,559,034	1,484,489	1,388,364	1,374,049	2,559,034	2,315,622	2,592,003	2,607,786	3,685,517	2,315,622
Ending cash and cash equivalents	\$ 1,890,225	\$ 1,890,225	\$ 1,484,489	\$ 1,388,364	\$ 1,374,049	\$ 2,559,034	\$ 2,559,034	\$ 2,592,003	\$ 2,607,786	\$ 3,685,517

Supplemental schedule of non-cash transactions:

Issuance of common stock, stock options, and restricted stock units for business acquisitions

\$ 35,054

\$ -

Supplemental cash flow disclosures:

Income taxes paid (net of refunds) during the year

\$ 181,089

\$ 384,771

Interest expense paid during the year

\$ 22,659

\$ 10,108

SYMANTEC CORPORATION

**Guidance - Reconciliation of Projected GAAP Revenue, Deferred Revenue and Earnings per Share
to Non-GAAP Revenue, Deferred Revenue and Earnings per Share
(Unaudited)**

	Three Months Ended: June 30, 2008
<u>Revenue reconciliation (in millions)</u>	
GAAP revenue range	\$1,550 - \$1,590
Add back:	
Deferred revenue related to acquisitions ⁽¹⁾	5
Non-GAAP revenue range	\$1,555 - \$1,595
<u>Earnings per share reconciliation</u>	
GAAP earnings per share range	\$0.17 - \$0.19
Add back:	
Stock-based compensation, net of tax ⁽²⁾	0.04
Deferred revenue related to acquisitions, amortization of acquired product rights and other intangible assets, and restructuring net of tax ^(1,3,4)	0.13
Non-GAAP earnings per share range	\$0.34 - \$0.36
	As of :
	June 30, 2008
<u>Deferred revenue reconciliation (in millions)</u>	
GAAP deferred revenue range	\$2,905 - \$3,005
Add back:	
Deferred revenue related to acquisitions ⁽¹⁾	5
Non-GAAP deferred revenue range	\$2,910 - \$3,010

We believe the presentation of these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures, provide meaningful supplemental information regarding the Company's operating performance by excluding certain items that may not be indicative of the Company's core business, operating results or future outlook. Our management uses, and believes that investors benefit from referring to, these non-GAAP financial measures in assessing the Company's operating results both as a consolidated entity and at the business unit level, 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. These measures are used by our management for the reasons associated with each of the adjusting items as described below.

(1) *Fair value adjustment to deferred revenue.* We have completed numerous business combinations and acquisitions for a variety of strategic purposes over the past several years. As is the case with our existing business, at the time of acquisition, these acquired businesses recorded deferred revenue related to past transactions for which revenue would be recognized in future periods as revenue recognition criteria are satisfied. The purchase accounting entries for these acquisitions require us to write down a portion of this deferred revenue to its then current fair value. Consequently, in post acquisition periods, we do not recognize the full amount of this deferred revenue. When measuring the performance of our business, however, we add back non-GAAP revenue associated with certain types of deferred revenue that were excluded as a result of these purchase accounting adjustments, as we believe that this provides information about the operating impact of the acquired businesses in a manner consistent with the revenue recognition for our pre-existing products and services. We believe that the inclusion of this revenue and deferred revenue provides useful information to our management as well as to investors.

(2) *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 Statement of Financial Accounting Standards Number 123(R), or SFAS 123(R). 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 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. Further, we believe it is useful to investors to understand the impact of SFAS 123(R) to our results of operations.

(3) *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 this amortization charge 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.

(4) *Restructuring.* We have engaged in various restructuring activities over the past several years that have resulted in costs associated with severance, benefits, outplacement services, and excess facilities. Each restructuring has been a discrete event based on a unique set of business objectives or circumstances, and each has differed from the others in terms of its operational implementation, business impact and scope. We do not engage in restructuring activities in the ordinary course of business. While our operations previously benefited from the employees and facilities covered by our various restructuring charges, these employees and facilities have benefited different parts of our business in different ways, and the amount of these charges has varied significantly from period to period. We believe that it is important to understand these charges; however, we do not believe that these charges are indicative of future operating results and that investors benefit from an understanding of our operating results without giving effect to them.