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PRESENTATION

Walter Pritchard - *Citigroup - Analyst*

Okay, so I'm Walter Pritchard, again, the software analyst here at Citi. Thanks for coming back here for our second day of the conference. So this room, I was just looking, this room all day pretty much software company after software company. So you could just sit tight and be entertained.

Happy to have with us Thomas Seifart who's the CFO of Symantec. And quite a lot gone on at Symantec since you joined, what, a year and a half ago?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Not -- almost.

Walter Pritchard - *Citigroup - Analyst*

Almost a year and a half ago. So --

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Time flies.

Walter Pritchard - *Citigroup - Analyst*

Time flies. So we're going to talk through some of that. And then I'll leave ample time at the end if anybody wants to ask any questions. Just go ahead and raise your hand and we'll bring you around a microphone.

So Thomas, you're back to the Symantec I think I met in 2000, 2001 when I started doing research with Veritas divestiture sort of in flight. And I wanted to go back to that transaction in a second. But first, just talk about what is the focus now of the new Symantec with you having that move behind you from at least announcing it? I'm sure there's some hard work in terms of getting it actually out. But just maybe level set people in terms of the strategy.

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, good question. We started this journey in October when we announced the process of separating the IM, the Veritas business. And while we announced, the transaction's far from done yet. We still have to achieve operational separation by October we said, and then close on the transaction by the end of this calendar year.

And then we are to back focusing Symantec on its core business, on security, and really harnessing delivering our unified security strategy, as we called it, really harnessing our vast telemetry that we have, and deliver what we call our unified security platform, a tool that allows us to enhance

the visibility of real-time global threats; and provide a platform that powers analytics applications, build best-in-class products around it, and a service offering that takes advantage of this.

And you know we started this journey last year in terms of reprioritizing R&D and building up internal capability. We are looking forward to launch a very robust pipeline of new products, especially our ATP capabilities in the second half of this year. And just being able not only to launch our new products, but also products that allows us to significantly expand our addressable markets, both on the protection side as well as on the service side, I think is exciting. So we are energized by this move. And it takes complexity out of the organization, and in our go-to-market business model. So we are very much looking forward to this opportunity. But there's still some work left.

Walter Pritchard - *Citigroup - Analyst*

Got it. Got it. So can you talk about -- you hit on on the product side realigning some investments, and you have some deliverables there in the second half. Are there additional moves organically internally in terms of product that you still need to realign resources? And then I wanted to ask a similar question on the sales side where there might be some more moving parts.

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Well, you know there's always areas of improvement, and when you work on a big transformational and separation process, you have to make sure that you keep complexities manageable.

But I think from a major move perspective, we have touched all the important areas and really putting the R&D in the right buckets, focusing on the areas that I just outlined, the security platform, the analytics, the ATP products, and putting a service offering platform in place. There's some pruning left that needs to be done. But I think that the core of the R&D roadmap from an organic perspective is in place.

Walter Pritchard - *Citigroup - Analyst*

Okay. And then can you talk about on the sales side, sort of there were some moves made with this past quarter being the first quarter of the new fiscal year, there were some moves made there. Can you update on us on where you are with changes on the sales side, and sort of how you expect that as a result to play out through the year?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Well, we were disappointed of course with our topline revenue performance in the first quarter, and we were pretty explicit about it. We thought we had all the [hearts] in place, but the complexity of the separation, the transaction of the Veritas business and everything else was a bit much.

But I think the work is done, so to speak. I mean, the sales forces are now separated there. The territories are in place, so you always have issues with onboarding new reps. But we [thought that] we have taken care of this now. So I think we are through the major work that needed to be done. And now it's just keeping the remaining noise of the separation as low as possible and moving forward, to be honest.

Walter Pritchard - *Citigroup - Analyst*

Okay.

Thomas Seifart - *Symantec Corporation - CFO & EVP*

The opportunities are exciting. The feedback from the customers is really positive. And I'm sure we might talk about it later if we look at it from a market tailwind perspective, we have a lot of tailwind. And the pipeline from a health of the business perspective is looking good.

Walter Pritchard - *Citigroup - Analyst*

Okay, got it. Maybe wanted to just step back and talk about some of the goals you set out at your analyst day where you talked about 6% to 10% growth in the enterprise security area. And you've sort of loosely defined that market as three, you've got information security, the threat space, and the trust services.

Could you talk about -- I think that 6% to 10% puts you sort of in line to maybe even slightly ahead of the growth rate of those markets if I kind of do my blending of those together. Could you talk about those three areas and which are growing faster, which are growing slower? Just kind of generally how you get to the 6% to 10% for 2017?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, good point. So in terms of market growth, I don't think we'll outgrow the market. It's catching up with the market. And it's really carried by a couple of factors. Despite the disappointment we saw in Q1, I [want to] remind people that for enterprise security at least that it was the first quarter of growth in a long time. 1% is not much to shout about, but if you look for signs that the complexity of the transformation is taking a grip on the Company, I think you can see that.

Trust services already in Q1 was a business that performed rather solid with 3% growth year over year, and will stay in this neighborhood for the remainder of the year. The enterprise security business then really is going to be carried by, in the second half, by two businesses -- the security service business, which also was between 2% and 3% already growing in the first quarter. And that is going to expand because more services and offerings have been launched (inaudible) response incidents, response [on retainer], so that is taking grip.

And then there, the tailwind we hope to see from the launch of the ATP products is going to get us to the growth rate for the year. And then it's going to take the full potential and the momentum into the next fiscal year.

Walter Pritchard - *Citigroup - Analyst*

Okay, got it. And I did want to focus for a second on the endpoint market. I cover a number of companies in the security space. It seems like to some degree the consensus view is you're the legacy player in the endpoint. And I think you've made the point pretty consistently that your endpoint business has actually been stable to growing throughout this period.

Could you talk about just generally that business, the state of the business, has customer attrition picked up at all? And then on the other -- sort of on the defensive side and on the offensive side, what impact do you think these new products could have on the growth rate of that business if you're seeing, call it, 0% to 5% growth today?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, good point. So without any doubt the endpoint business is one of the strong franchises we have, this and the DOP product side. It has been growing, has been growing nicely. But it's a traditional endpoint product. And we always said we are late with adding ATP, advanced threat protection capability, to this product. So this is going to come.

I think it has some uniqueness in the product that allows us to differentiate, first of all. It allows you integration across multiple endpoints. We think it also provides very effective prioritization of incidents, all the noise of the false positives that you have. It's also, in our opinion -- and tests will show this -- it shows superior effectiveness in the way how we detonate cloud-based payloads.

And we think it also has lower cost of ownership because it allows capability for additional investigation and remediation on the same console. So I think this is good capability, so we're all excited. We are excited about the feedback we get from our customers from the beta evaluations.

We need to take advantage of the strong franchise we have. Today we protect about 180 -- close to 180 million endpoints across enterprise security and consumer. Selling into the install base at least for the second half is going to be key. And then we'll go out and address new customers that are not part of our franchise yet.

And I think we showed some statistics from a marketing analytics perspective, the selling of new product in existing customer has a five-times higher likelihood of being successful for us. And that's why getting traction in the market further for the second half, this is where the focus is going to be from a rollout perspective.

Walter Pritchard - *Citigroup - Analyst*

And how do you think about the -- is there an economic uplift for those customers as they come in and consume the [APT] product? Is this more of a strategy to make sure you retain the customer? How should we think about the impact there?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Well, from a pricing perspective, we are going to be transparent as we get to the launch date. But this is additional capability that will allow us to upsell the product. So we think there is good opportunity for us not only to do a good job in terms of protecting our customers, but also picking up our topline.

Walter Pritchard - *Citigroup - Analyst*

Got it. And how does -- one business that has, I think, been underperforming to some degree is the endpoint management business. How does that play into -- I mean, I think the -- actually the original thesis behind the Altiris acquisition made some sense with a well-managed endpoint is a secure endpoint, or I think the phrase was the most secure endpoint's the best managed endpoint. But how is that product sort of weaved into this? Or does it remain kind of a standalone?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

It's a good point. And we put a lot of thought in this business, to be very honest, because in its current performance it's a drag on our topline and hides some of the progress we have been making in other areas.

But as more workloads move to the cloud and mobile devices, the importance of keeping track and managing that landscape from a batch perspective and so on is really important. So delivering a cloud-based version of our endpoint management product is, in our opinion, a good move in the right direction, and this is what we're working on. So I think there is a good opportunity for us to make this franchise on a cloud-based availability, make this a good part of our offerings.

Walter Pritchard - *Citigroup - Analyst*

Got it, okay. And then on the network side, I think there's been a lot of talk in the industry about convergence between endpoint security and network security. We see a few of the network vendors releasing endpoint products.

I think you stated on the August call, you said that the network market was not a market that you were looking enter. Really didn't sound like that was a priority at all. Could you talk about what led you to that conclusion and what you're strategy is therefore in the network market?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Well, I think one of the things we learned starting this transition last year was you have to make sure that you understand where you play, where you can play, where your strength is, where your IP is, and where you see end-market opportunity moving forward. And there the appliance-based network security market already has a number of very established players. So where is our benefit if we were to enter?

And at the same time, more and more workloads move to the cloud or in mobile devices and make the importance of that traditional perimeter security less prominent moving forward. So we think there's an opportunity for us to take our leadership in the information protection field and apply this really to secure the increasing workloads that operate in the cloud.

So I think this is how we look at this. At the same time, we partner with traditional firewall companies in order to increase the perspective we have on the threat landscape. So that's going to be an important part for us moving forward.

But I think those were the thoughts around why we did what we did, and why we are doing what we do in terms of putting R&D money to work.

Walter Pritchard - *Citigroup - Analyst*

Got it, okay. It's nice to see focus actually. In terms of, I think the Company, if you go back five, six years ago, it was kind of take on everything. So I can appreciate that.

So just switching gears a little bit to the consumer side, you've had to take -- there's been some headwinds in that market, you made some changes to auto-renewal, you've exited some channels all in the spirit of driving more profitable business there, which I think we've seen. The margins, I think last quarter in that business hit an all-time high.

Could you talk about -- and I think you've also commented that that business has seen -- it was either last quarter or the quarter before you saw the biggest headwind to revenue that you thought you'd see. So could you talk about as we normalize there, what that business looks like from a growth and margin perspective?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, good point. So I think we've been quite outspoken about what we want to do with Norton last year, and the clear focus was on profitability. And in order to get there we had to exit some market segments that were not promising and not very profitable. Brick and mortar retail was one; large, unprofitable OEM engagements. And these certainly were the biggest headwinds.

There were others like changes in auto-renewal policies that make the year-over-year's compares tough. But we are working our way through this. We took significant effort streamlining the organization, coming up with the streamlined service and customer support concept and so on that got us to the margin where it needs to be.

And also you mentioned focus before. Focus from a customer and business acquisitions on the promising profitable routes to market, and there are many that are really important for the Norton business. It's direct acquisition, it's e-tail, telcos are becoming a really important partner for us moving forward in this business segment.

So the aspirational goal really is to get this business to grow again. The market grows about 1% to 2% every year. And that needs to be the aspirational goal for this business in its core. I think there are interesting opportunities beyond that. If you look at the IoT environment, even for us as consumers,

our tech surface is going to explode. And think that there are unique opportunities for taking the Norton brand and helping consumers to feel safe when it comes to the threats in this area.

From a margin perspective, it spiked last quarter. We are confident that we can keep the guided margin at the mid-point around 53%. Long term, moving forward, there's a lot of momentum from the cost initiatives that we drove last year and are still driving that makes us feel confident that most of what we access capability we generate is getting really reinvested now into a better customer experience, making sure that we explore all opportunities around direct acquisition, and also exploring some of the exciting opportunities that we think are out there for Norton to take.

Walter Pritchard - *Citigroup - Analyst*

And how do you think about the 1% to 2%? There are periods historically where pricing was a big driver. There were periods where PC units were growing at double-digit-plus growth rates in the consumer market. I think none of those are obvious dynamics right now. How do you think about that 1% to 2% as in pricing units? How are you think internally about breaking that down?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

It will be a combination for sure. From a profitability perspective, we spend a lot of focus on analyzing where the profitable routes to market are. We look a lot at lifetime values if we do a single deal. So pricing and price optimization will be a part of it. And from a unit perspective, at least year over year the compares are going to be easier. So that is going to provide us with some tailwind to move in the right direction.

Walter Pritchard - *Citigroup - Analyst*

Got it. I want to go back and just talk a bit about the Veritas sale, and especially -- I mean, one thing we -- well, I guess I don't want to spend a lot of time on sort of thinking back on why it was done this way versus that way -- but one thing that did come about was you get a significant influx in cash with a sale versus a spin. And can you talk about -- first of all, maybe level set people in terms of how much cash is in the US and how much cash is offshore post the deal? And then you've had some -- well, let's start there and then we'll keep going.

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, I mean, we announced the separation, as I said, in October of last year. And we made good progress on this pass. And the Board over this period evaluated a number of opportunities really to maximize value for shareholders including spinning or selling the business.

And in the end, we decided that $8 billion for the Veritas business is a very attractive valuation for this business, and provides a number of other benefits, really getting certainty on the outcome, simplifying really the separation process too.

And we saw how nervous the business is in Q1 to distraction. Especially the separation is complex, and the disentanglement is not to underestimate. So having certainty on the outcome was important for us. And getting two businesses know now what their destiny is and can focus on that destiny two or almost three quarters earlier than a spin would have allowed to do was a big part of that decision.

So $8 billion are the gross proceeds. We are going to net about $6.3 billion after tax. In terms of valuation, pretty much it follows almost our revenue distribution. A little bit more than 50% of that value is generated outside of the US. And a little bit less than 50% is generated in the US. But in the US you pay a significantly higher tax rate, around 39%. So in terms of cash, around $2.3 billion are going to -- $2.2 billion are going to reside or come into the US will be domestic cash. And the rest is going to sit overseas.

Walter Pritchard - *Citigroup - Analyst*

Got it. And so as you think about -- you've talked about a capital return policy that you followed actually more generously than you outlined in terms of how much capital you've returned. Could you just sort of remind folks as to what that is and what they should expect?

And then also from an acquisition perspective, how does having more cash in the bank impact your appetite for acquisitions?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Good question. So we announced that the Board immediately increased our buy back authorizations. So we committed to return $2 billion of those proceeds within 18 months of closing the transaction. And the Board also decided to keep our dividend of $0.15 per share per quarter constant, so it increases the payout ratio significantly. Which means that we are going to return about, if you combine the two, about $2.6 billion over the 18 months following the close of the transaction.

So I think that is a very strong sign from the Board saying that capital distribution is important, it will be important for the Company moving forward. At the same time, it allows us to retain some flexibility to figure out what we do with the rest until we really come to closing the transaction, really see the money hitting our bank account.

From an acquisition perspective, of course it increases your flexibility, but it doesn't take away the rationale you have to apply towards acquisitions. Just because you have more cash doesn't mean that you go on a buying spree.

The security market is very fragmented. It's also very innovative. We always said that we are interested in technology capability. If we focus the R&D organically, you cannot cover all what is out there. So in order to stay cutting edge, you have to open yourself to the opportunity of buying technology capability.

We also said that we are not interested in buying revenue. We have a very large footprint in terms of customers and go-to-market infrastructure. We could use some technology capability to sell through those channels so we don't have to go out and buy revenue.

And if we have shown anything over the last 16 month, I think that it is that we can be focused and disciplined to an agenda we've outlined. And that is not going to change just because of the fact that we have more cash in the bank.

Walter Pritchard - *Citigroup - Analyst*

Got it, okay. I'm going to pause a second and see if there's any questions in the audience that are brewing. If there are, go ahead and raise your hand and we'll bring you a mic. The more people in the audience, the less questions we've had. It's an amazing correlation here for about five years running at this conference, or six years.

So Thomas, on the guidance, you gave -- so you gave some guidance for the year. In my mind, you basically indicated -- I mean, Q1 was a little bit light -- you basically indicated that everything came together pretty quickly in front of the quarter with the divestiture, and that you were going to revisit the annual guide as you got the transaction closure behind you.

If I look at the timing, I think you'll report the September quarter first, and then you'll close the transaction subsequent to that. So could you help people understand kind of the timeline for communication around the, I'd expect the year, and then maybe some sort of update on those longer term targets you gave at the analyst day?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, good question. So if we go back to analyst day where we provided guidance for this fiscal year and also for the next, we knew that the first and second quarter could be more difficult. So I think some of the guidance [contemplated] for that. We're still disappointed with Q1, but we expected a weaker half. So the thesis that the business is going to be stronger, especially from an enterprise security perspective in the second half, still holds. And we see all the signs pointing in the right direction.

As part of our next earnings call in November, we are going to update however guidance for the remainder of the year. A lot of things are going to change. The IM business is going to move into discontinued operations, and a lot of the numbers are going to change. And we have to make sure that we do a good job telling that story. There will be a lot of moving parts when you do this.

So we will explain how the numbers are going to change from just moving the Veritas business into discontinued operations, and we're going to update guidance for Symantec [new], so to speak, for the remainder of the year and possibly for the year to come.

Walter Pritchard - *Citigroup - Analyst*

Got it, okay. Okay, so then like a 2017 targets, I guess, should we expect -- I mean, those -- there's obviously standalone targets for consumer and for enterprise security. Those targets would be the targets. There's the IM piece, obviously, that goes away, and the blended growth rate's a little bit different.

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, and other things will change because we have -- how your cost allocations will be impacted with part of the business going and what is going to remain. So there will be some moving parts. But we are going to update Symantec new, and with that the two parts that will be contained and those numbers are Norton and enterprise security.

Walter Pritchard - *Citigroup - Analyst*

Right, okay. Oh, we do have a question. All right. Down here in the front. Just wait for the microphone, Dave.

Unidentified Audience Member

Can you talk a little bit about your new product roadmap a little bit more than what you have so far? Meaning, what kind of revenue you might expect from new products this year, maybe compare it with the past, why we should have more confidence that new products going forward will have a bigger impact on your P&L than they have in the past?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, that's a good point. I think that the confidence comes from a couple of factors. First of all, I think we said it on our analyst day already, the new products that are going to launch are opening up the market that we address. That is a very exciting thing for us. On the enterprise security service side, it's going to open up the market by about 50%; in the information protection segment, about 30%; and then the endpoint ATP segment also around close to 50%.

So first of all, the new products are going to allow us to address a larger market. Second, they're allowing us to really catch up with capabilities and provide differentiation from this very strong base of really harnessing our vast telemetry that we have, and turning those into products. We have a very robust product pipeline with the three versions of the ATP products now coming to the market.

You look at beta evaluations and customer feedback on those products, that is very promising. In our last earnings call, Mike mentioned that we have seen first external testing. From a competitiveness perspective, that makes us feel comfortable. And all those factors combined are leading us to the confidence we have in growing the business in the second half and taking this momentum then with us into fiscal year 2017.

Unidentified Audience Member

Can you make any comments on revenue (inaudible)?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

I don't want to provide new guidance here on this platform. We will do this in November when we update. And then also think about how we are going to talk in a more granular matter about the two segments that remain, enterprise security and the consumer business moving forward. But I don't want to give new guidance here at this point in time.

Walter Pritchard - *Citigroup - Analyst*

Just wait for the microphone a second.

Unidentified Audience Member

Can you put some parameters around M&A and what you would be looking for, whether it be small earlier stage technology, something to scale? Anything you can give us on what we should be looking for that the management team's going to be executing on, using that cash smartly?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes. So I gave you already, I think, some of the parameters. We are not looking for revenue. I think we have a large footprint in terms of customers and go-to-market routes, and also in terms of global reach. So it's about technology capability that we need to complement areas where we haven't done -- where the market has been rather disruptive.

This is what we look for. So it's technology capability and not necessarily revenue.

Unidentified Audience Member

(Inaudible) your traditional vertical that you're in right now?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

I think we have been outspoken that anything we do has to be aligned with the strategy we outlined around the three pillars that we have put in place, providing a unified security platform [analytics] that allow us to harvest the telemetry we have; product capability in the franchises where we have a good footprint; and security services that allow us to round up the offerings we deliver. So the M&A that -- if we move forward with M&A, it has to fit to the three pillars, if you want to call it, that we have outlines.

Unidentified Audience Member

Are you targeting enterprise versus (inaudible).

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Enterprise, targeting enterprise security primarily, yes.

Walter Pritchard - *Citigroup - Analyst*

But enterprise security includes -- it's more of a corporate segment, really. It's not --

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, not necessarily only large enterprises from the customer perspective, but enterprise security that could be a range of sizes.

Walter Pritchard - *Citigroup - Analyst*

Do you see any opportunities in consumer for acquisitions?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

We haven't put a lot of focus in this arena, to be very honest. I mean, we stay to what we said. This business is about delivering profitability and cash so we can invest it into our enterprise security business. And let's not start to mix agendas too early. There might be technology capability that might be important when we look at IoT moving forward. But the focus today is really enterprise security from an M&A perspective.

Walter Pritchard - *Citigroup - Analyst*

Any other -- there's one in the middle. Go ahead and just raise your hand a little bit higher. Okay.

Unidentified Audience Member

Thank you. I was just curious if you could spend a little bit more time on the clouds. Like, what is it that's so different in its architecture? And how can you tailor some of your products to where most businesses are going these days?

Walter Pritchard - *Citigroup - Analyst*

You're saying like running things on Amazon or -- (multiple speakers)

Unidentified Audience Member

No, like how as businesses transition to clouds, like software as a service, how that business is different architecturally, and how your products can tailor to that new segment.

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, I'm not sure if I'm the right person to talk about technology architecture here. But without any doubt, the trend of workloads moving to the cloud, and how those workloads need to be protected, I think offers unique opportunity for us in terms of the IP and capability we have, our very strong information protection franchise.

So if you look at the products that are coming out, the DLP 14 product that we just launched at the end of the first quarter, enabling cloud connectivity is a big part of that agenda. And moving our products to cloud-based offerings is consistent throughout the roadmap that we have outlined.

Walter Pritchard - *Citigroup - Analyst*

I think it might be a good follow-up for somebody there. And [Alec], yes, go ahead.

Unidentified Audience Member

Yes, just talk about the free cash flow characteristics relative to the net income of the business that you will keep the security business versus the Veritas. If I remember, I think your free cash flow is generally better than net income. When you take out Veritas, does that remain to be true?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, so we gave some indication around this already at analyst day. And we said the free cash flow capability of the remaining business is in the neighborhood of $1 billion. And we'll update this in November too. A big part of that cash flow capability is our consumer business. And since it's staying with us, that is not going to change.

Walter Pritchard - *Citigroup - Analyst*

Any other questions out there?

Unidentified Audience Member

(Inaudible) again. So just to get this all right, your current cash is $3.8 billion as of your last quarter?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes.

Unidentified Audience Member

Then you're going to get effectively $6.3 billion?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes.

Unidentified Audience Member

Okay. And then you'll do your buy backs and stuff. And then your debt level's like, $1.7 billion?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes.

Unidentified Audience Member

Okay, thank you.

Thomas Seifart - *Symantec Corporation - CFO & EVP*

With [300] maturing in the near term.

Walter Pritchard - *Citigroup - Analyst*

And $2.2 billion in cash in the US?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes. Of the $3.8 billion.

Walter Pritchard - *Citigroup - Analyst*

Oh, of the $3.8 billion?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Of the $6.3 billion coming in.

Walter Pritchard - *Citigroup - Analyst*

Right, okay. Yes, yes. (Inaudible)?

Unidentified Audience Member

(Inaudible -- microphone inaccessible)

Thomas Seifart - *Symantec Corporation - CFO & EVP*

(Inaudible) up on that 40%.

Walter Pritchard - *Citigroup - Analyst*

Any other questions out there? All right, I've got one more to finish it off. So just on the security business that remains, can you help people understand the recurring revenue nature of that business?

You've got -- you have a maintenance component on the enterprise side, you have a consumer piece that's all recurring but more of a subscription. Can you help us understand those streams and the renewal rate? Because I think a lot of people are looking at that as a clear backstop on your business. It's a sticky business.

Thomas Seifart - *Symantec Corporation - CFO & EVP*

It is. So about 90% of our enterprise security revenue is content subscription, subscription or maintenance revenue. And unfortunately, or however, less than 15% at this point in time subscription based. So growing the subscription based part of our revenue moving forward is going to be a goal to increase that number.

Walter Pritchard - *Citigroup - Analyst*

15% of the ES is -- ?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Enterprise security, yes.

Walter Pritchard - *Citigroup - Analyst*

And then all of this ES is effectively subscription?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Yes, and renewal rates as giving guidance and providing detail is something, for competitive reasons, we shy away. But 90% is the [revenue] is content subscription and maintenance.

Walter Pritchard - *Citigroup - Analyst*

And I guess maybe one just follow-up on that is, what sort of degradation if any have you seen in consumer renewal rates as a result of the move away from auto-renewal?

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Well, it's actually getting those renewal rates coming up again has been part of the recovery we have seen. And putting programs in place to recover from the dip we saw is a big part of this business improving moving forward. So we see a good opportunity, and in some regions we have made great progress already.

Walter Pritchard - *Citigroup - Analyst*

Got it. All right, Thomas, well, great. Thanks for coming out. Thanks to everybody for attending.

Thomas Seifart - *Symantec Corporation - CFO & EVP*

Thank you.