Symantec™

2016 Annual Report

Proxy Statement and Form 10-K

FORWARD-LOOKING STATEMENT: This annual report (including the Shareholder Letter) contains forward-looking statements that are subject to safe harbors under the Securities Act of 1933, as amended and the Securities Exchange Act of 1934, as amended. Statements that refer to projections of our future financial performance, anticipated growth and trends in our businesses and in our industries, the actions we intend to take as part of our new strategy and the expected impact thereof, the anticipated impact of our acquisitions, our intent to pay quarterly cash dividends in the future, and other characterizations of future events or circumstances are forward-looking statements. These statements are only predictions, based on our current expectations about future events and may not prove to be accurate. We do not undertake any obligation to update these forward-looking statements to reflect events occurring or circumstances arising after the date of this report. These forward-looking statements involve risks and uncertainties, and our actual results, performance, or achievements could differ materially from those expressed or implied by the forward-looking statements on the basis of several factors, including those that we discuss in the "Risk Factors" section and throughout our 2016 Form 10-K, which is included in this Annual Report. We encourage you to read that section carefully.

Two Year Summary of Selected Financial Data[1]

(In millions, except per share data)

	FY2016	FY2015
GAAP Financial Results		
Net revenue	**$3,600**	**$3,956**
Operating income	457	154
Net income	**$2,488**	**$878**
Diluted earnings per share	**$3.71**	**$1.26**
Diluted weighted-average shares outstanding	670	696
Cash position (including short-term investments)	**$6,025**	**$3,860**
Total assets	11,767	13,233
Deferred revenue	**$2,638**	**$2,871**
Current portion of long-term debt	-	350
Long-term debt	2,207	1,746
Total stockholders' equity	3,676	5,935
Cash flow from operations	**$796**	**$1,312**
Non-GAAP Financial Results		
Net revenue	**$3,600**	**$3,986**
Operating income	1,026	1,305
Operating margin	**28.5%**	**32.7%**
Net income	**$698**	**$908**
Diluted earnings per share	**$1.03**	**$1.30**
Diluted weighted-average shares outstanding	676	696
Reconciliation of Non-GAAP Adjustments		
Gross profit		
EDS & NDI contingency	$ -	$30
Unallocated corporate charges	22	41
Stock-based compensation	10	15
Amortization of intangible assets	28	35
Total gross profit adjustment	$60	$121
Operating expenses		
Unallocated corporate charges	$164	$663
Stock-based compensation	151	116
Amortization of intangible assets	57	87
Restructuring, separation, and transition	136	164
Total operating expense adjustment	$509	$1,030
Operating income adjustment	$569	$1,151
Net income		
Income tax effect on above items	950	(352)
Net income adjustment from discontinued operations	(3,309)	(769)
Total net Income adjustment	($1,790)	$30
Diluted earnings per share		
Net income adjustment from continuing operations per share	$2.26	$1.15
Net income adjustment from discontinued operations per share	(4.94)	(1.10)
Total diluted earnings per share adjustment	($2.68)	$0.04

During fiscal 2016, the Company began presenting the financial results of Veritas within discontinued operations. This presentation reflects the financial results of Veritas within discontinued operations for both fiscal years.

[1] Non-GAAP financial measures adjust for the following items: stock-based compensation expense; charges related to the amortization of intangible assets; certain other income and expense items that management considers unrelated to the Company's core operations; and the associated income tax effects of the adjustments. We believe our presentation of non-GAAP financial measures, when taken together with corresponding GAAP financial measures, provides meaningful supplemental information regarding the Company's operating performance for the reasons discussed below. Our management team 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 the non-GAAP financial measures. Non-GAAP financial measures are supplemental and should not be considered a substitute for financial information presented in accordance with GAAP.

Dear Fellow Shareholders:

Fiscal year 2016 began a new era for Symantec. After completing the sale of Veritas and the acquisition of Blue Coat, we are now the world's leading pure-play cybersecurity company protecting consumers, enterprises, and governments from an increasingly dangerous cyber threat environment. Below are some updates at Symantec that we would like to highlight for our shareholders:

Completed the Sale of Veritas and Returned Significant Cash to Shareholders: In February, we completed the divestiture of Veritas and received approximately $5.3 billion in after-tax cash proceeds. Our management team and Board believe proper capital allocation is key to maximizing long-term shareholder value, and we have demonstrated this with a consistent track record of returning capital through dividends and share buy backs. In fiscal year 2016, the Board declared and paid a special dividend of $4.00 per share (equaling approximately $2.7 billion), returned $1.9 billion through share buy backs, and continued to pay a quarterly dividend of 7.5¢ per share.

Acquisition of Blue Coat and Appointment of Greg Clark as CEO: On August 1, 2016, we completed the acquisition of Blue Coat for approximately $4.65 billion. Blue Coat is the leader in cloud security with number one market share in the secure web gateway segment. In its last fiscal year, ended April 30th, Blue Coat generated $755 million in non-GAAP revenue, growing 14% year-over-year. Following the close of the transaction, we appointed Greg Clark as CEO of Symantec. Greg, formerly the CEO of Blue Coat, brings significant leadership experience, deep security expertise, a long history of successful acquisition integrations, and a proven track record of delivering profitable growth at scale. We believe he is the right person to lead Symantec as we advance our position as the leader in cybersecurity.

Defining the Future of Cybersecurity: With Blue Coat, we believe we can help solve today's biggest security challenges, including: (1) securing enterprises, governments, and consumers from advanced attacks, (2) protecting the mobile workforce that resides outside the network firewall, accessing cloud services and corporate data directly from a variety of devices, and (3) helping customers securely embrace the cloud as they increase the use of cloud-based applications and services. Combined, our product portfolio distinguishes us as one of the most strategic security players in the industry, with a portfolio of solutions that we estimate addresses over 50 percent of enterprise security budgets, or an approximately $40 billion of total addressable market.

Strategic Investment by Silver Lake Partners and Bain Capital: During fiscal 2016 and 2017, Silver Lake Partners and Bain Capital made strategic investments in Symantec totaling $1.75 billion in the form of convertible notes. We believe this is a strong vote of confidence in both our transformation as well as our future as the world leader in cybersecurity. We also announced that Ken Hao, managing partner and managing director of Silver Lake and David Humphrey, managing director of Bain and member of the board of directors of Blue Coat joined our Board. We are excited to have both contributing their deep expertise in technology and track record of creating value.

Leadership in Corporate Responsibility: We announced an ambitious environmental goal in fiscal 2016, pledging to reduce greenhouse gas emissions by 30 percent by 2025. We confirmed our focus on diversity and inclusion, and continued our investment in the Symantec Cyber Career Connection (SC3) to help close the cyber security workforce gap while creating meaningful career paths for underrepresented young adults and veterans. Symantec remains committed to leading with strong values and to making the world a better and safer place.

Looking ahead, we are focused on reigniting growth for Symantec, improving our operating efficiency and defining the future of cybersecurity by intelligently protecting our customers from advanced attacks, protecting the workforce of the future, and helping customers embrace the cloud generation. Thank you for your continued support.

Regards, the Board of Directors of Symantec Corporation

Daniel H. Schulman,
Chairman

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350 Ellis Street
Mountain View, California 94043

NOTICE OF 2016 ANNUAL MEETING OF STOCKHOLDERS
to be held on:
November 1, 2016
9:00 a.m. Pacific Time

Dear Stockholder:

You are cordially invited to attend our 2016 Annual Meeting of Stockholders, which will be held at 9:00 a.m. (Pacific Time) on Tuesday, November 1, 2016, at Symantec Corporation's offices located at 350 Ellis Street, Mountain View, California 94043. For your convenience, we are pleased to offer a live and re-playable webcast of the Annual Meeting at *investor.symantec.com*.

We are holding the Annual Meeting for the following purposes, which are more fully described in the proxy statement:

1. To elect the eleven nominees named in the proxy statement to Symantec's Board of Directors;
2. To ratify the appointment of KPMG LLP as Symantec's independent registered public accounting firm for the 2017 fiscal year;
3. To approve amendments to our 2013 Equity Incentive Plan, as amended, to increase the number of shares authorized for issuance thereunder by 17,000,000 shares and to include a one year minimum vesting requirement for stock options and SAR awards;
4. To hold an advisory vote to approve executive compensation; and
5. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

We are furnishing proxy materials to our stockholders primarily via the Internet to expedite stockholders' receipt of proxy materials, lower the cost of the Annual Meeting and help conserve natural resources. On or about September 12, 2016, we expect to send to our stockholders (other than those who previously requested electronic or paper delivery) a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy materials, including our proxy statement and our annual report, and to vote through the Internet or by telephone.

Only stockholders of record as of the close of business on September 2, 2016 are entitled to notice of, and vote at, the Annual Meeting or any postponement or adjournment thereof. A list of stockholders entitled to vote will be available for inspection at our offices for ten days prior to the Annual Meeting. If you would like to view this stockholder list, please contact Investor Relations at (650) 527-5523.

Your vote is very important. Whether or not you plan to attend the Annual Meeting, please vote at your earliest convenience by following the instructions in the Notice of Internet Availability of Proxy Materials or the proxy card you received in the mail. You may revoke your proxy at any time before it is voted. Please refer to the "2016 Annual Meeting of Stockholders Meeting Information" section of the proxy statement for additional information.

BY ORDER OF THE BOARD OF DIRECTORS

Scott Taylor

SCOTT C. TAYLOR
Executive Vice President, General Counsel and Secretary

Mountain View, California
September 9, 2016

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON NOVEMBER 1, 2016. The proxy statement and Symantec's Form 10-K for the 2016 fiscal year, as amended, are available at http://investor.symantec.com/About/Investors/financial-information/Annual-Reports/default.aspx.

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PROXY SUMMARY

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting.

2016 Annual Meeting Of Stockholders Information

Date and Time:	Tuesday, November 1, 2016 at 9:00 a.m. Pacific Time
Place:	Symantec Corporation's offices located at 350 Ellis Street, Mountain View, California 94043
Webcast:	A live and re-playable webcast of the Annual Meeting is available on our Investor Relations website at *investor.symantec.com*
Record Date:	September 2, 2016

Voting Matters

Proposals	Board Recommendation	Page Number for Additional Information
1. Election of Directors	FOR	13
2. Ratification of Independent Registered Public Accounting Firm	FOR	23
3. Amendments to the 2013 Equity Incentive Plan, as Amended	FOR	25
4. Advisory Vote to Approve Executive Compensation	FOR	32

Our Director Nominees

Name	Age	Director Since	Principal Occupation	Independent	Committee Memberships AC	CC	NGC	Other Current Public Boards
Gregory S. Clark	51	2016	Chief Executive Officer	No				—
Frank E. Dangeard	58	2007	Managing Partner, Harcourt	Yes	●		●	3
Kenneth Y. Hao	47	2016	Managing Partner, Silver Lake	Yes		●		1
David W. Humphrey	39	2016	Managing Director, Bain Capital	Yes	●			2
Geraldine B. Laybourne	69	2008	Chairman of the Board, Katapult Studio	Yes		●		—
David L. Mahoney	62	2003	Director	Yes		●	C	2
Robert S. Miller	74	1994	President and CEO, International Automotive Components Group	Yes		C	●	2
Anita M. Sands	40	2013	Director	Yes	●			2
Daniel H. Schulman	58	2000	President and CEO, PayPal Holdings, Inc.	Yes		●	●	2
V. Paul Unruh	67	2005	Director	Yes	C			2
Suzanne M. Vautrinot	56	2013	President, Kilovolt Consulting, Inc.	Yes	●			2

AC = Audit Committee CC = Compensation and Leadership Development Committee NGC = Nominating & Governance Committee

● = Member C = Chair

Our Corporate Governance Facts

Current size of Board	11
Current number of Independent Directors	10
Board Committees Consist Entirely of Independent Directors	Yes
All Directors Attended at least 75% of Meetings Held	Yes
Annual Election of All Directors	Yes
Majority Voting for Directors	Yes
Separate Chairman and CEO	Yes
Chairman is Independent Director	Yes
Independent Directors Meet Regularly in Executive Session	Yes
Annual Board and Committee Self-Evaluations	Yes
Risk Oversight by Full Board and Committees	Yes
Stockholder Ability to Call Special Meetings (15% threshold)	Yes
Stockholder Ability to Act by Written Consent	Yes
Non-stockholder Approved Poison Pill	No
Annual Advisory Vote on Executive Compensation	Yes
Prohibit Short-selling, Hedging and Pledging Symantec Securities	Yes
Stock Ownership Requirements for Directors and Executive Officers	Yes

Our Executive Compensation Philosophy and Practices

The overriding principle driving our compensation programs continues to be our belief that it benefits our employees, customers, partners and stockholders to have management's compensation tied to our current and long-term performance. The following factors demonstrate our continued and heightened commitment to pay-for-performance and to corporate governance best practices:

Our Compensation Governance Facts

What We Do:

- ✔ We reward performance that meets our predetermined goals.
- ✔ We cap payouts under our plans to discourage excessive or inappropriate risk taking by our NEOs.
- ✔ We have a representative and relevant peer group and reevaluate the peer group annually, at a minimum.
- ✔ We have long-standing significant stock ownership guidelines for our executives and directors, which include stock holding requirements until threshold has been met.
- ✔ Our compensation plans contain clawback provisions.
- ✔ Only double-trigger change in control provisions apply to our regular compensation programs.
- ✔ We limit any potential severance payments to not more than 1x our executive officers' total target cash compensation and 3x our CEO's total target cash compensation.
- ✔ Our Compensation and Leadership Development Committee retains an independent compensation consultant.
- ✔ We hold an annual advisory vote on executive compensation.
- ✔ We seek feedback on executive compensation through stockholder engagement.

What We Do Not Do:

- ✘ We do not payout performance-based cash or equity awards for unmet performance goals.
- ✘ Our compensation plans do not have minimum guaranteed payout levels.
- ✘ We do not permit short-sales, hedging or pledging of our stock.
- ✘ We do not provide tax gross-ups under §4999 of IRC for our NEOs.
- ✘ We do not provide material perquisites, although we maintain an apartment for our new President and COO who resides in another state.
- ✘ We do not permit repricing of stock options without stockholder approval.

Compensation Components for Fiscal 2016:

Component	Key Characteristics
Base Salary	Based on talent, experience, performance, contribution levels, individual role, positioning relative to market, and our overall salary budget.
Executive Annual Incentive Award	Our executive officers were eligible to receive performance-based cash compensation contingent upon our achievement of targeted non-GAAP operating income for fiscal 2016 and targeted non-GAAP revenue during fiscal 2016. Measurement was adjusted based on the Veritas Sale, as defined and discussed within.
Restricted Stock Units (RSUs)	RSUs vest over three years.
Performance-based Restricted Stock Units (PRUs)	Under our PRUs, our executive officers were eligible to receive shares following the third fiscal year following the award based upon our achievement of annual non-GAAP earnings per share.

Meeting Information

We provide information about Symantec's 2016 Annual Meeting of Stockholders (the "Annual Meeting"), voting and additional information starting on page 74.

CORPORATE GOVERNANCE

Symantec is strongly committed to good corporate governance practices. These practices provide an important framework within which our Board and management can pursue our strategic objectives for the benefit of our stockholders.

Corporate Governance Guidelines

Our Corporate Governance Guidelines generally specify the distribution of rights and responsibilities of Symantec's Board of Directors (the "Board"), management and stockholders, and detail the rules and procedures for making decisions on corporate affairs. In general, the stockholders elect the Board and vote on certain extraordinary matters; the Board is responsible for the general governance of our company, including selection and oversight of key management; and management is responsible for running our day-to-day operations.

Our Corporate Governance Guidelines are available on the Investor Relations section of our website, which is located at *investor.symantec.com*, by clicking on "Company Charters," under "Corporate Governance." The Corporate Governance Guidelines are reviewed at least annually by our Nominating and Governance Committee, and changes are recommended to our Board for approval as appropriate. The fundamental premise of our board-level corporate governance guidelines is the independent nature of our Board and its responsibility to our stockholders.

Code of Conduct and Code of Ethics

We have adopted a code of conduct that applies to all of our Board members, officers and employees. We have also adopted a code of ethics for our Chief Executive Officer and senior financial officers, including our principal financial officer and principal accounting officer. Our *Code of Conduct* and *Code of Ethics for Chief Executive Officer and Senior Financial Officers* are posted on the Investor Relations section of our website located at *investor.symantec.com*, by clicking on "Company Charters," under "Corporate Governance." Any amendments or waivers of our *Code of Conduct* and *Code of Ethics for Chief Executive Officer and Senior Financial Officers* pertaining to a member of our Board or one of our executive officers will be disclosed on our website at the above-referenced address.

Policy Against Short-Selling, Hedging and Pledging Symantec Securities

Our Insider Trading Policy prohibits all directors and employees from short-selling Symantec stock or engaging in transactions involving Symantec-based derivative securities, including hedging transactions. This policy was established in part because there is often a conflict of interest involved when an employee bets against or hedges a bet regarding our company's performance. In addition, our Insider Trading Policy prohibits pledging Symantec stock as collateral for a loan, since the stock may be sold in foreclosure if the borrower defaults on the loan at a time when the pledgor is aware of material, nonpublic information.

Stock Ownership Guidelines

It is the policy of the Board that our directors and officers interests align with those of our stockholders. In furtherance of this policy, our Board adopted stock ownership guidelines to better align our directors' and officers' interests with those of our stockholders. Details of our directors' stock ownership guidelines are disclosed under Director Compensation on page 20, and details of our executive officers' stock ownership guidelines are disclosed under Stock Ownership Requirements in the Compensation Discussion & Analysis section on page 55. The Compensation and Leadership Development Committee (the "Compensation Committee") determines the stock ownership guidelines and the Nominating and Governance Committee monitor compliance under such guidelines.

Stockholder Engagement

We are committed to ongoing engagement with our stockholders to gain valuable insight into the issues that matter most to them and to enable our company to address them effectively. In fiscal 2016 we engaged in discussions with approximately 155 of our top investors representing approximately 66% of our then actively managed stockholder base (38% of our then outstanding shares) to discuss corporate governance, executive compensation matters and other company matters. A summary of the feedback we received was provided to the Board for review and consideration.

Majority Vote Standard and Director Resignation Policy

Our Bylaws and Corporate Governance Guidelines provide for a majority voting standard for the election of directors. Under the majority vote standard, each nominee must be elected by a majority of the votes cast by the shares present in person or represented by proxy and entitled to vote at any meeting for the election of directors at which a quorum is present. A "majority of the votes cast" means the votes cast "for" a nominee's election must exceed the votes cast "against" that nominee's election. A plurality voting standard will apply instead of the majority voting standard if: (i) a stockholder has provided us with notice of a nominee for director in accordance with our Bylaws; and (ii) that nomination has not been withdrawn as of 10 days before we first deliver proxy materials to stockholders.

To effectuate this policy with regard to incumbent directors, the Board will not nominate an incumbent director for re-election unless prior to such nomination the director has agreed to promptly tender a resignation if such director fails to receive a sufficient number of votes for re-election at the stockholder meeting with respect to which such nomination is made. Such resignation will be effective upon the earlier of (i) the Board's acceptance of such resignation or (ii) the 90th day after certification of the election results of the meeting; provided, however, that prior to the effectiveness of such resignation, the Board may reject such resignation and permit the director to withdraw such resignation.

If an incumbent director fails to receive the required vote for re-election, the Nominating and Governance Committee shall act on an expedited basis to determine whether to recommend acceptance or rejection of the director's resignation and will submit such recommendation for prompt consideration by the Board. The Board intends to act promptly on the Committee's recommendation and will decide to accept or reject such resignation and publicly disclose its decision within 90 days from the date of certification of the election results. The Nominating and Governance Committee and the Board may consider such factors they deem relevant in deciding whether to accept or reject a resignation tendered in accordance with this policy. The Board expects a director whose resignation is under consideration to abstain from participating in any decision regarding the resignation.

Board Leadership Structure

Our Board does not have a policy on whether the roles of Chief Executive Officer and Chairman should be separate. Instead, it retains the flexibility to determine on a case-by-case basis whether the Chief Executive Officer, or an independent director, should serve as Chairman. During those periods in which the positions of Chairman and Chief Executive Officer are combined, the independent directors appoint an independent director as a Lead Independent Director. Currently, the roles of Chief Executive Officer and Chairman are separate. Daniel Schulman, one of our independent directors, was appointed as non-executive Chairman of the Board in January 2013. The Board believes that having an independent director serve as the non-executive Chairman of the Board is the appropriate leadership structure for our company at this time because it allows our Chief Executive Officer to focus on executing our company's strategic plan and managing our company's operations and performance, while allowing the Chairman of the Board to focus on the effectiveness of the Board and independent oversight of our senior management team.

Board Independence

It is the policy of the Board and NASDAQ's rules require that listed companies have a board of directors with at least a majority of independent directors, as defined under NASDAQ's Marketplace Rules. Currently, each member of our Board, other than our Chief Executive Officer, Gregory S. Clark, is an independent director, and all standing committees of the Board are composed entirely of independent directors, in each case under NASDAQ's independence definition. The NASDAQ independence definition includes a series of objective tests, such as that the director is not an employee of the company and has not engaged in various types of business dealings with the company. In addition, the Board has made a subjective determination as to each independent director that no relationship exists which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, the directors reviewed and discussed information provided by the directors and our company with regard to each director's business and other activities as they may relate to Symantec and our management. Based on this review and consistent with our independence criteria, the Board has affirmatively determined that the following current directors and director nominees are independent: Frank E. Dangeard, Kenneth Y. Hao, David W. Humphrey, Geraldine B. Laybourne, David L. Mahoney, Robert S. Miller, Anita M. Sands, Daniel H. Schulman, V. Paul Unruh and Suzanne M. Vautrinot.

Change in Director Occupation

Our Corporate Governance Guidelines include a policy that our Board should consider whether a change in any director's professional responsibilities directly or indirectly impacts that person's ability to fulfill his or her directorship obligations. To facilitate the Board's consideration, all directors shall submit a resignation as a matter of course upon retirement, a change in employer, or other significant change in their professional roles and responsibilities. Such resignation may be accepted or rejected in the discretion of the Board.

Board and Committee Effectiveness

It is important to Symantec that our Board and its committees are performing effectively and in the best interests of our company and its stockholders. The Nominating and Governance Committee reviews the size, composition and needs of the Board with established criteria to ensure the Board has the appropriate skills and expertise to effectively carry out its duties and responsibilities. In addition, an evaluation of the Board's and its committees' operations and performance is conducted annually by the Nominating and Governance Committee. Changes are recommended by the Nominating and Governance Committee for approval by the full Board as appropriate.

Board's Role in Risk Oversight

The Board executes its risk management responsibility directly and through its committees. The Audit Committee has primary responsibility for overseeing our company's enterprise risk management process. The Audit Committee receives updates and discusses individual and overall risk areas during its meetings, including our company's financial risk assessments, risk management policies and major financial risk exposures and the steps management has taken to monitor and control such exposures. The Compensation Committee oversees risks associated with our compensation policies and practices with respect to both executive compensation and compensation generally. The Compensation Committee receives reports and reviews whether Symantec's compensation policies and practices to confirm that they are not reasonably likely to have a material adverse effect on our company or encourage unnecessary risk-taking. The Nominating and Governance Committee oversee the management of risks that may arise in connection with our company's governance structures, processes and policies.

The Board is kept abreast of its committees' risk oversight and other activities via reports of the committee chairmen to the full Board during the Board meetings. In addition, the Board participates in regular discussions with our senior management of many core subjects, including strategy, operations and finance, in which risk oversight is an inherent element. The Board believes that its leadership structure, as described above under "Board Leadership Structure," facilitates the Board's oversight of risk management because it allows the Board, with leadership from the independent, non-executive Chairman and each independent committee chair, to participate actively in the oversight of management's actions.

Outside Advisors

The Board and its committees are free to engage independent outside financial, legal and other advisors as they deem necessary to provide advice and counsel on various topics or issues, at Symantec's expense, and are provided full access to our officers and employees.

Board Structure and Meetings

The Board and its committees meet throughout the year on a set schedule, and also hold special meetings and act by written consent from time to time. The Board held a total of 17 meetings during fiscal 2016. During this time, no directors attended fewer than 75% of the aggregate of the total number of meetings held by the Board and the total number of meetings held by all committees of the Board on which such director served (during the period which such director served).

Agendas and topics for board and committee meetings are developed through discussions between management and members of the Board and its committees. Information and data that are important to the issues to be considered are distributed in advance of each meeting. Board meetings and background materials focus on key strategic, operational, financial, governance and compliance matters applicable to us, including the following:

- Reviewing annual and longer-term strategic and business plans;
- Reviewing key product, industry and competitive issues;
- Reviewing and determining the independence of our directors;
- Reviewing and determining the qualifications of directors to serve as members of committees, including the financial expertise of members of the Audit Committee;
- Selecting and approving director nominees;
- Selecting, evaluating and compensating the Chief Executive Officer;
- Reviewing and discussing succession planning for the senior management team, and for lower management levels to the extent appropriate;
- Reviewing and approving material investments or divestitures, strategic transactions and other significant transactions that are not in the ordinary course of business;
- Evaluating the performance of the Board;
- Overseeing our compliance with legal requirements and ethical standards; and
- Overseeing our financial results.

Executive Sessions

After each regularly scheduled Board meeting, the independent members of our Board hold a separate closed meeting, referred to as an "executive session." These executive sessions are used to discuss such topics as the independent directors deem necessary or appropriate. At least annually, the independent directors hold an executive session to evaluate the Chief Executive Officer's performance and compensation. Executive sessions of the Board are led by the independent, non-executive Chairman.

Succession Planning

Our Board recognizes the importance of effective executive leadership to Symantec's success, and meets to discuss executive succession planning at least annually.

Attendance of Board Members at Annual Meetings

We encourage our directors to attend our annual meetings of stockholders. All directors who were elected to the Board at our 2015 Annual Meeting were in attendance at that meeting.

THE BOARD AND ITS COMMITTEES

There are three primary committees of the Board: the Audit Committee, Compensation and Leadership Development Committee and Nominating and Governance Committee. The Board has delegated various responsibilities and authorities to these different committees, as described below and in the committee charters. The Board committees regularly report on their activities and actions to the full Board. Each member of the Audit Committee, Compensation and Leadership Development Committee and Nominating and Governance Committee was appointed by the Board. Each of the Board committees has a written charter approved by the Board and available on our website at *investor.symantec.com*, by clicking on “Company Charters,” under “Corporate Governance.”

The following table shows our current directors, their independence status, their roles on the Board and its committees, and the number of meetings the Board and each of its committees held in fiscal 2016:

Director	Independent	Board	Audit	Compensation	Nominating & Governance
Gregory S. Clark *	No	■			
Frank E. Dangeard	Yes	■	■		■
Kenneth Y. Hao	Yes	■		■	
David W. Humphrey **	Yes	■	■		
Geraldine B. Laybourne	Yes	■		■	
David L. Mahoney	Yes	■		■	C
Robert S. Miller	Yes	■		C	■
Anita M. Sands	Yes	■	■		
David H. Schulman	Yes	C		■	■
V. Paul Unruh	Yes	■	C		
Suzanne M. Vautrinot	Yes	■	■		
Number of Meetings in Fiscal 2016		17	9	8	4

■ = Member   C = Chair

* Our former Chief Executive Officer, Michael A. Brown, resigned from the Board and Mr. Clark, our new Chief Executive Officer, joined the Board effective August 1, 2016. Mr. Brown served as a director for all of fiscal 2016.

** Mr. Humphrey joined the Board on August 1, 2016 and was appointed to the Audit Committee on August 2, 2016.

Audit Committee

Our Audit Committee oversees our company’s accounting and financial reporting processes and the audits of our financial statements, including oversight of our systems of internal controls and disclosure controls and procedures, compliance with legal and regulatory requirements, internal audit function and the appointment, retention and compensation of our independent auditors. Its duties and responsibilities include, among other things, to:

- Review our company’s quarterly and annual financial statements.
- Review the adequacy and effectiveness of our company’s accounting and financial reporting processes.

- Appoint and, if necessary, terminate any registered public accounting firm engaged to render an audit report or to perform other audit, review or attest services for our company.
- Review and approve processes and procedures to ensure the continuing independence of our company's independent auditors.
- Review the internal audit function of our company, including the independence and authority of its reporting obligations and the coordination of our company's internal audit function with the independent auditors.
- Review our company's practices with respect to risk assessment and risk management and meet with management and members of internal audit to discuss our company's significant risk exposures and the steps management has taken to monitor, control and mitigate such exposures.
- Review our company's ethics compliance program, including policies and procedures for monitoring compliance, and the implementation and effectiveness of our company's ethics and compliance program.

Our Board has unanimously determined that all Audit Committee members are financially literate under current NASDAQ listing standards, and at least one member has financial sophistication under NASDAQ listing standards. In addition, our Board has unanimously determined that V. Paul Unruh qualifies as an "audit committee financial expert" under the Securities and Exchange Commission (the "SEC") rules and regulations. Mr. Unruh is independent as defined by current NASDAQ listing standards for Audit Committee membership. Designation as an "audit committee financial expert" is an SEC disclosure requirement and does not impose any additional duties, obligations or liability on any person so designated.

Compensation and Leadership Development Committee

Our Compensation and Leadership Development Committee (the "Compensation Committee") oversees our compensation policies and practices so that they align with the interests of our stockholders; encourage a focus on our company's long-term success and performance; and incorporate sound corporate governance principles. It also oversees our programs to attract, retain and develop our executive officers. Its duties and responsibilities include, among other things, to:

- Review executive and leadership development practices that support our company's ability to retain and develop the executive and leadership talent required to deliver against our company's short term and long term business strategies, including succession planning for the executive officers.
- Review our company's compensation policies, plans and programs to confirm they: (i) are designed to attract, motivate and retain talented executive officers; (ii) compensate the executive officers effectively in a manner consistent with the strategy of our company and the interests of stockholders; (iii) are consistent with a competitive framework; and (iv) support the achievement of our company's overall financial results and individual contributions.
- Review and recommend to the independent directors of our Board all compensation arrangements for our Chief Executive Officer.
- Determine stock ownership guidelines for our Board and executive officers.
- Review our company's overall compensation and benefits and programs.
- Administer our equity incentive and stock purchase plans.
- Review and recommend to the Board compensation for non-employee members of the Board.
- Review our company's compensation policies and practices to confirm that such policies and practices are not likely to have a material adverse effect on our company and do not encourage excessive or inappropriate risk-taking by our executives.
- Review and make recommendations to the Board with respect to stockholder proposals and stockholder advisory votes related to executive compensation matters.

Nominating and Governance Committee

Our Nominating and Governance Committee oversees our company's corporate governance procedures and policies, and ensures that they represent best practices and are in the best interests of our company and its stockholders, which includes establishing appropriate criteria for nominating qualified candidates to the Board. Its duties and responsibilities include, among other things, to:

- Establish the criteria and determine the desired qualifications, expertise and characteristics of the Board, with the goal of developing a diversity of perspectives, backgrounds, experiences, knowledge and skills on the Board.
- Consider the size, composition and needs of the Board and evaluate and recommend qualified candidates for election to the Board consistent with the established criteria to ensure the Board has the appropriate skills and expertise.
- Advise the Board on corporate governance matters and recommend to the Board appropriate or necessary actions to be taken by our company, the Board and the Board's committees.
- Identify best corporate governance practices and develop and recommend to the Board a set of corporate governance guidelines applicable to our company.
- Review and assess the adequacy of our company's corporate governance policies, including our company's Corporate Governance Guidelines and Code of Conduct, and make recommendations to the Board of modifications as appropriate.
- Oversee and review our company's policies and programs concerning: (i) corporate social responsibility; (ii) public policy; (iii) philanthropy; (iv) political activities and expenditures; (v) our company's participation and visibility as a global corporate citizen; and (vi) our company's sustainability performance, including impacts to our business of environmental, social and governance issues.
- Monitor compliance under the stock ownership guidelines as set by the Compensation Committee for the Board and executive officers.
- Implement and oversee the processes for evaluating the Board, its committees and the CEO on an annual basis.
- Oversee the management of risks that may arise in connection with our company's governance structures and processes.

DIRECTOR NOMINATIONS AND COMMUNICATION WITH DIRECTORS

Criteria for Nomination to the Board

The Nominating and Governance Committee will consider candidates submitted by Symantec stockholders, as well as candidates recommended by directors and management, for nomination to the Board. The Nominating and Governance Committee has generally identified nominees based upon recommendations by outside directors, management and executive recruiting firms. The goal of the Nominating and Governance Committee is to assemble a Board that offers a diverse portfolio of perspectives, backgrounds, experiences, knowledge and skills derived from high-quality business and professional experience. The Nominating and Governance Committee annually reviews the appropriate skills and characteristics required of directors in the context of the current composition of the Board, our operating requirements and the long-term interests of our stockholders.

The key attributes, experience and skills we consider important for our directors in light of our current business and structure are:

- *Industry and Technology Expertise.* As a security and technology company, understanding new technologies and emerging industry trends or having experience in security and related technologies is useful in understanding our business and the market segments in which we compete, our research and development efforts, competing technologies, the various products and processes that we develop, and evolving customer requirements.
- *Global Expertise.* We are a global organization with employees, offices and customers in many countries. Directors with global operating expertise can provide a useful business and cultural perspective regarding many significant aspects of our business.
- *Leadership Experience.* Directors who have served in a senior leadership position, as a general manager of a business, or as the functional leader of a global sales, marketing or product development organization, are important to us, because they bring experience and perspective in analyzing, shaping, and overseeing the execution of important strategic, operational and policy issues at a senior level.
- *Public Company Board Experience.* Directors who have served on other public company boards can offer advice and insights with regard to the dynamics and operation of a board of directors; the relations of a board to the company's chief executive officer and other senior management personnel; the importance of public-company corporate governance, including oversight matters, strategic decisions and operational and compliance-related matters.
- *Business Combinations and Partnerships Experience.* Directors who have a background in M&A and strategic partnership transactions can provide insight into developing and implementing strategies for growing our business through combination and/or partnerships with other organizations.
- *Financial Expertise.* Knowledge of financial markets, financing operations, and accounting and financial reporting processes is important because it assists our directors in understanding, advising, and overseeing Symantec's capital structure, financing and investing activities, financial reporting, and internal control of such activities.
- *Diversity.* In addition to a diverse portfolio of professional background, experiences, knowledge and skills, the composition of the Board should reflect the benefits of diversity as to gender, race, and ethnic background.

The information provided under "Director Qualifications" below each of the brief biographical descriptions set forth under Proposal 1, "Election of Directors — Nominees for Director" below includes the key individual attributes, experience and skills of each of our directors that led to the conclusion that each director should serve as a member of the board of directors at this time.

Process for Identifying and Evaluating Nominees

The Nominating and Governance Committee considers candidates by first evaluating the current members of the Board who intend to continue in service, balancing the value of continuity of service with that of obtaining new perspectives, skills and experience. If the Nominating and Governance Committee determines that an opening exists, it identifies the desired skills and experience of a new nominee, including the need to satisfy rules of the SEC and NASDAQ.

The Nominating and Governance Committee generally will evaluate each candidate based on the extent to which the candidate contributes to the range of talent, skill and expertise appropriate for the Board generally, as well as the candidate's integrity, business acumen, diversity, availability, independence of thought, and overall ability to represent the interests of Symantec's stockholders. The Nominating and Governance Committee does not assign specific weights to particular criteria, and no particular criterion is necessarily applicable to all prospective nominees. Although the Nominating and Governance Committee uses these and other criteria as appropriate to evaluate potential nominees, it has no stated minimum criteria for nominees. In addition, we do not have a formal written policy with regard to the consideration of diversity in identifying candidates; however, as discussed above, diversity is one of the numerous criteria the Nominating and Governance Committee reviews before recommending a candidate. We have from time to time engaged, for a fee, a search firm to identify and assist the Nominating and Governance Committee with identifying, evaluating and screening Board candidates for Symantec and may do so in the future.

Stockholder Proposals for Nominees

The Nominating and Governance Committee will consider potential nominees properly submitted by stockholders. Stockholders seeking to do so should provide the information set forth in our corporate Bylaws regarding director nominations. The Nominating and Governance Committee will apply the same criteria for candidates proposed by stockholders as it does for candidates proposed by management or other directors.

To be considered for nomination by the Nominating and Governance Committee at next year's annual meeting of stockholders, submissions by stockholders must be submitted by mail and must be received by the Corporate Secretary no later than May 15, 2017 to ensure adequate time for meaningful consideration by the Nominating and Governance Committee. Each submission must include the following information:

- the full name and address of the candidate;
- the number of shares of Symantec common stock beneficially owned by the candidate;
- a certification that the candidate consents to being named in the proxy statement and intends to serve on the Board if elected; and
- biographical information, including work experience during the past five years, other board positions, and educational background, such as is provided with respect to nominees in this proxy statement.

Information regarding requirements that must be followed by a stockholder who wishes to make a stockholder nomination for election to the Board for next year's annual meeting is described in this proxy statement under "Additional Information — Stockholder Proposals for the 2017 Annual Meeting."

Contacting the Board of Directors

Any stockholder who wishes to contact members of our Board may do so by mailing written communications to:

Symantec Corporation
350 Ellis Street
Mountain View, California 94043
Attn: Corporate Secretary

The Corporate Secretary will review all such correspondence and provide regular summaries to the Board or to individual directors, as relevant, will retain copies of such correspondence for at least six months, and make copies of such correspondence available to the Board or individual directors upon request. Any correspondence relating to accounting, internal controls or auditing matters will be handled in accordance with Symantec's policy regarding accounting complaints and concerns.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

Our Board currently consists of eleven directors, each of whom is nominated for election at the Annual Meeting, including ten independent directors and our Chief Executive Officer. Each director is elected to serve a one-year term, with all directors subject to annual election. At the recommendation of the Nominating and Governance Committee, the Board has nominated the following eleven persons to serve as directors for the term beginning at the Annual Meeting on November 1, 2016: Gregory S. Clark, Frank E. Dangeard, Kenneth Y. Hao, David W. Humphrey, Geraldine B. Laybourne, David L. Mahoney, Robert S. Miller, Anita M. Sands, Daniel H. Schulman, V. Paul Unruh and Suzanne M. Vautrinot.

In February 2016, we entered into an investment agreement, as amended on March 2, 2016, with Silver Lake Partners IV Cayman (AIV II), L.P. ("Silver Lake") relating to the issuance to Silver Lake of $500 million of convertible 2.5% unsecured notes, due in 2021. In connection with the issuance of the notes, we agreed to expand the size of the Board and appoint a Silver Lake nominee, Kenneth Y. Hao, to the Board. In June 2016, we entered into a definitive agreement under which we acquired Blue Coat, Inc. (the "Blue Coat Acquisition") and Mr. Clark replaced Michael A. Brown as our Chief Executive Officer, and joined our Board at the closing of the transaction on August 1, 2016. In June 2016, we entered into an investment agreement, with Bain Capital Fund XI, L.P. and Bain Capital Europe Fund IV, L.P. ("Bain Capital") and Silver Lake relating to the issuance to Bain Capital and Silver Lake of an aggregate of $1.25 billion of convertible 2.0% unsecured notes, due in 2021. In connection with the issuance of the notes, we agreed to expand the size of the Board and appoint a Bain Capital nominee, David W. Humphrey, a managing director of Bain Capital Private Equity, to the Board concurrently with the closing of the Blue Coat Acquisition on August 1, 2016.

Unless proxy cards are otherwise marked, the persons named as proxies will vote all proxies **FOR** the election of each nominee named in this section. Proxies submitted to Symantec cannot be voted at the Annual Meeting for nominees other than those nominees named in this proxy statement. However, if any director nominee is unable or unwilling to serve at the time of the Annual Meeting, the persons named as proxies may vote for a substitute nominee designated by the Board. Alternatively, the Board may reduce the size of the Board. Each nominee has consented to serve as a director if elected, and the Board does not believe that any nominee will be unwilling or unable to serve if elected as a director. Each director will hold office until the next annual meeting of stockholders and until his or her successor has been duly elected and qualified or until his or her earlier resignation or removal.

Nominees for Director

The names of each nominee for director, their ages as of August 2, 2016, and other information about each nominee is shown below.

Nominee	Age	Principal Occupation	Director Since
Gregory S. Clark	51	Chief Executive Officer	2016
Frank E. Dangeard	58	Managing Partner, Harcourt	2007
Kenneth Y. Hao	47	Managing Partner and Managing Director, Silver Lake	2016
David W. Humphrey	39	Managing Director, Bain Capital	2016
Geraldine B. Laybourne	69	Chairman of the Board, Katapult Studio	2008
David L. Mahoney	62	Director	2003
Robert S. Miller	74	President and Chief Executive Officer, International Automotive Components Group	1994
Anita M. Sands	40	Director	2013
Daniel H. Schulman	58	President and Chief Executive Officer, PayPal Holdings, Inc.	2000
V. Paul Unruh	67	Director	2005
Suzanne M. Vautrinot	56	President, Kilovolt Consulting Inc.	2013

Mr. Clark has served as our Chief Executive Officer and a member of our Board since August 2016 upon the closing of the Blue Coat Acquisition. Previously, Mr. Clark, served as the Chief Executive Officer of Blue Coat and as a member of Blue Coat's board of directors from September 2011. Prior to joining Blue Coat, Mr. Clark was the President and Chief Executive Officer of Mincom, a global software and service provider to asset-intensive industries, from 2008 to August 2011. Before joining Mincom, Mr. Clark was a Founder and served as President and Chief Executive Officer of E2open, a provider of cloud-based supply chain software, from 2001 until 2008. Earlier in his career, Mr. Clark founded security software firm Dascom, which was acquired by IBM in 1999. Mr. Clark served as a distinguished engineer and Vice President of IBM's Tivoli Systems, a division providing security and management products, from 1999 until 2001. Mr. Clark holds a bachelor's degree from Griffith University.

Director Qualifications:

- *Industry and Technology Experience* — former Chief Executive Officer of Blue Coat; former President and Chief Executive Officer of Mincom.
- *Global Experience* — Chief Executive Officer of Symantec Corporation; former Chief Executive Officer of Blue Coat; former President and Chief Executive Officer of Mincom.
- *Leadership Experience* — Chief Executive Officer of Symantec Corporation; former Chief Executive Officer of Blue Coat; former President and Chief Executive Officer of Mincom; Founder, President and Chief Executive Officer of E2open.
- *Business Combinations and Partnerships Experience* — former Chief Executive Officer of Blue Coat; former President and Chief Executive Officer of Mincom; Founder, President and Chief Executive Officer of E2open.
- *Financial Experiences* — former Chief Executive Officer of Blue Coat; former President and Chief Executive Officer of Mincom; Founder, President and Chief Executive Officer of E2open.

Mr. Dangeard has served as a member of our Board since January 2007. He has been the Managing Partner of Harcourt, an advisory and investment firm, since March 2008. Mr. Dangeard was Chairman and Chief Executive Officer of Thomson, a provider of digital video technologies, solutions and services, from September 2004 to February 2008. From September 2002 to September 2004, he was Deputy Chief Executive Officer of France Telecom, a global telecommunications operator. From 1997 to 2002, Mr. Dangeard was Senior Executive Vice President of Thomson and Vice Chairman in 2000. Prior to joining Thomson, Mr. Dangeard was Managing Director of SG Warburg & Co. Ltd. from 1989 to 1997, and Chairman of SG Warburg France from 1995 to 1997. Prior to that, Mr. Dangeard was a lawyer with Sullivan & Cromwell, in New York and London. Mr. Dangeard also serves on the boards of RPX Corporation, Royal Bank of Scotland Group PLC ("RBS Group") and Telenor, and on a number of advisory boards. Mr. Dangeard has previously served as a director of a variety of companies, including Atari, Crédit Agricole CIB, Eutelsat, Home Credit, Moser Baer, SonaeCom, Thomson and Electricité de France. He graduated from the École des Hautes Études Commerciales, the Paris Institut d'Études Politiques and has a juris doctorate degree from Harvard Law School.

Director Qualifications:

- *Industry and Technology Experience* — former Chairman and Chief Executive Officer of Thomson and former Deputy Chief Executive Officer of France Telecom; former member of the board of directors of Eutelsat and SonaeCom; member of the board of directors of RPX Corporation and Telenor.
- *Global Experience* — Member of the board of directors of Telenor (Norway) and RBS Group (the United Kingdom); former Chairman and Chief Executive Officer of Thomson (France); former Deputy Chief Executive Officer of France Telecom (France); former member of the board of directors of Crédit Agricole CIB (France), Eutelsat (France), Electricité de France, SonaeCom (Portugal) and Moser Baer (India).
- *Leadership Experience* — Managing Partner of Harcourt, former Chairman of Atari, former Chairman and Chief Executive Officer of Thomson, Deputy Chief Executive Officer of France Telecom, Chairman of SG Warburg France and Managing Director of SG Warburg & Co. Ltd.

- *Public Company Board Experience* — current member of the board of directors of RPX and RBS Group and Telenor; former member of the board of directors of Eutelsat, Electricité de France, Thomson, Moser Baer and SonaeCom.
- *Business Combinations and Partnerships Experience* — former Chairman and Chief Executive Officer of Thomson, Deputy Chief Executive Officer of France Telecom, Chairman of SG Warburg France and lawyer at Sullivan & Cromwell LLP.
- *Financial Experiences* — Former Chairman of the Audit Committee of Atari, Chairman and Chief Executive Officer of Thomson, Deputy Chief Executive Officer of France Telecom, Chairman of the Audit Committee of Electricité de France, and former member of the Audit Committee of Moser Baer.

Mr. Hao has served as a member of our Board since March 2016 when he joined in connection with Silver Lake's investment in Symantec. Mr. Hao has been a Managing Partner and Managing Director of Silver Lake since 2000. Prior to joining Silver Lake, Mr. Hao was an investment banker with Hambrecht & Quist, most recently serving as a Managing Director in the Technology Investment Banking group. Mr. Hao also serves on the board of directors of Broadcom Limited and on the board of directors of a number of private companies in Silver Lake's portfolio. Mr. Hao graduated from Harvard University with a bachelor's degree in economics.

Director Qualifications:

- *Industry and Technology Experience* — over 25 years of technology investment experience; member of the board of directors of Broadcom and numerous private technology companies.
- *Global Experience* — Extensive experience investing in large global businesses; established Silver Lake's Asia business.
- *Leadership Experience* — Managing Partner and Managing Director of Silver Lake; member of the board of directors of Broadcom.
- *Public Company Board Experience* — current member of the board of directors of Broadcom.
- *Business Combinations and Partnerships Experience* — Managing Partner and Managing Director of Silver Lake Partners; former investment banker with Hambrecht & Quist.
- *Financial Experiences* — over 25 years of investment experience in complex transactions.

Mr. Humphrey has served as a member of our Board since August 2016 upon the closing of the Blue Coat Acquisition, prior to which he served on Blue Coat's board of directors since May 2015. Mr. Humphrey has been a Managing Director of Bain Capital since 2001. Prior to joining Bain Capital, Mr. Humphrey was an investment banker in the mergers and acquisitions group at Lehman Brothers from 1999 to 2001. Mr. Humphrey serves on the board of directors of BMC Software, Viewpoint Construction Software, Bright Horizons Family Solutions Inc., and Genpact. Mr. Humphrey previously served on the board of directors of Burlington Coat Factory Warehouse Corporation, Skillsoft plc. and Bloomin' Brands, Inc. Mr. Humphrey received a master's of business administration from Harvard Business School and a bachelor's degree from Harvard University.

Director Qualifications:

- *Industry and Technology Experience* — former member of the board of directors of Blue Coat; Managing Director of Bain Capital; and member of the board of directors of BMC Software and Viewpoint Construction Software.
- *Global Experience* — Extensive experience investing in large global businesses.
- *Leadership Experience* — Managing Director of Bain Capital; member of the board of directors of BMC Software, Viewpoint Construction Software, Bright Horizons Family Solutions Inc., and Genpact.
- *Public Company Board Experience* — current member of the board of directors of Bright Horizons Family Solutions Inc. and Genpact; former member of board of directors of Bloomin' Brands.

- *Business Combinations and Partnerships Experience* — Managing Director of Bain Capital; former investment banker with Lehman Brothers.
- *Financial Experiences* — Managing Director of Bain Capital; former investment banker with Lehman Brothers.

Ms. Laybourne has served as a member of our Board since January 2008. She has been the Chairman of the Board of Katapult Studio (formerly Kandu), a children's software company, since April 2013, and was acting Chief Executive Officer from October 2014 to May 2015. Ms. Laybourne was the Chairman of the Board of Defy Media, LLC, a media company, from November 2010 to April 2015. She founded Oxygen Media in 1998 and served as its Chairman and Chief Executive Officer until November 2007 when the network was acquired by NBC Universal. Prior to starting Oxygen Media, Ms. Laybourne spent 16 years at Nickelodeon. From 1996 to 1998, Ms. Laybourne was President of Disney/ABC Cable Networks where she was responsible for overseeing cable programming for the Walt Disney Company and ABC. Ms. Laybourne is also currently a member of the board of directors of three private companies and a former member of the board of directors of J.C. Penney, Electronic Arts and Move. She earned a bachelor of arts degree in art history from Vassar College and a master of science degree in elementary education from the University of Pennsylvania.

Director Qualifications:

- *Leadership Experience* — Chairman of Katapult Studio, Founder and former Chairman and Chief Executive Officer of Oxygen Media LLC, former President of Disney/ABC Cable Networks, former President of Nickelodeon and former Vice Chairman of MTV Networks.
- *Public Company Board Experiences* — former board member of J.C. Penney Company, Electronic Arts and Move.
- *Business Combinations and Partnerships Experience* — Founder, former Chairman and Chief Executive Officer of Oxygen Media LLC until it was acquired by NBC Universal.

Mr. Mahoney has served as a member of our Board since April 2003. Mr. Mahoney previously served as co-Chief Executive Officer of McKesson HBOC, Inc., a healthcare services company, and as Chief Executive Officer of iMcKesson LLC, also a healthcare services company, from July 1999 to February 2001. Mr. Mahoney is a member of the board of directors of Adamas Pharmaceuticals, Corcept Therapeutics Incorporated, and two non-profit organizations as well as a trustee of the Schwab/Laudus fund family. He has previously served as a director of a variety of companies, including Tercica Incorporated. Mr. Mahoney has a bachelor's degree from Princeton University and a master's of business administration from Harvard Business School.

Director Qualifications:

- *Industry and Technology Experience* — former co-Chief Executive Officer of McKesson HBOC, Inc., former Chief Executive Officer of iMcKesson LLC, various executive roles at McKesson Corporation, Principal at McKinsey & Co.
- *Leadership Experience* — former co-Chief Executive Officer of McKesson HBOC, Inc., Chief Executive Officer of iMcKesson LLC, various executive roles at McKesson Corporation, Principal at McKinsey & Co.
- *Public Company Experience* — current member of the board of directors of Corcept Therapeutics and Lead Director at Adamas Pharmaceuticals; former member of the board of Tercica Incorporated.
- *Business Combinations and Partnerships Experience* — former co-Chief Executive Officer of McKesson HBOC, Inc., former Chief Executive Officer of iMcKesson LLC, various executive roles at McKesson Corporation, Principal at McKinsey & Co.
- *Financial Experiences* — former roles at McKesson HBOC, serves on the Audit Committee of Adams Pharmaceuticals, the Investment Committee of the Schwab/Laudus fund family and served on the Audit Committee of Tercica Incorporated.

Mr. Miller has served as a member of our Board since September 1994. Mr. Miller is President and Chief Executive Officer, International Automotive Components (IAC) Group, a global supplier of automotive components and systems. He is also the Chairman of the Board of Mid Ocean Partners, a private equity firm specializing in leveraged buyouts, recapitalizations and growth capital investments in middle-market companies. He served as Chairman of the Board of American International Group (AIG), an insurance and financial services organization, from July 2010 to June 2015. Mr. Miller served as Chief Executive Officer of Hawker Beechcraft, an aircraft manufacturing company, from February 2012 to February 2013. He served as Executive Chairman of Delphi Corporation, an auto parts supplier from January 2007 until November 2009 and as Chairman and Chief Executive Officer from July 2005 until January 2007. From January 2004 to June 2005, Mr. Miller was non-executive Chairman of Federal Mogul Corporation, an auto parts supplier. From September 2001 until December 2003, Mr. Miller was Chairman and Chief Executive Officer of Bethlehem Steel Corporation, a large steel producer. Prior to joining Bethlehem Steel, Mr. Miller served as Chairman and Chief Executive Officer on an interim basis upon the departure of Federal Mogul's top executive in September 2000. Hawker Beechcraft filed a voluntary petition for reorganization under the United States Bankruptcy Code (USBC) in May 2012. Mr. Miller is also a member of the board of directors of AIG, Dow Chemical and two private companies in addition to MidOcean Partners. In addition to his executive roles, Mr. Miller has previously served as a director of a variety of companies, including UAL Corporation, WL Ross Holding Corp., Reynolds American, Inc., U.S. Bancorp, and Waste Management, Inc. Mr. Miller earned a degree in economics from Stanford University, a law degree from Harvard Law School and a master's of business administration, majoring in finance from Stanford Business School.

Director Qualifications:

- *Global Experience* — former Chairman of AIG; former Chief Executive Officer of Hawker Beechcraft, Inc.; former Chief Executive Officer of Delphi Corporation; and former Vice Chairman of Chrysler Corporation.
- *Leadership Experience* — Chairman of Mid Ocean Partners; former Chairman of AIG; former Chief Executive Officer of Hawker Beechcraft, Inc.; former Chairman and Chief Executive Officer of Delphi Corporation; former Chairman and Chief Executive Officer of Federal Mogul Corporation; and former Chairman and Chief Executive Officer of Bethlehem Steel Corporation.
- *Public Company Board Experience* — serves on the board of directors of AIG and Dow Chemical; served on the boards of directors of UAL Corporation, WL Ross Holding Corp., Reynolds American, Inc., U.S. Bancorp, and Waste Management, Inc.
- *Business Combinations and Partnerships Experience* — former Chief Executive Officer of Hawker Beechcraft, Inc., Delphi Corporation and Federal Mogul Corporation; and former Vice Chairman of Chrysler Corporation.
- *Financial Experiences* — former Chief Financial Officer of Chrysler Corporation; and served on the Audit Committees of AIG, UAL Corporation, Reynolds American, Waste Management, U.S. Bancorp, Federal Mogul Corporation and Pope & Talbot.

Ms. Sands has served as a member of our Board since October 2013. Ms. Sands served as Group Managing Director, Head of Change Leadership and a member of the Wealth Management Americas Executive Committee of UBS Financial Services, a global financial services firm, from April 2012 to September 2013. She was Group Managing Director and Chief Operating Officer of Wealth Management Americas at UBS Financial Services from April 2010 to April 2012. Prior to that, Ms. Sands was a Transformation Consultant at UBS Financial Services from October 2009 to April 2010. Prior to joining UBS Financial Services, Ms. Sands was Managing Director, Head of Transformation Management at Citigroup's Global Operations and Technology organization. Ms. Sands also held several leadership positions with RBC Financial Group and CIBC. Ms. Sands is on the board of directors of ServiceNow, Inc. and Pure Storage, Inc. She received a bachelor's degree in physics and applied mathematics from The Queen's University of Belfast, Northern Ireland, a doctorate in atomic and molecular physics from The Queen's University of Belfast, Northern Ireland and a master's degree of science in public policy and management from Carnegie Mellon University.

Director Qualifications:

- *Industry and Technology Experience* — former Managing Director and Chief Operating Officer and various executive positions of global financial services firms.

- *Global Experience* — former Managing Director and Chief Operating Officer and various executive positions of global financial services firms.

- *Leadership Experience* — former Managing Director and Chief Operating Officer and various executive positions of global financial services firms.

- *Public Company Board Experience* — current member of the board of directors of ServiceNow, Inc. and Pure Storage, Inc.

- *Financial Experiences* — former Managing Director and Chief Operating Officer and various executive positions of global financial services firms.

Mr. Schulman has served as a member of our Board since March 2000. Mr. Schulman has served as President and Chief Executive Officer of PayPal Holdings, Inc., an online payment system company, since July 2015. Previously, he served as Group President, Enterprise Group of American Express, a financial products and travel-related services provider, from August 2010 to September 2014. Mr. Schulman was President, Prepaid Group of Sprint Nextel Corporation, a cellular phone service provider, from November 2009 until August 2010, when Sprint Nextel acquired Virgin Mobile USA, a cellular phone service provider. Mr. Schulman served as Chief Executive Officer of Virgin Mobile USA from September 2001 to November 2009 and a member of the board of directors of Virgin Mobile USA from October 2001 to November 2009. From May 2000 until May 2001, Mr. Schulman was President and Chief Executive Officer of priceline.com Incorporated, an online travel company, after serving as President and Chief Operating Officer from July 1999. He is a member of the board of directors of Flextronics International Ltd. and a non-profit organization. He received a bachelor's degree in economics from Middlebury College, and a master's degree in business administration, majoring in Finance, from New York University.

Director Qualifications:

- *Industry and Technology Experience* — President and Chief Executive Officer of PayPal; former Group President, Enterprise Group of American Express and former Chief Executive Officer and Chief Operating Officer of priceline.com.

- *Global Experience* — President and Chief Executive Officer of PayPal Holdings and former Group President of American Express.

- *Leadership Experience* — President and Chief Executive Officer of PayPal; former Group President, Enterprise Group of American Express, former President, Prepaid Group of Sprint Nextel Corporation, former Chief Executive Officer of Virgin Mobile USA and former Chief Executive Officer and Chief Operating Officer of priceline.com.

- *Public Company Board Experience* — member of the board of directors of Flextronics International Ltd.; former member of the board of directors of Virgin Mobile USA.

- *Business Combinations and Partnerships Experience* — President and Chief Executive Officer of PayPal; former Chief Executive Officer of Virgin Mobile USA.

- *Financial Experiences* — President and Chief Executive Officer of PayPal; former Group President, Enterprise Group of American Express, former President, Prepaid Group of Sprint Nextel Corporation, former Chief Executive Officer of Virgin Mobile USA and former Chief Executive Officer and Chief Operating Officer of priceline.com.

Mr. Unruh has served as a member of our Board since July 2005 following the acquisition of Veritas. Mr. Unruh had served on Veritas' board of directors since 2003. Mr. Unruh retired as Vice Chairman of Bechtel Group, Inc., a global engineering and construction services company, in June 2003. During his 25-year tenure at

Bechtel Group, he held a number of management positions including Treasurer, Controller, and Chief Financial Officer. Mr. Unruh also served as President of Bechtel Enterprises, the finance, development and ownership arm from 1997 to 2001. He is a member of the board of directors of Heidrick & Struggles International, Inc., Aconex Ltd., which is traded on the Australian Stock Exchange, and a private company. Mr. Unruh is a Certified Public Accountant.

Director Qualifications:

- *Global Experience* — former Vice Chairman and various executive positions of Bechtel Group, Inc. and former President of Bechtel Enterprises.
- *Leadership Experience* — former Vice Chairman and various executive positions of Bechtel Group, Inc. and former President of Bechtel Enterprises.
- *Public Company Board Experience* — member of the board of directors of Heidrick & Struggles International Inc.; former member of the board of directors of Move, Inc. and URS Corporation
- *Business Combinations and Partnerships Experience* — former board member of Veritas Corporation, Move, Inc. and URS Corporation.
- *Financial Experiences* — a certified public accountant; former Chief Financial Officer, Treasurer and Controller of Bechtel Group, Inc.; former President of Bechtel Enterprises; and serves on the Audit Committees of Heidrick & Struggles International, Inc. and served on the Audit Committee of Move, Inc.

Ms. Vautrinot has served as a member of our Board since October 2013. Ms. Vautrinot has been President of Kilovolt Consulting Inc., an advisory firm, since October 2013. She retired from the United States Air Force in October 2013 after over 30 years of service. During her career with the United States Air Force, she served in a number of leadership positions including Major General and Commander, 24th Air Force/Network Operations from April 2011 to October 2013; Special Assistant to the Vice Chief of Staff from December 2010 to April 2011; Director of Plans and Policy, U.S. Cyber Command from May 2010 to December 2010 and Deputy Commander, Network Warfare, U.S. Strategic Command, from June 2008 and May 2010. Ms. Vautrinot is a member of the board of directors of Ecolab, Inc., Wells Fargo & Company and a private company. She received a bachelor of science degree from the U.S. Air Force Academy, a master's degree in systems management from University of Southern California, and completed Air Command and Staff College as well as Air War College.

Director Qualifications:

- *Industry and Technology Experience* — Major General and Commander (retired) and various leadership positions of United States Air Force.
- *Global Experience* — Major General and Commander (retired) and various leadership positions of United States Air Force.
- *Leadership Experience* — Major General and Commander (retired) and various leadership positions of United States Air Force.
- *Public Company Board Experience* — member of the board of directors of Ecolab, Inc. and Wells Fargo & Company.
- *Financial Experiences* — serves on the Audit Committees of Ecolab, Inc. and Wells Fargo & Company.

Summary of Director Qualifications and Experience

	Clark	Dangeard	Hao	Humphrey	Laybourne	Mahoney	Miller	Sands	Schulman	Unruh	Vautrinot
Industry and Technology Expertise	√	√	√	√		√		√	√	√	√
Global Expertise	√	√	√	√			√	√	√	√	√
Leadership Experience	√	√	√	√	√	√	√	√	√	√	√
Public Company Board Experience		√	√	√	√	√	√	√	√	√	√
Business Combinations and Partnerships Experience	√	√	√	√	√	√	√		√	√	
Financial Expertise		√	√	√		√	√	√	√	√	√
Diversity			√		√			√			√

Director Compensation

The Compensation Committee, which consists solely of independent directors, has the primary responsibility to review and recommend to the Board for approval the compensation programs for non-employee members of the Board, including, but not limited to, retainers, committee fees, committee chair fees and equity compensation. The Compensation Committee reviews the non-employee directors' compensation annually and takes various factors into consideration when determining the Board's annual compensation, including, but not limited to the following:

- the responsibilities of the Board, the committees and committee chairs;
- compensation paid to directors of our peer group; and
- recommendations made by the Compensation Committee's independent compensation consulting firm, Mercer.

The policy of the Board is that compensation for independent directors should be a mix of cash and equity-based compensation. Symantec does not pay employee directors for Board service in addition to their regular employee compensation. Independent directors may not receive consulting, advisory or other compensatory fees from the Company. The Compensation Committee, which consists solely of independent directors, has the primary responsibility to review and consider any revisions to director compensation.

Annual Fees: In accordance with the recommendation of the Compensation Committee, the Board determined the non-employee directors' compensation for fiscal 2016 as follows:

- $50,000 annual cash retainer;
- $15,000 annual fee for committee membership ($20,000 for Audit membership);
- $25,000 annual fee for chairing a committee of the Board ($15,000 for chairing the Nominating and Governance Committee); and
- $100,000 annual fee for the Lead Independent Director/Independent Chairman.

The payment of the annual cash retainer is subject to the terms of the 2000 Director Equity Incentive Plan, as amended, which allows directors to choose to receive common stock in lieu of cash for all or a portion of the retainer payable to each director for serving as a member. We pay the annual retainer fee and any additional annual fees to each director at the beginning of the fiscal year. Directors who join the Company after the beginning of the fiscal year receive a prorated cash payment in respect of their annual retainer fee and fees. These payments are considered earned when paid. Accordingly, we do not require them to be repaid in the event a director ceases serving in the capacity for which he or she was compensated.

Annual Equity Awards. Pursuant to a Non-Employee Director Grant Policy adopted by our Board, each non-employee member of the Board receives an annual award of fully-vested restricted stock under the 2013 Equity Incentive Plan, as amended (the "2013 Plan"), having a fair market value on the grant date equal to a pre-determined dollar value, which was $235,000. The restricted stock awards for fiscal year 2016 were granted on May 19, 2015 and are fully vested. Effective for fiscal 2017, the value of the restricted stock award under this policy was increased to $275,000.

Director Stock Ownership Guidelines: Prior to fiscal 2017, the Compensation Committee maintained the following stock ownership guidelines to better align our directors' interests with those of our stockholders:

- Directors must maintain a minimum holding of 10,000 shares of Company stock;
- New directors will have three years to reach the minimum holding level; and
- Notwithstanding the foregoing, directors may sell enough shares to cover their income tax liability on vested grants.

Effective fiscal 2017, the Compensation Committee instituted the following revised stock ownership guidelines for our non-employee directors to better align our directors' interests with those of our stockholders:

- Directors must maintain a minimum holding of Company stock with a fair market value equal to ten times (10x) such director's total annual cash retainer;
- In the event the annual retainer (or any portion thereof) is paid to a non-employee director in equity instead of cash, the value of such annual retainer for purposes of calculating the minimum holding requirement means the grant date fair value of the annual equity award (or applicable portion thereof);
- New directors will have three years to reach the minimum holding level; and
- Notwithstanding the foregoing, directors may sell enough shares to cover their income tax liability on vested grants.

Symantec stock ownership information for each of our directors is shown under the heading "Security Ownership of Certain Beneficial Owners and Management" on page 36 of this proxy statement.

As a result of the Compensation Committee's annual review, no changes were made to our non-employee directors' compensation for fiscal 2016. The following table provides information for fiscal 2016 compensation for all of our non-employee directors:

Fiscal 2016 Director Compensation

Name	Fees Earned or Paid in Cash ($)(1)(2)	Stock Awards ($)(3)(4)	Total ($)
Frank E. Dangeard	85,014	234,986	320,000
Kenneth Y. Hao	3,984(5)	—	3,984
David W. Humphrey	NA	NA	NA
Geraldine B. Laybourne	65,014	234,986	300,000
David L. Mahoney	95,014	234,986	330,000
Robert S. Miller	75,014	234,986(6)	310,020
Anita M. Sands	70,014	234,986	305,000
Daniel H. Schulman	180,014	234,986	415,000
V. Paul Unruh	95,014	234,986	330,000
Suzanne M. Vautrinot	70,014	234,986	305,000

(1) Non-employee directors receive an annual retainer fee of $50,000 plus an additional annual fee of $15,000 (Compensation Committee and Nominating and Governance Committee) or $20,000 (Audit Committee) for membership on each committee. The chair of each committee receives an additional annual fee of $15,000 (Nominating and Governance Committee) or $25,000 (Audit Committee and Compensation Committee). Mr. Humphrey joined the Board on August 1, 2016 and did not receive any compensation for fiscal 2016.

(2) Except for Mr. Hao, includes cash payout of $17.50 for fractional share from stock awards granted to each non-employee director.

(3) Amounts shown in this column reflect the aggregate full grant date fair value calculated in accordance with FASC Topic 718 for awards granted during fiscal 2016.

(4) Each non-employee director other than Mr. Hao was granted 9,362 RSUs on May 19, 2015, with a per share fair value of $25.10 and an aggregate grant date fair value of $234,986.

(5) Mr. Hao joined our Board on March 4, 2016 and received a pro-rated portion of the $50,000 annual cash retainer fee for his service for fiscal 2016. Mr. Hao did not receive an RSU grant for his service during fiscal 2016.

(6) In lieu of cash, Mr. Miller received 100% of his annual retainer fee of $50,000 in the form of our common stock. Accordingly, pursuant to the terms of the 2000 Director Equity Incentive Plan, he was granted 1,992 shares at a per share fair value of $25.10 and an aggregate grant date fair value of $49,992. The balance of his fee was paid in cash as reported in the "Fees Earned or Paid in Cash" column in the table above.

THE BOARD RECOMMENDS A VOTE *"FOR"* ELECTION OF EACH OF THE ELEVEN NOMINATED DIRECTORS.

PROPOSAL NO. 2

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has appointed KPMG LLP ("KPMG") as our principal independent registered public accounting firm to perform the audit of our consolidated financial statements for fiscal 2017. As a matter of good corporate governance, the Audit Committee has decided to submit its selection of independent audit firm to stockholders for ratification. In the event that this appointment of KPMG is not ratified by a majority of the shares of common stock present or represented at the Annual Meeting and entitled to vote on the matter, the Audit Committee will review its future selection of KPMG as our independent registered public accounting firm.

The Audit Committee first approved KPMG as our independent auditors in September 2002, and KPMG audited our financial statements for fiscal 2016. Representatives of KPMG are expected to attend the meeting with the opportunity to make a statement and respond to appropriate questions from stockholders present at the meeting.

Principal Accountant Fees and Services

We regularly review the services and fees from our independent registered public accounting firm, KPMG. These services and fees are also reviewed with the Audit Committee annually. In accordance with standard policy, KPMG periodically rotates the individuals who are responsible for our audit. Our Audit Committee has determined that the providing of certain non-audit services, as described below, is compatible with maintaining the independence of KPMG.

In addition to performing the audit of our consolidated financial statements, KPMG provided various other services during fiscal years 2016 and 2015. Our Audit Committee has determined that KPMG's provisioning of these services, which are described below, does not impair KPMG's independence from Symantec. The aggregate fees billed for fiscal years 2016 and 2015 for each of the following categories of services are as follows:

Fees Billed to Symantec	2016	2015
Audit fees(1)	$21,972,001	$7,773,692
Audit related fees(2)	1,431,411	1,494,333
Tax fees(3)	284,052	401,111
All other fees(4)	61,131	132,858
Total fees	$23,748,595	$9,801,994

The categories in the above table have the definitions assigned under Item 9 of Schedule 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and these categories include in particular the following components:

(1) *"Audit fees"* include fees for audit services principally related to the year-end examination and the quarterly reviews of our consolidated financial statements, consultation on matters that arise during a review or audit, review of SEC filings, audit services performed in connection with our acquisitions and divestitures and statutory audit fees.

(2) *"Audit related fees"* include fees which are for assurance and related services other than those included in Audit fees.

(3) *"Tax fees"* include fees for tax compliance and advice.

(4) *"All other fees"* include fees for all other non-audit services, principally for services in relation to certain information technology audits.

An accounting firm other than KPMG performs supplemental internal audit services for Symantec. Another accounting firm provides the majority of Symantec's outside tax services.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The Audit Committee's policy is to pre-approve all audit and permissible non-audit services provided by the independent registered public accounting firm. These services may include audit services, audit-related services, tax services and other services. Pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget. The independent registered public accounting firm and management are required to periodically report to the Audit Committee regarding the extent of services provided by the independent registered public accounting firm in accordance with this pre-approval, and the fees for the services performed to date. The Audit Committee may also pre-approve particular services on a case-by-case basis.

All of the services relating to the fees described in the table above were approved by the Audit Committee.

THE BOARD RECOMMENDS A VOTE *"FOR"* APPROVAL OF PROPOSAL NO. 2

PROPOSAL NO. 3

AMENDMENTS TO OUR 2013 EQUITY INCENTIVE PLAN, AS AMENDED

We are asking stockholders to approve the following amendments to our 2013 Equity Incentive Plan, as amended (the "2013 Plan"), which were approved by our Board in August 2016: (i) increase the number of shares reserved for issuance under the 2013 Plan by 17,000,000 shares, and (ii) require that each stock option and stock appreciation right ("SAR") granted under the 2013 Plan, other than a stock option or SAR granted in substitution for a stock option or SAR granted under a stock plan of a company acquired by the Company, shall be subject to a minimum service vesting requirement of one year from the date of grant of the stock option or SAR.

Including the above proposed amendments, the 2013 Plan, as amended, contains the following important features:

- 62,000,000 shares of our common stock will be reserved for issuance under the 2013 Plan, which represents approximately 10.1% of our outstanding shares as of July 21, 2016. Of this amount, with the 17,000,000 share increase, approximately 27.7 million shares will be available for future issuance under the 2013 Plan, which represents approximately 4.5% of our outstanding shares as of July 21, 2016.
- The 2013 Plan has a fixed number of shares available for issuance. It is not an "evergreen" plan.
- The 2013 Plan does not contain a "fungible share reserve." Instead, each one share granted as a restricted stock award, RSU (including PRUs), stock option or SAR under the 2013 Plan will count as the issuance of one share reserved for issuance under the 2013 Plan for the purpose of computing shares remaining available for issuance.
- Stock options and SARs must be granted with an exercise price that is not less than 100% of the fair market value on the date of grant.
- Repricing or certain other exchanges of stock options and SARs for new 2013 Plan awards or cash is prohibited unless stockholder approval is first obtained.
- Stock options and SARs granted under the 2013 Plan, other than a stock option or SAR granted in substitution for a stock option or SAR granted under a stock plan of a company acquired by the Company, will be subject to a minimum service vesting requirement of one year from the date of the grant of the stock option or SAR.
- No recycling of shares or "liberal share counting" practices are permitted under the 2013 Plan. Shares tendered to us or retained by us in the exercise or settlement of an award or for tax withholding, or shares that are repurchased on the open market with the proceeds of an option exercise price will not become available again for issuance under the 2013 Plan. In addition, the gross shares subject to a stock appreciation right (SAR) award and not the net number of shares actually issued upon exercise of such SAR counts against the 2013 Plan reserve.

We believe that the increase in the number of shares reserved for issuance under the 2013 Plan is in the best interests of our company because of the continuing need to provide equity-based incentives to attract and retain the most qualified personnel and to respond to relevant market changes in equity compensation practices. The use of equity compensation has historically been a significant part of our overall compensation philosophy at Symantec and is a practice that we plan to continue. The 2013 Plan serves as an important part of this practice and is a critical component of the overall compensation package that we offer to retain and motivate our employees. In addition, awards under the 2013 Plan provide our employees an opportunity to acquire or increase their ownership stake in us, and we believe this aligns their interests with those of our stockholders, creating strong incentives for our employees to work hard for our future growth and success. If Proposal No. 3 is not approved by our stockholders, we believe our ability to attract and retain the talent we need to compete in our industry would be seriously and negatively impacted and this could affect our long-term success.

Based on a review of Symantec's historical practice, the recent trading price of our common stock, and advice from its independent compensation consultant, the Compensation Committee and the Board currently believe the additional share request will be sufficient to cover awards for at least one year. Our future burn rate will depend on a number of factors, including the number of participants in the 2013 Plan, the price per share of our common stock, any changes to our compensation strategy, changes in business practices or industry standards, changes in the compensation practices of our competitors, or changes in compensation practices in the market generally, and the methodology used to establish the equity award mix.

In connection with its approval of the amendment of the 2013 Plan, the Board considered Symantec's current stock repurchase program, under which approximately $790 million remained authorized for future repurchases as of July 21, 2016, with no expiration date. We believe that stock repurchases reduce the potential dilutive effect of the issuance of additional equity incentives to employees. For example, the weighted average common shares outstanding decreased from 696,309,329 shares in fiscal 2014 to 670,002,129 shares in fiscal 2016, due in part to Symantec's stock repurchase programs.

Plan History

The 2013 Plan was originally adopted by the Board in July 2013, and it was approved by our stockholders in October 2013. In 2016, the 2013 Plan was amended by the Board to provide the Committee the authority to make certain adjustments under the 2013 Plan in the event of an extraordinary cash dividend by Symantec. Upon adoption, our stockholders approved the reservation of an aggregate of 45 million shares for issuance under the 2013 Plan. No shares carried over from our 2004 Equity Incentive Plan (the "Prior Plan"), which was our primary equity compensation plan prior to the adoption of the 2013 Plan. We no longer grant awards under the Prior Plan.

The following table summarizes certain information regarding our equity incentive program, which includes our 2013 Plan and awards granted under our prior plans. Our only active equity plans with available share pools are our 2013 Plan and our 2000 Director Equity Plan, as referenced below.

	As of July 21, 2016
Total number of shares of common stock subject to outstanding full value awards (including RSUs and PRUs)	22,582,542
Total number of shares of common stock subject to outstanding stock options	344,660
Weighted-average exercise price of outstanding stock options	$ 12.46
Weighted-average remaining term of outstanding stock options	1.28 years
Total number of shares of common stock available for future grant under the 2013 Plan	10,735,252
Total number of shares of common stock available for future grant under 2000 Director Equity Plan	53,931

One of the important factors that we consider in administering our equity compensation programs is our "burn rate," meaning the number of shares that we utilize under the 2013 Plan each year relative to total shares outstanding.

The following table sets forth our gross burn rate for fiscal 2016, 2015 and 2014. Our net burn rate for the same period was 0.24%, 1.75% and 0.51%, respectively. We think of "gross burn rate" as the total number of shares granted under all of our equity incentive plans during a period divided by the weighted average number of shares of common stock outstanding during that period and expressed as a percentage. We think of "net burn rate" as the total number of shares granted under all of our equity incentive plans during a period, minus the total number of shares returned to such plans through awards cancelled during that period, divided by the weighted average number of shares of common stock outstanding during that period, and expressed as a percentage. When we sought stockholder approval of the 2013 Plan in 2013, we estimated that our annual gross burn rate would be approximately 1.8%, or 13,000,000 shares annually.

Last 3 Fiscal Year Gross Burn Rate Summary

Grant Year	Full-Value Shares Granted	Performance-based Restricted Stock Released*	Options & SARs Granted**	Weighted Average Common Shares Outstanding	Gross Burn Rate
Fiscal 2016	14,116,762	400,449	—	670,002,129	2.17%
Fiscal 2015	18,185,270	1,023,897	—	688,798,363	2.79%
Fiscal 2014	11,476,543	497,796	—	696,309,329	1.72%

* Includes PRUs and performance-contingent stock units ("PCSUs") released upon vesting. Our fiscal 2015 annual report on Form10-K did not disclose the number of PRUs/PCSUs released but it was included in our fiscal 2016 annual report on Form10-K. PRUs/PCSUs released for fiscal 2014 includes 197,796 PRUs issued (released) and 300,000 PCSUs released as disclosed in our fiscal 2014 annual report on Form 10-K.

** No stock options or SARs were granted in fiscal 2014, 2015 and 2016.

Our burn rates for the past two fiscal years have been higher than we initially estimated for reasons including the following:

- Our the weighted average number of shares of common stock outstanding during each of those periods has decreased as we maintain ongoing share buyback plans to return capital to our stockholders;
- In preparation for the separation of the Veritas business unit, we hired executives for Veritas resulting in an increased utilization of the 2013 Plan's share reserve; and
- Approximately 10% our workforce received additional grants in fiscal 2015 to help mitigate the retention risks and provide stability through the sale of Veritas.

Please see "Executive Compensation and Related Information — Compensation Discussion & Analysis (CD&A)" beginning on page 38 for more discussion of our burn rates and overhang analysis.

Summary of our 2013 Equity Incentive Plan, as Amended

The following is a summary of the principal provisions of the 2013 Plan, as proposed to be amended. This summary does not purport to be a complete description of all of the provisions of the 2013 Plan. It is qualified in its entirety by reference to the full text of the 2013 Plan. A copy of the 2013 Plan has been filed with the SEC with this proxy statement as Appendix A, and any stockholder who wishes to obtain a copy of the 2013 Plan may do so by written request to the Secretary at Symantec's headquarters in Mountain View, California.

Eligibility. Employees (including officers), consultants, independent contractors, advisors and members of the Board (including non-employee directors) are eligible to participate in the 2013 Plan. As of August 2, 2016, there were approximately 13,000 employees and consultants, including eight executive officers, and ten non-employee directors that would have been eligible to receive awards under the 2013 Plan if the 2013 Plan, as proposed to be amended, had been effective as of that date. Since our executive officers and non-employee directors may participate in the 2013 Plan, each of our executive officers, non-employee directors and director nominees has an interest in Proposal No. 3.

Types of Awards. Awards that may be granted are stock options (both nonstatutory stock options and incentive stock options (which may only be granted to employees)), restricted stock awards, RSUs (including PRUs and performance-contingent stock units ("PCSUs")) and stock appreciation rights (each individually, an "award").

Shares Reserved for Issuance. If Proposal No. 3 is approved, the total number of shares reserved under the 2013 Plan will be 62,000,000 shares, with 27,735,252 available for future issuance (including the available reserve as of July 21, 2016).

Shares Returned to the Plan. Shares that are subject to issuance upon exercise of an option but cease to be subject to such option for any reason (other than exercise of such option), shares that are subject to an award that is granted but is subsequently forfeited or repurchased by Symantec at the original issue price and shares that are subject to an award that terminates without shares being issued will again be available for grant and issuance under the 2013 Plan.

Shares Not Returned to the Plan. Shares that are withheld to pay the exercise or purchase price of an award or to satisfy any tax withholding obligations in connection with an award, shares that are not issued or delivered as a result of the net settlement of an outstanding option or SAR and shares that are repurchased on the open market with the proceeds of an option exercise price will not be available again for grant and issuance under the 2013 Plan.

Reduction of Shares. For purposes of determining the number of shares available for grant under the 2013 Plan, any equity award (i.e., an option, SAR, award of restricted stock or RSUs) will reduce the number of shares available for issuance by one share.

Per-Share Exercise Price. The per-share exercise price of stock options and SARs granted under the 2013 Plan must equal at least the fair market value of a share of our common stock on the grant date of the option.

No Repricing. The exercise price of an option or SAR may not be reduced (repriced) without first obtaining stockholder approval (other than in connection with certain corporate transactions, including stock splits, stock dividends, mergers, spin-offs and certain other similar transactions).

Number of Shares Per Calendar Year. No person will be eligible to receive more than 2,000,000 shares in any calendar year pursuant to the grant of awards under the 2013 Plan, except that new employees are eligible to receive up to a maximum of 3,000,000 shares in the calendar year in which they commence employment with us.

Vesting and Exercisability. Awards become vested and exercisable, as applicable, within such periods, or upon such events, as determined by the administrator and as set forth in the related award agreement. Vesting may be based on the passage of time in connection with services performed for us or upon achievement of performance goals or other criteria. The maximum term of each option and SAR is ten years from the date of grant. As a matter of practice, options have generally been subject to a four-year vesting period with a one-year period before any vesting occurs and are currently granted with a maximum term of seven years from the date of grant. Options cease vesting on the date of termination of service or the death or disability of the employee, and generally expire three months after the termination of the employee's service to Symantec or up to 12 months following the date of death or disability. However, if an employee is terminated for cause, the option expires upon termination. SARs become exercisable as they vest and are settled in cash or shares, as determined by the administrator, having a value at the time of exercise equal to (1) the number of shares deemed exercised, times (2) the amount by which Symantec's stock price on the date of exercise exceeds the exercise price of SARs. RSUs are settled in cash or shares, depending on the terms upon which they are granted, and only to the extent that they are vested. Shares subject to a restricted stock award that are unvested remain subject to our right of repurchase.

Minimum Vesting. Under the 2013 Plan as proposed to be amended, no stock option or SAR award will be granted, beginning on the date of the 2016 annual meeting (if this Proposal No. 3 is approved), that vests (or, if applicable, is exercisable) until at least 12 months following the date of grant of the award; *provided, however*, that up to 5% of the shares authorized for issuance under the 2013 Plan as proposed to be amended may be subject to stock options and SAR awards granted on or after the date of the 2016 annual meeting (if this Proposal No. 3 is approved) which do not meet such vesting (and, if applicable, exercisability) requirements.

Method of Exercise. The exercise price of options and the purchase price, if any, of other stock awards may be paid by cash, check, broker assisted same-day sales or other methods permitted by the 2013 Plan, the administrator and applicable law.

Adjustment of Shares. In the event of a stock dividend, recapitalization, stock split, reverse stock split, subdivision, combination, reclassification or similar change in the capital structure of Symantec without consideration or if there is a change in the corporate structure of Symantec, then (a) the number of shares reserved for issuance and future grant under the 2013 Plan, (b) the limits on the number of shares that may be issued to participants in a calendar year, (c) the exercise price and number of shares subject to outstanding options and SARs (d) the maximum number of shares that may be issued as incentive stock options, (e) the maximum number of shares that may be issued to non-employee directors in a fiscal year and (d) the purchase price and number of shares subject to other outstanding awards, including restricted stock awards, will be proportionately adjusted, subject to any required action by the Board or our stockholders and subject to compliance with applicable securities laws.

Administration. The Compensation Committee administers the 2013 Plan (except when the Board decides to directly administer the 2013 Plan).

Section 162(m) Considerations. Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") generally disallows a federal income tax deduction to public companies for compensation paid to the company's chief executive officer and three other most highly compensated officers (excluding our chief financial officer) ("covered employees") to the extent that any of them receive more than $1.0 million in compensation in any single year. However, if compensation qualifies as performance based compensation for Section 162(m) purposes, an employer may deduct the compensation for federal income tax purposes, even if the compensation exceeds $1.0 million in a single year. The 2013 Plan is intended to comply with the requirements of Section 162(m) of the Code such that performance-based awards in excess of $1.0 million payable to our covered employees may be deductible by us.

Non-Employee Director Equity Awards. Under the 2013 Plan, non-employee directors may be granted stock options and other equity awards either on a discretionary basis or pursuant to policy adopted by the Board, except that no non-employee director will be eligible to receive more than 2,000,000 shares in any one fiscal year. Pursuant to a policy adopted by the Board effective April 2, 2016, each non-employee member of the Board receives an annual award of fully-vested restricted stock units having a fair market value on the grant date equal to $275,000, with this value prorated for new non-employee directors from the date of such director's appointment to the Board to the end of the fiscal year.

Corporate Transaction. In the event of a change of control of Symantec (as set forth in the 2013 Plan), the buyer may either assume outstanding awards or substitute equivalent awards. If the buyer fails to assume or substitute awards issued under the 2013 Plan, all awards will expire upon the closing of the transaction, and the Board will determine whether the change of control will have any additional effect, including acceleration of the vesting of the awards. Unless otherwise determined by the Board, all unvested stock option and RSU awards made to non-employee directors under the 2013 Plan will accelerate and vest in full. A change of control of Symantec must also qualify as a change in control within the meaning of Section 409(A) of Code and the regulations thereunder.

Amendment or Termination of 2013 Plan. The Board may at any time amend or terminate the 2013 Plan in any respect; provided, that the Board may not, without the approval of the stockholders of Symantec, amend the 2013 Plan to increase the number of shares that may be issued under the 2013 Plan, change the designation of employees or class of employees eligible for participation in the 2013 Plan or materially modify a provision of the 2013 Plan if the modification requires stockholder approval under rules of the NASDAQ Stock Market.

Termination Date. The 2013 Plan will terminate on October 22, 2023 unless terminated earlier.

Summary of Federal Income Tax Consequences of Awards Granted under the 2013 Equity Incentive Plan, as Amended

The following is a general summary as of the date of this proxy statement of the U.S. federal income tax consequences to Symantec and participants in the 2013 Plan with respect to awards granted under the 2013 Plan. U.S. federal tax laws may change and U.S. federal, state and local tax consequences for any participant will depend upon his or her individual circumstances.

Tax Treatment of the Participant

Incentive Stock Options. An optionee will recognize no income upon the grant of an incentive stock option ("ISO") and will incur no tax upon exercise of an ISO unless for the year of exercise the optionee is subject to the alternative minimum tax ("AMT"). If the optionee holds the shares purchased upon exercise of the ISO (the "ISO Shares") for more than one year after the date the ISO was exercised and for more than two years after the ISO's grant date (the "required holding period"), then the optionee generally will realize long-term capital gain or loss (rather than ordinary income or loss) upon disposition of the ISO Shares. This gain or loss will equal the difference between the amount realized upon such disposition and the amount paid for the ISO Shares upon the exercise of the ISO.

If the optionee disposes of ISO Shares prior to the expiration of the required holding period (a "disqualifying disposition"), then gain realized upon such disposition, up to the difference between the option exercise price and the fair market value of the ISO Shares on the date of exercise (or, if less, the amount realized on a sale of such ISO Shares), will be treated as ordinary income. Any additional gain will be capital gain, and treated as long-term capital gain or short-term capital gain depending upon the amount of time the ISO Shares were held by the optionee.

Alternative Minimum Tax. The difference between the exercise price and fair market value of the ISO Shares on the date of exercise is an adjustment to income for purposes of the AMT. Alternative minimum taxable income is determined by adjusting regular taxable income for certain items, increasing that income by certain tax preference items and reducing this amount by the applicable exemption amount. If a disqualifying disposition of the ISO Shares occurs in the same calendar year as exercise of the ISO, there is no AMT adjustment with respect to those ISO Shares. Also, upon a sale of ISO Shares that is not a disqualifying disposition, alternative minimum taxable income is reduced in the year of sale by the excess of the fair market value of the ISO Shares at exercise over the amount paid for the ISO Shares.

Nonstatutory Stock Options. An optionee will not recognize any taxable income at the time a NSO is granted. However, upon exercise of a NSO, the optionee must include in income as compensation an amount equal to the difference between the fair market value of the shares on the date of exercise and the optionee's exercise price. The included amount must be treated as ordinary income by the optionee and will be subject to income tax withholding by Symantec if the optionee is an employee. Upon resale of the shares by the optionee, any subsequent appreciation or depreciation in the value of the shares will be treated as long-term or short-term capital gain or loss depending upon the amount of time the NSO shares were held by the optionee.

Restricted Stock Units. In general, no taxable income is realized upon the grant of a RSU award (including awards of PRUs and PCSUs). The participant will generally include in ordinary income, which will be subject to income tax withholding by Symantec if the participant is an employee, the fair market value of the shares of stock that are delivered to the participant upon settlement, which generally occurs at the time the RSUs vest. The 2013 Plan allows Symantec to withhold shares from the RSU award to satisfy the participant's withholding tax obligation, with Symantec retiring those shares from issuance and being required to tender cash from its general funds to the applicable tax authorities in an amount equal to the value of the shares withheld.

Restricted Stock. A participant receiving restricted shares for services recognizes taxable income when the shares become vested. Upon vesting, the participant will include in ordinary income an amount, which will be subject to income tax withholding by Symantec if the participant is an employee, equal to the difference between the fair market value of the shares at the time they become substantially vested and any amount paid for the shares. Upon resale of the shares by the participant, subsequent appreciation or depreciation in the value of the shares is treated as long-term or short-term capital gain or loss depending on the amount of time the shares were held by the participant.

If the participant makes an election under Section 83(b) of the Code ("83(b) Election"), the participant will include in income as ordinary income the fair market value of the shares of stock on the date of receipt of the award, less any purchase price paid for such shares. The income will be subject to withholding by Symantec (either by payment in cash or withholding out of the participant's award). If the award is subsequently forfeited, the participant will not receive any deduction for the amount treated as ordinary income.

Stock Appreciation Rights. A grant of a SAR has no federal income tax consequences at the time of grant. Upon the exercise of SARs, the value of the shares or other consideration received is generally taxable to the recipient as ordinary income, which will be subject to income tax withholding by Symantec if the recipient is an employee.

Tax Treatment of Symantec

Subject to any withholding requirement, the standard of reasonableness, and (if applicable) Section 162(m) of the Code, Symantec generally will be entitled to a deduction to the extent any participant recognizes ordinary income from an award granted under the 2013 Plan.

ERISA Information

The 2013 Plan is not subject to any of the provisions of the Employee Retirement Income Security Act of 1974, as amended.

Accounting Treatment

Symantec will recognize compensation expense in connection with awards granted under the 2013 Plan as required under applicable accounting standards. Symantec currently recognizes compensation expense associated with equity awards over an award's requisite service period and establishes fair value of equity awards in accordance with applicable accounting standards.

New Plan Benefits

Except as described in "— Summary of our 2013 Equity Incentive Plan, as Amended — Non-Employee Director Equity Awards" above, future awards to directors, executive officers, employees and other eligible participants under the 2013 Plan are discretionary and cannot be determined at this time. Further, since the number of shares subject to the RSUs to be granted to non-employee directors under the 2013 Plan depends on the fair market value of our common stock at future dates, it is not possible to determine the exact number of shares that will be subject to such future RSU awards. The following table sets forth the aggregate number of shares subject to RSU awards (including PRUs at 81.2% of target as disclosed in our fiscal 2016 annual report on Form 10-K) granted in fiscal 2016 under the 2013 Plan for the individuals identified. No stock options were granted under the 2013 Plan in fiscal 2016. Messrs. Clark, Fey, Humphrey and Noviello did not receive any 2013 Plan-based awards in fiscal 2016.

Name	Restricted Stock Units Granted
Named Executive Officers:	
Michael A. Brown	416,132
Thomas J. Seifert	159,428
Balaji Yelamanchili	177,142
Scott C. Taylor	106,284
Francis C. Rosch	177,142
All current executive officers as a group (8 persons)	559,139
All current non-employee directors as a group (10 persons)	74,896
All employees, excluding current executive officers	15,889,264

THE BOARD RECOMMENDS A VOTE "*FOR*" APPROVAL OF PROPOSAL NO. 3

PROPOSAL NO. 4

ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

In accordance with Section 14A of the Exchange Act, stockholders are entitled to cast an advisory vote to approve the compensation of our named executive officers, as disclosed in this proxy statement. Accordingly, you are being asked to vote on the following resolution at the Annual Meeting:

"**RESOLVED**, that the compensation paid to Symantec Corporation's named executive officers, as disclosed in this proxy statement pursuant to the Securities and Exchange Commission's compensation disclosure rules, including the Compensation Discussion & Analysis, compensation tables and narrative discussion, is hereby approved."

As described more fully in the Compensation Discussion & Analysis section of this proxy statement, our named executive officers are compensated in a manner consistent with our pay-for-performance philosophy and corporate governance best practices. A few highlights, which are discussed further in the Compensation Discussion & Analysis, are:

- We reward performance that meets our predetermined goals. Our compensation plans do not have guaranteed payout levels, and our named executive officers do not receive any payouts under performance-based cash or equity awards if the goals are not met. Our compensation plans are also capped to discourage excessive or inappropriate risk-taking by our executive officers.
- We continue to grant performance-based restricted stock units ("PRUs") to our named executive officers as a regular part of our annual executive compensation program. We do not award any stock options to our executives.
- Our various incentive plans use multiple, non-duplicative measures that correlate to stockholder value, such that no single metric is overly emphasized in determining payouts.
- Our peer group consists primarily of businesses with a focus on software development, or software and engineering-driven companies that compete with us for talent. Our peer group companies are comparable to us in terms of complexity, global reach, revenue and market capitalization. We reevaluate our peer group on an annual basis.
- We have long-standing stock ownership guidelines for our named executive officers, requiring them to hold a significant minimum value in shares so that they have a material financial stake in our company, thereby further aligning the interests of our executive officers with those of our stockholders. We also prohibit the sale of any shares (except to meet tax withholding obligations) if doing so would cause them to fall below the required ownership levels.
- We do not provide for gross-ups of excise tax values under Section 4999 of the Internal Revenue Code.
- We limit any potential cash severance payments to not more than 1x our executive officers' total target cash compensation and 3x our CEO's total cash compensation.
- We have clawback provisions in all of our executive compensation plans (providing for the return of any excess compensation received by an executive officer if our financial statements are the subject of a restatement due to error or misconduct).
- Our executive officers are prohibited from short-selling Symantec stock or engaging in transactions involving Symantec-based derivative securities, and are also prohibited from pledging their Symantec stock.
- Our equity incentive plan prohibits the repricing or exchange of equity awards without stockholder approval.
- We seek stockholder feedback on our executive compensation through an annual advisory vote and ongoing stockholder engagement.

We believe that our compensation program balances the interests of all of our constituencies — our stockholders, our executive officers, the remainder of our employee base, our business partners and our community — by, among other things, focusing on achievement of corporate objectives, attracting and retaining highly-qualified executive management and maximizing long-term stockholder value. We encourage you to read the Compensation Discussion & Analysis, compensation tables and narrative discussion in this proxy statement.

The vote to approve the compensation of our named executive officers is advisory, and therefore not binding. Although the vote is non-binding, the Compensation Committee and the Board value your opinion and will consider the outcome of the vote in establishing compensation philosophy and making future compensation decisions.

THE BOARD RECOMMENDS A VOTE *"FOR"* APPROVAL OF PROPOSAL NO. 4

OUR EXECUTIVE OFFICERS

The names of our current executive officers, their ages as of August 2, 2016, and their positions are shown below.

Name	Age	Position
Gregory S. Clark	51	Chief Executive Officer
Amy L. Cappellanti-Wolf	51	Senior Vice President and Chief Human Resources Officer
Michael D. Fey	41	President and Chief Operating Officer
Mark S. Garfield	45	Senior Vice President and Chief Accounting Officer
Nicholas R. Noviello	47	Executive Vice President and Chief Integration Officer
Francis C. Rosch	52	Executive Vice President, Norton Business Unit
Thomas J. Seifert	52	Executive Vice President and Chief Financial Officer
Scott C. Taylor	52	Executive Vice President, General Counsel and Secretary

The Board chooses executive officers, who then serve at the Board's discretion. There is no family relationship between any of the directors or executive officers and any other director or executive officer of Symantec.

For information regarding Mr. Clark, please refer to Proposal No. 1, *"Election of Directors"* above.

Ms. Cappellanti-Wolf has served as our Senior Vice President and Chief Human Resources Officer since July 2014. Prior to joining us, she was Chief Human Resources Officer at Silver Spring Networks, Inc., a smart grid products provider, from June 2009 to July 2014. From September 2001 to June 2009, Ms. Cappellanti-Wolf served as Vice President, Human Resources of Cisco Systems, Inc., a networking company. From 2000 to 2001, she served as a Human Resources Director at Sun Microsystems, Inc. Ms. Cappellanti-Wolf served as Human Resources Director for The Walt Disney Company from 1995 to 2000 and held various roles in human resources with Frito-Lay, Inc., a division of PepsiCo, Inc., from 1988 to 1995. She has a bachelor's degree in Journalism from West Virginia University and a master's degree in Industrial and Labor Relations from West Virginia University.

Mr. Fey has served as our President and Chief Operating Officer since August 2016 upon the closing of the Blue Coat Acquisition. Prior to joining us, Mr. Fey served as the President and Chief Operating Officer of Blue Coat from December 2014. Prior to joining Blue Coat, Mr. Fey held a variety of positions at the Intel Security Group from 2012 until 2014, including Executive Vice President, Chief Technology Officer, and General Manager of Corporate Products. Previously, Mr. Fey was Senior Vice President, Advanced Technologies and Field Engineering with McAfee, a software security company, from 2007 until 2012. Mr. Fey holds a bachelor's degree from Embry-Riddle Aeronautical University.

Mr. Garfield has served as our Senior Vice President and Chief Accounting Officer since March 2014. Prior to joining us, he was Senior Vice President and Chief Accounting Officer of Brightstar Corporation, a wireless distribution and services company, from February 2013 to March 2014, and as Vice President of Finance from January 2013 to February 2013. Mr. Garfield was Director of Finance at Advanced Micro Devices, a semiconductor company, from August 2010 to December 2012. From August 2001 to August 2010, Mr. Garfield served as Audit Senior Manager and Vice Director of Ernst & Young. Mr. Garfield has a bachelor's degree in business economics from University of California at Santa Barbara.

Mr. Noviello has served as our Executive Vice President and Chief Integration Officer since August 2016 following the closing of the Blue Coat Acquisition. Mr. Noviello previously served as Blue Coat's Chief Financial Officer from January 2016. Prior to joining Blue Coat, Mr. Noviello served as Executive Vice President, Finance and Operations, and Chief Financial Officer for NetApp, a publically traded global data management and storage company, from January 2012 through December 2015. From January 2008 until January 2012, Mr. Noviello held a variety of progressing finance positions at NetApp, including Controller and Global Controller. Prior to joining NetApp, Mr. Noviello spent eight years at Honeywell International, where he was Chief Financial Officer of two global business units, ran investor relations, and was a leader on the corporate mergers and acquisitions team. Mr. Noviello started his career at PricewaterhouseCoopers. Mr. Noviello is a Certified Public Accountant, and holds a bachelor's degree in business administration from Boston University and a master's degree in taxation from Fairleigh Dickinson University.

Mr. Rosch has served as our Executive Vice President, Norton Business Unit since June 2014. From February 2013 to June 2014, Mr. Rosch served as our Senior Vice President, Mobility and as Vice President, Trust Services and SSL from August 2010 to January 2013. Prior to joining Symantec, Mr. Rosch held various leadership positions at Verisign, Inc., an Internet infrastructure services company, from August 1998 to August 2010, including most recently as Senior Vice President, Authentication Services. He has a bachelor's degree in industrial engineering from Lehigh University.

Mr. Seifert has served as our Executive Vice President and Chief Financial Officer since March 2014. Prior to joining us, he was Executive Vice President and Chief Financial Officer of Brightstar Corporation, a wireless distribution and services company, from December 2012 to March 2014. From October 2009 to August 2012, Mr. Seifert was Senior Vice President and Chief Financial Officer at Advanced Micro Devices, Inc., a semiconductor company. From October 2008 to August 2009, he served as Chief Operating Officer and Chief Financial Officer of Qimonda AG, a German memory chip manufacturer, and as Chief Operating Officer from June 2004 to October 2008. He also held executive positions at Infineon AG, White Oak Semiconductor, and Altis Semiconductor. Mr. Seifert has a bachelor's degree and a master's degree in business administration from Friedrich Alexander University and a master's degree in mathematics and economics from Wayne State University.

Mr. Taylor has served as our Executive Vice President, General Counsel and Secretary since August 2008. From February 2007 to August 2008, Mr. Taylor served as our Vice President, Legal. Prior to joining Symantec, Mr. Taylor held various legal and administrative positions at Phoenix Technologies Ltd., a provider of core systems software, from January 2002 to February 2007, including most recently as Chief Administrative Officer, Senior Vice President and General Counsel. From May 2000 to September 2001, he was Vice President and General Counsel at Narus, Inc., a venture-backed private company that designs IP network management software. Mr. Taylor is a member of the board of directors of Piper Jaffray Companies. He holds a juris doctorate from George Washington University, and a bachelor's degree from Stanford University.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information, as of August 2, 2016, with respect to the beneficial ownership of Symantec common stock by (i) each stockholder known by Symantec to be the beneficial owner of more than 5% of Symantec common stock, (ii) each member of the Board, (iii) the named executive officers of Symantec included in the Summary Compensation Table appearing on page 58 of this proxy statement and (iv) all current executive officers and directors of Symantec as a group.

Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power with respect to securities. Unless otherwise indicated below, the persons and entities named in the table have sole voting and sole investment power with respect to all shares beneficially owned, subject to community property laws where applicable. Percentage ownership is based on 617,918,122 shares of Symantec common stock outstanding as of August 2, 2016 (excluding shares held in treasury). Shares of common stock subject to stock options and restricted stock units vesting on or before October 1, 2016 (within 60 days of August 2, 2016) are deemed to be outstanding and beneficially owned for purposes of computing the percentage ownership of such person but are not treated as outstanding for purposes of computing the percentage ownership of others.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
5% Beneficial Owner		
Dodge & Cox(1)	87,383,425	14.1%
BlackRock, Inc.(2)	40,091,598	6.5%
The Vanguard Group(3)	39,835,447	6.4%
Franklin Mutual Advisers, LLC(4)	37,203,451	6.0%
Directors and Executive Officers		
Gregory S. Clark(5)	2,651,625	*
Michael A. Brown**	707,346	*
Nicholas R. Noviello(6)	479,166	*
Michael D. Fey(7)	296,089	*
Scott C. Taylor(8)	233,622	*
Francis C. Rosch(9)	173,066	*
David L. Mahoney	166,386	*
Daniel H. Schulman	135,952	*
Robert S. Miller	125,358	*
Geraldine B. Laybourne	119,334	*
Balaji Yelamanchili	114,096	*
Frank E. Dangeard	89,411	*
V. Paul Unruh	66,674	*
Thomas J. Seifert	41,374	*
Anita M. Sands	39,231	*
Amy Cappellanti-Wolf	35,189	*
Suzanne M. Vautrinot	29,232	*
Kenneth Y. Hao	19,263	*
David W. Humphrey	—	—
All current Symantec executive officers and directors as a group (18 persons)(10)	4,700,972	*

* Less than 1%.

** Former officer. Shares beneficially owned as of August 1, 2016.

(1) Based solely on a Schedule 13G/A filing made by Dodge & Cox on February 12, 2016, reporting sole voting and dispositive power over the shares. This stockholder's address is 555 California Street, 40th Floor, San Francisco, CA 94104.

(2) Based solely on a Schedule 13G/A filing made by the BlackRock, Inc. on January 27, 2016, reporting sole voting and dispositive power over the shares. This stockholder's address is 55 East 52nd Street, New York, NY 10055.

(3) Based solely on a Schedule 13G/A filing made by the Vanguard Group on February 10, 2016, reporting sole voting and dispositive power over the shares. This stockholder's address is 100 Vanguard Blvd., Malvern, PA 19355.

(4) Based solely on a Schedule 13G/A filing made by the Franklin Mutual Advisers, LLC on February 2, 2016, reporting sole voting and dispositive power over the shares. This stockholder's address is 101 John F. Kennedy Parkway, Short Hills, NJ 07078.

(5) Includes 322,105 shares subject to options that will be exercisable as of October 1, 2016.

(6) Includes 463,089 shares subject to options that will be exercisable as of October 1, 2016.

(7) Includes 296,089 shares subject to options that will be exercisable as of October 1, 2016.

(8) Includes 72,000 shares subject to options that will be exercisable as of October 1, 2016.

(9) Includes 68,000 shares subject to options that will be exercisable as of October 1, 2016.

(10) Includes 1,221,283 shares subject to options that will be exercisable as of October 1, 2016.

Symantec has adopted a policy that executive officers and members of the Board hold an equity stake in the Company. The policy requires each executive officer to hold a minimum number of shares of Symantec common stock. Newly appointed executive officers are not required to immediately establish their position, but are expected to make regular progress to achieve it. The Nominating and Governance Committee reviews the minimum number of shares held by the executive officers and directors from time to time. The purpose of the policy is to more directly align the interests of our executive officers and directors with our stockholders. See "Stock Ownership Requirements" under the Compensation Discussion & Analysis section for a description of the stock ownership requirements applicable to our executive officers.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16 of the Exchange Act requires Symantec's directors, executive officers and any persons who own more than 10% of Symantec's common stock, to file initial reports of ownership and reports of changes in ownership with the SEC. Such persons are required by SEC regulation to furnish Symantec with copies of all Section 16(a) forms that they file.

Based solely on its review of the copies of such forms furnished to Symantec and written representations from the directors and executive officers, Symantec believes that all Section 16(a) filing requirements were met in fiscal 2016.

EXECUTIVE COMPENSATION AND RELATED INFORMATION

COMPENSATION DISCUSSION & ANALYSIS (CD&A)

This compensation discussion and analysis describes the material elements of Symantec's executive compensation program for fiscal 2016. For fiscal 2016, our named executive officers, or NEOs, include the following current or former officers:

- **Michael A. Brown**, former Chief Executive Officer(1)
- **Thomas J. Seifert**, Executive Vice President and Chief Financial Officer
- **Balaji Yelamanchili**, Executive Vice President and General Manager, Enterprise Security(2)
- **Scott C. Taylor**, Executive Vice President, General Counsel and Corporate Secretary
- **Francis C. Rosch**, Executive Vice President, Norton Business Unit

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(1) Mr. Brown also served as our President through April 28, 2016. In April 2016, we announced that we were initiating a Chief Executive Officer transition process and that Mr. Brown would serve as our Chief Executive Officer through a period of time ending not later than October 28, 2016. In connection with the Blue Coat Acquisition, we announced that Blue Coat's Chief Executive Officer, Gregory S. Clark, would replace Mr. Brown as our Chief Executive Officer, and join our Board, at the closing of the transaction. The Blue Coat Acquisition closed on August 1, 2016, at which point Mr. Brown resigned from his position as Chief Executive Officer and Mr. Clark began to serve as our Chief Executive Officer.

(2) In connection with the closing Blue Coat Acquisition and leadership team realignment, Mr. Yelamanchili ceased to be a Section 16 officer as of August 2, 2016.

Our Compensation Philosophy and Practices

The overriding principle driving our compensation programs continues to be our belief that it benefits our employees, customers, partners and stockholders to have management's compensation tied to our current and long-term performance. The following factors demonstrate our continued commitment to pay-for-performance and to corporate governance best practices:

- ***Payouts based on Performance.*** We reward performance that meets our predetermined goals. Our compensation plans do not have guaranteed payout levels, and our named executive officers do not receive any payouts under performance-based cash or equity awards if the goals are not met. Our compensation plans are also capped to discourage excessive or inappropriate risk-taking by our executive officers.
- ***PRUs; no Options.*** We continue to grant PRUs to our named executive officers as a regular part of our annual executive compensation program. We do not award any stock options to our executives.
- ***Metrics correspond to Stockholder Value.*** Our various incentive plans use multiple, non-duplicative measures that correlate to stockholder value, such that no single metric is overly emphasized in determining payouts.
- ***Relevant Peer Groups.*** Our peer group consists primarily of businesses with a focus on software development, or software and engineering-driven companies that compete with us for talent. Our peer group companies are comparable to us in terms of complexity, global reach, revenue and market capitalization. We reevaluate our peer group on an annual basis.
- ***Meaningful Stock Ownership Guidelines for Executives.*** We have long-standing stock ownership guidelines for our named executive officers, requiring them to hold a significant minimum value in shares such that they have a material financial stake in our company, thereby further aligning the interests of our executive officers with those of our stockholders. We also prohibit the sale of any shares (except to meet tax withholding obligations) if doing so would cause them to fall below the required ownership levels.
- ***Annual Say-on-Pay Vote Held.*** We seek stockholder feedback on our executive compensation through an annual advisory vote and through ongoing stockholder engagement.

- ***No Gross-ups Permitted.*** We do not provide for gross-ups of excise tax values under Section 4999 of the Code.
- ***Limited Severance.*** We limit any potential cash severance payments to not more than 1x our executive officers' total target cash compensation and 3x our Chief Executive Officer's total target cash compensation.
- ***Clawback Provisions.*** We have clawback provisions in all of our executive compensation plans (providing for the return of any excess compensation received by an executive officer if our financial statements are the subject of a restatement due to error or misconduct).
- ***Short-selling Prohibited.*** Our executive officers are prohibited from short-selling Symantec stock or engaging in transactions involving Symantec-based derivative securities, and are also prohibited from pledging their Symantec stock.
- ***Stockholder approval required for Repricing or Exchanges.*** Our equity incentive plan prohibits the repricing or exchange of equity awards without stockholder approval.

Summary of Compensation Matters During Fiscal 2016

Business Changes in Fiscal 2016

The developments we experienced in fiscal 2016 were in many ways a product of the framework for company transformation we set in fiscal 2015:

- On January 29, 2016, we completed the previously-announced sale of our Veritas information management business to Veritas Holdings Ltd., an entity formed and controlled by an affiliate of the private equity firm The Carlyle Group, allowing us to focus on cybersecurity (the "Veritas Sale"). Two of our former executive officers joined the Veritas executive team during fiscal 2016 in connection with this sale.
- On February 3, 2016, we entered into an investment agreement with the private equity firm Silver Lake pursuant to which Silver Lake made a $500 million strategic investment in Symantec in March 2016 and Kenneth Y. Hao of Silver Lake joined our Board.
- In an effort to strengthen our commitment to return capital to our stockholders as a result of the Veritas and Silver Lake transactions, our Board announced a total capital return program of $5.5 billion which we began implementing in fiscal 2016 through the following actions: (a) we paid a $4.00 per share special dividend in March 2016, resulting in declared and paid aggregate cash dividends of $3.0 billion, or $4.60 per common share, for fiscal 2016 after taking into account payment of our regular quarterly dividends; and (b) we made upfront payments of $1.5 billion under accelerated stock repurchase agreements we entered into in November 2015 and March 2016 and received and retired, through April 1, 2016, 67.3 million shares of our common stock thereunder. In addition, we returned to stockholders nearly $368 million through the repurchase of 17 million shares of our common stock in open market transactions
- In connection with our increased focus on cybersecurity and our operational improvement plan, we also announced a cost reduction initiative in fiscal 2016, targeting net cost savings of approximately $400 million to be achieved by the end of fiscal 2018.
- In fiscal 2017 we announced a Chief Executive Officer transition process pursuant to which Michael A. Brown would serve as our Chief Executive Officer through a period of time ending not later than October 28, 2016 (the "CEO Transition"). In connection with the Blue Coat Acquisition, we announced that Blue Coat's Chief Executive Officer, Gregory S. Clark, would replace Mr. Brown as our Chief Executive Officer and be appointed and join our Board at the closing of the transaction. On August 1, 2016, the Blue Coat Acquisition closed and Mr. Clark became our Chief Executive Officer.
- In connection with the Blue Coat Acquisition, we also announced on that at the closing of the Blue Coat Acquisition (i) Silver Lake had agreed to make an additional $500 million investment in Symantec, dou-

bling its investment in Symantec to $1 billion, (ii) Bain Capital had agreed to make an investment of $750 million in convertible notes in the Company, and (iii) David W. Humphrey, a managing director of Bain Capital Private Equity, would be appointed to our Board. On August 1, 2016, we closed the Blue Coat Acquisition, Silver Lake investment and Bain investment, at which point both Messrs. Clark and Humphrey joined our Board.

Financial and Compensation Metrics, Performance Achievement and Incentive Plan Earnings

During fiscal 2016, we used three core financial operating metrics as well as total stockholder return ("TSR") relative to the S&P 500 to assess company performance and determine incentive compensation amounts earned by our executive officers. The operating metrics used in our executive compensation programs are: non-GAAP operating income, non-GAAP revenue and non-GAAP earnings per share ("EPS"). These metrics were selected because we believe they are closely correlated with enterprise value for companies in our sector and promote the appropriate behaviors for our leadership team while driving company performance. For a significant portion of the long-term equity incentive compensation component of our core executive compensation program, we also used two other metrics that more directly align the interests of our executive officers to those of our stockholders: our stock price and TSR ranking for our company as compared to the S&P 500. Finally, individual performance was a factor in the potential annual incentive awards of our named executive officers under our Executive Annual Incentive Plan.

For fiscal 2016, our Compensation Committee anticipated the spinoff of the Veritas business in establishing the achievement of our operating metrics under our performance-based compensation plans. Although the planned spinoff of Veritas instead became the Veritas Sale, the general timing of the separation remained the same and no significant changes to the metrics were needed and performance was assessed thereunder. Under our fiscal 2016 executive annual incentive plans (the "FY16 Executive Annual Incentive Plans"), we analyzed performance as follows: for the first three quarters of fiscal 2016, non-GAAP revenue and non-GAAP operating income were measured as a combined Symantec/Veritas company; for the fourth quarter of fiscal 2016, these metrics were measured as to Symantec only. For purposes of the fiscal 2016 PRU grants, the fiscal 2016 EPS performance metric was based solely on the combined Symantec/Veritas EPS achievement for the first three quarters of fiscal 2016. Our Compensation Committee believed the assessment of performance for the first three quarters of fiscal 2016 as a combined company allowed for the most equitable assessment of performance for this metric in light of the anticipated separation.

For our fiscal 2016 incentive plans, performance and resulting earning levels are as follows:

Incentive Plan	Fiscal 2016 Performance	Incentive Award Outcome
Fiscal 2016 Executive Annual Incentive Plans	• For the first three quarters of fiscal 2016, as a combined Symantec/Veritas company, our non-GAAP operating income(1) was 91.4% of the targeted performance level, and our non-GAAP revenue(1) was 96.6% of the targeted performance level.	• For the first three quarters of fiscal 2016, as a combined Symantec/Veritas company, our non-GAAP operating income(1) metric funded at 48.2% of target and non-GAAP revenue(1) funded at 79.8% of target.
	• For the fourth quarter of fiscal 2016 for Symantec alone, our non-GAAP operating income(1) was 89.4% of the targeted performance level which was below the 90% threshold level and our non-GAAP revenue(1) was 95.1% of the targeted performance level.	• For the fourth quarter of fiscal 2016 for Symantec alone, our non-GAAP operating income(1) metric funded at 0% of target and non-GAAP revenue(1) funded at 70.4% of target.

Incentive Plan	Fiscal 2016 Performance	Incentive Award Outcome
Fiscal 2016 Executive Annual Incentive Plans		• For fiscal 2016 in total (Symantec/Veritas for the first three quarters and Symantec alone for the fourth quarter), our total weighted average funding level was 56.8%. • Our named executive officers received individual performance ratings of 50%-140% that resulted in total payouts of 28-80% of target.
Fiscal 2016 PRU Grants	• For the first three quarters of fiscal 2016, as a combined Symantec/ Veritas company, our non-GAAP EPS(1) was 88.7% of our targeted performance level.	• 81.2% of the targeted number of shares are eligible to be earned, subject to modification on final shares earned based on Symantec's 1- and 2-year relative TSR versus the S&P 500

(1) Consistent with the presentation in our quarterly earnings releases and supplemental materials, under our executive compensation programs, we define (i) non-GAAP operating income as gross profit less operating expenses before interest and taxes, adjusted to exclude stock-based compensation expense, charges related to the amortization of intangible assets, certain other income and expense items that management considers unrelated to Symantec's core operations, and the associated income tax effects of the adjustments; (ii) non-GAAP revenue as adjusted to exclude certain litigation contingencies and settlements; and (iii) non-GAAP EPS as diluted net income per share as adjusted to exclude the items described above, as well as non-cash interest expense and the related tax impact of these adjustments.

For purposes of calculating achievement of these metrics, consistent with the presentation of non-GAAP operating income in our quarterly supplemental materials, foreign exchange movements were held constant at plan rates, pursuant to the terms of the plans.

Named Executive Officer Compensation

Our named executive officers were compensated in a manner consistent with our core pay-for-performance compensation philosophy. The following are some important elements of our named executive officers' compensation for fiscal 2016:

- **Majority of pay at risk.** For fiscal 2016, approximately 93% of our Chief Executive Officer's target total direct compensation was at risk and approximately 89% of the target total direct compensation for our other named executive officers, on average, was at risk.
- **Short-term incentive compensation linked directly to Symantec financial results.** Our executive annual incentive compensation was structured to emphasize performance. Under the FY16 Executive Annual Incentive Plans, the named executive officers were eligible to receive performance-based incentive cash awards based on our company's achievement of targeted non-GAAP operating income for fiscal 2016 and targeted non-GAAP revenue during fiscal 2016.
- **Long-term incentive compensation is 100% equity-based.** For fiscal 2016, the long-term compensation component of our named executive officers' compensation packages consisted entirely of long-term equity incentive awards.
- **Performance measures are designed to reward executives for results that correlate with stockholder value and that they have the ability to influence.** In fiscal 2016, the cash annual incentive plan metrics were non-GAAP operating income and non-GAAP revenue, which we believe our executives have a more direct ability to affect.

"Say on Pay" Advisory Vote on Executive Compensation and Stockholder Engagement

We hold an advisory vote on executive compensation, commonly known as "Say-on-Pay," on an annual basis. While these votes are not binding, we believe that it is important for our stockholders to have an opportunity to express their views regarding our executive compensation programs and philosophy as disclosed in our proxy statement on an annual basis. The Compensation Committee values our stockholders' opinions and the Board and the Compensation Committee consider the outcome of each vote when making future compensation decisions for our named executive officers. In addition to the annual advisory vote on executive compensation, we are committed to ongoing engagement with our stockholders on executive compensation matters generally. These engagement efforts take place through telephone calls, in-person meetings and correspondence with our stockholders. For example, during fiscal 2016 we engaged in discussions with approximately 155 of our stockholders representing approximately 66% of our then actively managed stockholder base (38% of our then outstanding shares).

We have received approximately 98%, 97%, 97% and 96% of the votes cast on the advisory vote in favor of our executive compensation (in fiscal 2011, fiscal 2012, fiscal 2013 and fiscal 2015, respectively). In fiscal 2014, we received approximately 76% of the votes, which we believe was primarily due to the acceleration of all of our former Chief Executive Officer's PCSUs upon his termination in March 2014. As a result of that vote, we no longer award PCSUs and none of our named executive officers' equity grants accelerate 100% upon termination (except in certain circumstances following a change in control as described in more detail below).

FACTORS WE CONSIDER IN DETERMINING OUR COMPENSATION PROGRAMS

We apply a number of compensation policies and analytic tools in implementing our compensation principles. These policies and tools guide the Compensation Committee in determining the mix and value of the compensation components for our named executive officers, consistent with our compensation philosophy. They include:

Focus on Pay-for-Performance: Our executive compensation program is designed to reward executives for results. As described below, the pay mix for our named executive officers emphasizes variable pay in the form of short-term cash and long-term equity awards. For cash awards, short-term results are measured by annual non-GAAP operating income, annual non-GAAP revenue and, for all our named executive officers individual performance. A significant portion of equity grants for our named executive officers are directly performance based, with base-level grants set by performance versus non-GAAP EPS targets, modified over an extended term by the achievement of the total stockholder return ranking for our company as compared to the S&P 500. The value to the employee of the remainder of the equity grants to our named executive officers depends on the company share price performance.

A Total Rewards Approach: Elements of the total rewards offered to our executive officers include base salary, short- and long-term incentives including equity awards, health benefits, and a deferred compensation program.

Appropriate Market Positioning: Our general pay positioning strategy is to target the levels of base salary, annual short-term cash incentive structure and long-term equity incentive opportunities and benefits for our named executive officers with reference to the relevant market data for each position. The Compensation Committee may set the actual components for an individual named executive officer above or below the positioning benchmark based on factors such as experience, performance achieved, specific skills or competencies, the desired pay mix (e.g., emphasizing short- or long-term results), and our budget.

Competitive Market Assessments: Market competitiveness is one factor that the Compensation Committee considers each year in determining a named executive officer's overall compensation package, including pay mix. The Compensation Committee relies on various data sources to evaluate the market competitiveness of each pay element, including publicly-disclosed data from a peer group of companies (see discussion below) and published survey data from a broader set of information technology companies that the Compensation Committee, based on the advice of Mercer, an outside consulting firm to the Compensation Committee, believes represent

Symantec's competition in the broader talent market. The peer group's proxy statements provide detailed pay data for the top five positions. Survey data, which we obtain from the Radford Global Technology Survey, provides compensation information on a broader group of executives and from a broader group of information technology companies, with positions matched based on specific job scope and responsibilities. The Compensation Committee considers data from these sources as a framework for making compensation decisions for each named executive officer's position.

The information technology industry in which we compete is characterized by rapid rates of change and intense competition from small and large companies, and the companies within this industry have significant cross-over in leadership talent needs. As such, we compete for executive talent with leading software and services companies as well as in the broad information technology industry. We face particularly intense competition with companies located in the geographic areas where Symantec operates, regardless of specific industry focus or company size. Further, consistent with prior years, in part because we believe that stockholders measure our performance against a wide array of technology peers, for fiscal 2016 the Compensation Committee used a peer group that consists of a broad group of high technology companies in different market segments that were of a comparable size to us prior to the Veritas Sale. The Compensation Committee used this peer group, as well as other relevant market data, to evaluate named executive officer pay levels.

The Compensation Committee reviews our peer group on an annual basis, with input from Mercer, and the group may be adjusted from time to time based on, among other factors, a comparison of revenues, market capitalization, industry, peer group performance, merger and acquisition activity and stockholder input. The following criteria were used to select our updated FY16 peer group:

- Businesses with a software development focus;
- Similar breadth of complexity and global reach as Symantec;
- Annual revenue of $1.5 billion — $20.0 billion;
- Market capitalization of $4.0 billion — $61.0 billion; and
- Software and engineering-driven companies in the Silicon Valley or elsewhere with which we compete for executive and broader talent.

Using this criteria, the Compensation Committee did not make any changes to our peer group for fiscal 2016, other than removing one company which is no longer a public company. The Compensation Committee reviewed potential changes to the peer group in fiscal 2016 in light of the then-proposed spinoff of Veritas, but determined, after taking into account the expected timeframe to complete the then-proposed spinoff, the current peer group maintained year-over-year consistency with a balance of size and comparability and that it would revisit the peer group for fiscal 2017 consistent with past practice. The following companies were used in setting the compensation for our named executive officers for fiscal 2016:

Fiscal 2016 Symantec Peer Group

Activision Blizzard, Inc.	eBay Inc.	Nuance Communications, Inc.
Adobe Systems Incorporated	Electronic Arts Inc.	salesforce.com, inc.
Autodesk, Inc.	EMC Corporation	Synopsys, Inc.
CA, Inc.	Intuit Inc.	VMware, Inc.
Citrix Systems, Inc.	NetApp, Inc.	Yahoo! Inc.

The Compensation Committee uses these peer companies for comparative purposes, as discussed above. In fiscal 2016, compensation for individual executive officers was not dependent on how we performed relative to these peers with respect to particular financial metrics. Further information regarding the financial results and performance of the peer companies may be found in periodic reports the companies file with the SEC.

The Compensation Committee reviewed and revised our peer group for fiscal 2017 in light of our reduced revenue size and increased focus on security software after the Veritas Sale. As these changes were made prospectively, they had no impact on compensation decisions for fiscal 2016. The following criteria were used to select our updated peer group to be used to evaluate named executive officer pay levels in connection with setting compensation for fiscal 2017:

- Business with software development focus including security related businesses where possible;
- Similar breadth, complexity and global reach as Symantec; and
- Annual revenue 0.5x to 2.0x as a starting point but including companies based on an assessment of geography, engineering focus and executive talent competition landscape.

The Compensation Committee selected the following companies as our fiscal 2017 peer group:

Fiscal 2017 Symantec Peer Group

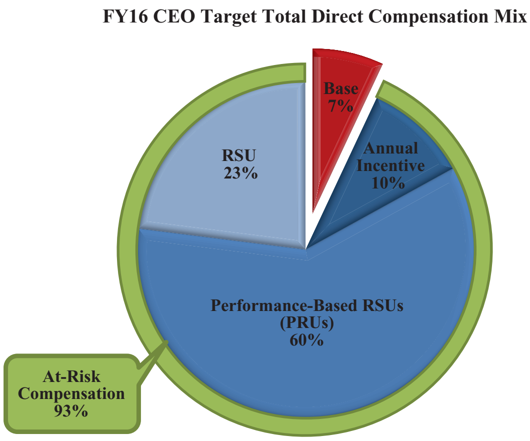
Activision Blizzard, Inc.	eBay Inc.	PayPal Holdings, Inc.*
Adobe Systems Incorporated	Electronic Arts Inc.	Red Hat Inc.*
Autodesk, Inc.	FireEye, Inc.*	salesforce.com, inc.
Akamai Technologies Inc.*	Intuit Inc.	Synopsys, Inc.
CA, Inc.	LinkedIn Corporation*	VMware, Inc.
Citrix Systems, Inc.	Palo Alto Networks Inc.*	Yahoo! Inc.

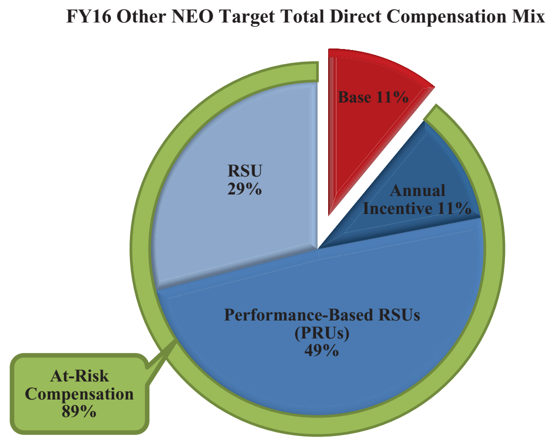
* Denotes companies added for fiscal 2017.

EMC, NetApp and Nuance Communications were removed from our FY17 peer group as a result of the application of our new criteria.

Appropriate Pay Mix: Consistent with our pay-for-performance philosophy, our executive officers' compensation is structured so that a large portion of their total direct compensation is paid based on the performance of our company (modified by individual achievement). In determining the mix of the various reward elements and the value of each component, the Compensation Committee takes into account the executive's role, the competitiveness of the market for executive talent, company performance, individual performance, internal pay equity and historical compensation. In making its determinations with regard to compensation, the Compensation Committee reviews the various compensation elements for the CEO and our other named executive officers (including base salary, target annual bonus, and the value of vested and unvested equity awards actually or potentially issued).

The percentage of an executive officer's compensation opportunity that is "at-risk," or variable instead of fixed, is based primarily on the officer's level of influence at Symantec. Executive officers generally have a greater portion of their pay at risk through short- and long-term incentive programs than the rest of our employee population because of their relatively greater responsibility and ability to influence our company's performance. Typically, a higher proportion of the CEO's compensation opportunity is at-risk relative to our other named executive officers because of the nature of his role and ability to influence our company's performance. As illustrated by the following charts, for fiscal 2016, approximately 93% of our CEO's target total direct compensation (sum of base salary, target annual incentive and grant date fair value of equity award) was at-risk, and on average approximately 89% of our other named executive officers' compensation opportunity was at-risk.





Form and Mix of Long-Term Equity Incentive Compensation: The long-term equity incentive compensation component of our regular annual executive compensation program consists of PRUs and RSUs for all of our named executive officers. The Compensation Committee's allocation between these two forms of equity is designed to strike the appropriate balance between performance and retention for long-term equity incentive awards.

For fiscal 2016, our CEO received approximately 73% of the value of his target annual equity incentive award in the form of PRUs and 27% in RSUs. Other named executive officers, received on average, approximately 63% of the target annual equity incentive award in the form of PRUs and 37% in RSUs. We view the meaningfully higher weighting of PRUs for the CEO and lower weighting of base salary as part of total direct compensation, as compared to the weighting for the other name executive officers, to be appropriate given both the level of total direct compensation and the broader level of influence over company performance associated with the CEO role.

The percentages described above (and other percentage-based equity award values discussed below) are based on the grant date fair value of the shares of common stock underlying the RSUs, and the grant date fair value of the PRUs at the target level award size. The awards made to our named executive officers, other than the CEO, are determined by the Compensation Committee after reviewing recommendations made by the CEO. In determining its recommendations to the independent directors of the Board (in the case of CEO compensation) and in making compensation decisions with respect to other named executive officers, the Compensation Committee may consider factors such as the individual's responsibilities, the individual's performance, industry experience, current pay mix, total compensation competitiveness, long-term equity awards previously granted to the individual, retention considerations, and other factors.

Compensation Risk Assessment: The Compensation Committee, in consultation with Mercer, has conducted its annual risk analysis of Symantec's compensation policies and practices, and does not believe that our compensation programs encourage excessive or inappropriate risk taking by our executives or are reasonably likely to have a material adverse effect on Symantec.

COMPENSATION COMPONENTS

The major components of compensation for our named executive officers during fiscal 2016 were: (i) base salary, (ii) short-term cash incentive awards, and (iii) long-term equity incentive awards.

I. Base Salary

The Compensation Committee reviews the named executive officers' salaries annually as part of its overall competitive market assessment and may make adjustments based on talent, experience, performance, contribution levels, individual role, positioning relative to market, and our overall salary budget. The independent members of the Board review the CEO's salary in executive session (*i.e.*, without any executives present), and changes are considered in light of market pay assessments and the Board's annual CEO performance evaluation, in each case without the participation of our CEO. In setting the base salaries for the other named executive officers, the Compensation Committee also considers the recommendations of the CEO based upon his annual review of their performance. Although the Compensation Committee takes into account the factors and information described above during its review and determination of the base salary for each executive officer, it does not assign a specific weight to any element and does not measure individual performance against an objective standard in the evaluation of an executive officer's base salary. Instead, these reviews and determinations are based on the Compensation Committee's subjective judgment taking into account all available information, including the competitive market assessment.

The following table presents each named executive officer's base salary for fiscal 2016 as compared to fiscal 2015:

Name of NEO	FY15 Annual Salary ($)	Change in Salary	FY16 Annual Salary ($)	Description
Michael A. Brown	1,000,000(1)	0%	1,000,000	Mr. Brown did not receive a base salary increase in fiscal 2016, as it was deemed effective in continuing to achieve the Compensation Committee's goals for this component of his executive compensation.
Thomas J. Seifert	720,000	0%	720,000	Mr. Seifert did not receive a base salary increase in fiscal 2016, as it was deemed effective in continuing to achieve the Compensation Committee's goals for this component of his executive compensation.
Balaji Yelamanchili	700,000(2)	0%	700,000	Mr. Yelamanchili did not receive a base salary increase in fiscal 2016, as it was deemed effective in continuing to achieve the Compensation Committee's goals for this component of his executive compensation.
Scott C. Taylor	575,000	4.35%	600,000	Mr. Taylor received a 4.35% increase in base salary as part of his annual review in consideration of his performance and contributions.
Francis C. Rosch	440,000(3)	19.3%	525,000	Mr. Rosch received a 19.3% increase in base salary as part of his annual review in consideration of his performance and contributions.

(1) Mr. Brown received a salary of $100,000 per month until June 1, 2015 when the Board increased his base salary to $200,000 per month in recognition of his efforts and increased time commitment in his interim President and Chief Executive Officer role during fiscal 2015. This higher base salary was also designed to compensate him for serving without any variable compensation or equity award while he served as interim CEO. Following his appointment as our permanent President and Chief Executive Officer in September 2014, he earned a prorated portion of his $1,000,000 annual base salary for the remainder of fiscal 2015.

(2) Mr. Yelamanchili received a prorated salary of $281,345 based on his period of employment as our Executive Vice President and General Manager, Enterprise Security.

(3) Mr. Rosch received a prorated salary of $435,923 in fiscal 2015, as his adjusted salary went into effect following the beginning of fiscal 2015.

II. Executive Annual Incentive Plan

The Executive Annual Incentive Plans for our executive officers was adopted pursuant to the Senior Executive Incentive Plan ("SEIP") most recently approved by our stockholders in 2013. The Executive Annual Incentive Plans adopted under the SEIP are annual cash incentives designed to reward named executive officers (and other participants) for generating strong financial results for our Company in the short term. To align our senior executives' incentive awards with key drivers of the Company's financial performance, all named executive officers earn incentive compensation based on performance against pre-determined corporate goals described below. The Compensation Committee typically measures the achievement of named executive officers against individual performance targets as well.

Executive Annual Incentive Plan Target Opportunities: Under the Executive Annual Incentive Plans for a given fiscal year, each named executive officer has a target award opportunity, expressed as a percentage of base salary, with the ability to earn above or below that target based on actual performance. Target award opportunities for our Executive Annual Incentive Plans are established by the Compensation Committee using the various inputs described below. The following table presents each named executive officer's target bonus opportunity (on an actual and percentage of base salary basis) for fiscal 2016:

Name of NEO	FY16 Target % of Base	FY16 Target ($)
Michael A. Brown	150	1,500,000
Thomas J. Seifert	100	720,000
Balaji Yelamanchili	125	875,000
Scott C. Taylor	70	415,758
Francis C. Rosch	80	403,515

In general, the award opportunities for fiscal 2016 were determined based on the relevant market data, desired market positions, the desired mix between cash and equity-based incentive pay, internal pay equity goals, and the role of the named executive officer.

At the time award opportunities are established, there is no assurance that the amount of the target awards will be realized. As explained below, each named executive officer must achieve threshold performance for each metric established in the named executive officer's executive annual incentive plan to receive any payment for such metric. The payout under the Executive Annual Incentive Plans is also capped at different levels based on the relevant performance metric.

Executive Annual Incentive Plan Performance Measures and Target Setting: Executive Annual Incentive Plan performance targets are established within the first 90 days of each plan year. Our management develops goals to propose to the Compensation Committee after taking into account a variety of factors, including our historical performance, internal budgets, market and peer performance, and external expectations for our performance. The Compensation Committee reviews, adjusts as necessary, and approves the goals, the range of performance to be rewarded, and the weighting of the goals. Following the end of each fiscal year, the Compensation Committee reviews our actual performance against the performance measures established in the fiscal year's Executive Annual Incentive Plans (after making any appropriate adjustments to such measures for the effects of corporate events that were not anticipated in establishing the performance measures), determines the extent of achievement and approves the payment of annual cash incentives, if warranted.

The FY16 Executive Annual Incentive Plans were funded by two primary measures: non-GAAP operating income and non-GAAP revenue. We used the above performance metrics because:

- over time, we believe that non-GAAP operating income and non-GAAP revenue measures have strongly correlated with stockholder value creation for Symantec;
- the non-GAAP operating income and non-GAAP revenue measures are transparent to investors and are included in our quarterly earnings releases and supplemental materials;
- the non-GAAP operating income and non-GAAP revenue measures are designed to balance growth and profitability; and
- the performance goals used for the individual performance component align with our operational and strategic objectives.

The non-GAAP operating income metric was also selected because it can be measured at various sub-business unit levels within our company.

The determination of achievement of the non-GAAP operating income and non-GAAP revenue metrics is formulaic, while the individual performance metric is determined based on a qualitative evaluation of the individual's performance against pre-established objectives with input from our CEO. In rating the individual's performance, the Compensation Committee gives weight to the input of our CEO, but final decisions about the compensation of our named executive officers are made solely by the Compensation Committee. Although the Compensation Committee has discretion to adjust awards as appropriate, it did not exercise such discretion for fiscal 2016.

For the non-GAAP operating income and non-GAAP revenue metrics: (a) at the threshold achievement level of 90% of target, the funding level is 40%; (b) above the threshold achievement level, the funding level increases incrementally, up to a funding level of 100% at a target achievement level of 100%; (c) above the target achievement level, funding increases incrementally, up to a cap of a 200% funding based on a maximum achievement level of at least 106.5% of target; and (d) there is zero funding below the threshold achievement level of 90%. The non-GAAP operating income and non-GAAP revenue metrics are tested and funded independently of each other and are weighted equally. With the exception of our CEO, the actual individual payouts are further modified based on the individual performance factor generally in the range of 0-140% (35-140% for FY16) based on the performance achievement against pre-established goals for the fiscal year. The following illustrates the calculation used to determine the individual payout amount, if any:

Base Salary $ × Annual Incentive Target % × Weighted Average of Revenue and Operating Income Funding % × Individual Performance Factor % = Individual Payout Amount $

The following table summarizes the foregoing discussion of threshold, target and maximum performance levels and the relative funding levels at each level under the FY16 Executive Annual Incentive Plans:

	Non-GAAP Operating Income (%)	Non-GAAP revenue (%)	Individual Performance Modifier (%)	Total Payout as a Percentage of Target (%)
Threshold	40	40	35	14
Target	100	100	100	100
Maximum	200	200	140	280

Non-GAAP operating income and non-GAAP revenue performance targets were established based on a range of inputs without giving effect to the then-proposed spinoff of Veritas, including external market economic conditions, growth outlooks for our product portfolio, the competitive environment, our internal budgets, and market expectations.

The individual award is determined based on an assessment of individual performance results and impact against both quantitative and qualitative expectations for the executive's role. The individual performance modifier does not apply to the CEO's payout opportunity.

An executive's performance is evaluated based on both quantitative and qualitative results in the following key areas:

- financial and operational goals for their area of responsibility and the entire company;
- leadership qualities as well as functional competencies and knowledge for their area of responsibility; and
- development and management of their team of employees.

Leadership skills are a common component to each of these objectives and are a significant factor in the assessment of individual performance. The executive's willingness to contribute to cross-functional initiatives outside his or her primary area of responsibility, and the executive's contribution to our company's performance-based culture, are also extremely important aspects of the individual performance assessment.

The CEO evaluates the level of each named executive officer's performance against the pre-determined goals following the end of fiscal year and then makes a recommendation to the Compensation Committee. The Compensation Committee then reviews the CEO's compensation recommendations for the other named executive officers, makes any appropriate adjustments, and approves their compensation, if warranted.

Achievement of Fiscal 2016 Performance Metrics:

As presented in the tables below, the Compensation Committee designed and established the operating metric under the FY16 Executive Annual Incentive Plans to take into account the then-anticipated Veritas spinoff. Although the planned spinoff of Veritas instead became the Veritas Sale in fiscal 2016, the general timing of the separation remained the same and no change was made to the original design and the Compensation Committee assessed achievement thereunder accordingly. For the first three fiscal quarters of fiscal 2016, achievement was based on the combined Symantec and discontinued operations (Veritas) results, as legal separation of Veritas occurred on January 29, 2016. For the fourth quarter of fiscal 2016, achievement was based only on Symantec's performance.

Fiscal 2016 Q1-Q3 Period (Symantec + Veritas)

	Target (in millions)	Actual (in millions)	Achievement	Funding
Operating Income	$1,397	$1,276	91.4%	48.2%
Revenue	$4,690	$4,532	96.6%	79.8%
Q1-Q3 Funding				64.0%

Fiscal 2016 Q4 Period (Symantec Only)

	Target (in millions)	Actual (in millions)	Achievement	Funding
Operating Income	$244	$219	89.4%	0.0%
Revenue	$926	$880	95.1%	70.4%
Q4 Funding				35.2%

64% (Q1-Q3 Funding) x 75% + 35.2% (Q4 Funding) x 25% = 56.8% (Fiscal 2016 Funding)

For fiscal 2016, the individual performance payout level for our named executive officers reflected performance assessment as measured by the objectives for the key areas described above. Our named executive officers' fiscal 2016 annual incentive payout level by performance metric, total payout as percentage of target opportunity and total payout amounts are provided in the table below:

	Weighted Average Non-GAAP Operating Income Funding & Non-GAAP revenue Funding (%)	Individual Performance Modifier Funding (%)	Total Payout as % of Target Opportunity (%)	Payout Amount ($)
Michael A. Brown	56.8	n/a	56.8	852,000
Thomas J. Seifert	56.8	110	62.5	449,856
Balaji Yelamanchili	56.8	50	28.4	248,500
Scott C. Taylor	56.8	120	62.5	283,380
Francis C. Rosch	56.8	140	79.5	320,875

III. Equity Incentive Awards

The primary purpose of our equity incentive awards is to align the interests of our named executive officers with those of our stockholders by rewarding the named executive officers for creating stockholder value over the long term. By compensating our executives with equity incentive awards, our executives hold a stake in Symantec's financial future. The gains realized in the long term depend on our executives' ability to drive the financial performance of Symantec. Equity incentive awards are also a useful vehicle for attracting and retaining executive talent in the highly competitive market for talent in which we compete.

Our 2013 Plan provides for the award of stock options, stock appreciation rights, restricted stock, and restricted stock units (including PRUs). For fiscal 2016, the equity incentive component of our executive compensation program consisted of PRUs and RSUs for all of our named executive officers. We also offer all employees the opportunity to participate in the 2008 Employee Stock Purchase Plan, which allows for the purchase of our stock at a discount to the fair market value through payroll deductions. This plan is designed to comply with Section 423 of the Code. During fiscal 2016, two of the named executive officers participated in the 2008 Employee Stock Purchase Plan.

We seek to provide equity incentive awards that are competitive with companies in our peer group and the other information technology companies that the Compensation Committee includes in its competitive market assessment. As such, we establish target equity incentive award grant guideline levels for the named executive officers based on competitive market assessments. When making annual equity awards to named executive officers, we consider corporate results during the past year, the role, responsibility and performance of the individual named executive officer, the competitive market assessment described above, prior equity awards, and the level of vested and unvested equity awards then held by each named executive officer. In making equity awards, we also generally take into consideration gains recognizable by the executive from equity awards made in prior years. Mercer provides the Compensation Committee with market data on these matters, as well as providing to the Compensation Committee summaries of the prior grants made to the individual named executive officers.

As discussed below, the Compensation Committee believes that for fiscal 2016, a mix of PRUs and time-vested RSUs is the appropriate long-term equity incentive for named executive officers. For fiscal 2016, approximately 73% of our CEO's equity incentive award value was granted in the form of PRUs and approximately 27% in the form of RSUs, reflecting our philosophy to allocate a significantly larger portion of the value of the CEO's target total long-term equity incentive award in the form of PRUs than time-vested RSUs. We maintained our philosophy to allocate significantly larger portion of the value of the target total long-term equity incentive award in the form of PRUs than time-vested RSUs with our other named executive officers as well. On average 63% of the other named executive officers' equity incentive award value was granted in the form of PRUs and approximately 37% in the form of RSUs.

Restricted Stock Units (RSUs): RSUs represent the right to receive one share of Symantec common stock for each RSU vested upon the settlement date, which is the date on which certain conditions, such as continued employment with us for a pre-determined length of time, are satisfied. The Compensation Committee believes that RSUs align the interests of the named executive officers with the interests of our stockholders because the value of these awards appreciates if the trading price of our common stock appreciates, and these awards also have retention value even during periods in which our trading price does not appreciate, which supports continuity in the senior management team.

Shares of our stock are issued to RSU holders as the awards vest. The vesting schedule for RSUs granted to our named executive officers in fiscal 2016 as part of the annual review process provide that each award vests in three installments: 30% in June 2016, 30% in June 2017 and 40% in June 2018. (Details of RSUs granted to our named executive officers in fiscal 2016 are disclosed in the Grants of Plan-Based Awards table on page 62 and summarized in the last table within the next subsection below.)

Performance-based Restricted Stock Units (PRUs): The Compensation Committee grants PRUs in furtherance of our pay for performance philosophy. Our Compensation Committee established this program to enhance our pay for performance culture with a component directly linked to our total stockholder return over two- and three-year periods. Unlike our RSU awards, the shares underlying the PRUs awarded for fiscal 2016 are eligible to be earned only if we achieve a threshold of non-GAAP EPS. For the reasons discussed in the summary section of this CD&A, due to the Veritas Sale, the fiscal 2016 payout level was based on the combined Symantec/Veritas non-GAAP EPS achievement for the first three quarters of fiscal 2016. Depending on our achievement of this metric, 0% to 133% of the target shares will be eligible to be earned at the end of fiscal 2017 and fiscal 2018, based on, and subject to further adjustment as a result of, the achievement of the TSR ranking for our company as compared to the S&P 500. If any target shares become eligible (the "eligible shares") to be earned in fiscal 2017 and fiscal 2018 as a result of achievement of the non-GAAP EPS metric for fiscal 2016, then 50% to 150% of one-half of the eligible shares may be earned based on the achievement of the TSR goal for the two years ended March 31, 2017 and 50% to 150% of one-half of the eligible shares (plus any eligible shares not earned on March 31, 2017 if less than 100% of the TSR goal is achieved for the two-year period then ended) may be earned based on the achievement of the TSR goal for the three years ended March 30, 2018. Subject to certain exceptions (including acceleration of vesting upon a change in control of our company under the terms of the Symantec Executive Retention Plan, as amended), the award shall vest, if at all, only at the end of the third year of the performance period (i.e., fiscal 2018), and the named executive officer must be employed by us at the end of such period in order to vest in the award. The following table summarizes the foregoing discussion of threshold, target and maximum performance levels and payouts at each level:

	EPS Performance as a Percentage of Target (%)	EPS Payout as a Percentage of Target (%)	TSR Percentile Rank against S&P500	TSR Payout as a Percentage of Target (%)
Threshold Level Payout %	70%	50%	35th	50%
Target Level Payout %	100%	100%	50th	100%
Maximum Payout %	120%	133%	75th	150%

For the first three fiscal quarters of fiscal 2016, our non-GAAP EPS target under the PRUs was $1.46 per share. The Compensation Committee determined that we achieved 88.7% of this metric, resulting in 81.2% of the target shares becoming eligible to be earned based on achievement of the multi-year relative TSR performance goals under the PRUs. Pursuant to the terms of these awards, each named executive officer will be eligible to receive at least half of the eligible shares if he remains employed by Symantec through the last day of fiscal 2018 even if we fail to achieve those TSR performance goals (median of S&P 500), and could receive up to 150% of such shares, depending upon the degree to which we achieve of those goals and the same employment condition is met.

Below is the summary of our PRU performance metrics achievements since fiscal 2014. The PRU awards granted in fiscal 2014 finished the 3-year performance period at the end of fiscal 2016 resulting in an overall payout of 61.25% of the target award level.

	Non-GAAP EPS		2-Year TSR		3-Year TSR		
Grant Year	Performance as % of Target	Eligible Shares as % of Target Shares	S&P 500 Percentile Ranking	Payout as % of Target	S&P 500 Percentile Ranking	Payout as % of Target	Overall Payout
Fiscal 2014 Award	99.0%	98.0%	11th	50%	14th	50%	61.25%
Fiscal 2015 Award	99.8%	98.3%	53rd	106%		TBD	
Fiscal 2016 Award	88.7%	81.2%			TBD		

The following table summarizes the number of shares granted in fiscal 2016, value of each award and the total value of the equity awards for each named executive officer as of the Grant Date (all values of restricted stock unit awards are based upon the closing price for a share of our common stock of $23.78 on June 10, 2015).

Name of NEO	Target PRUs (#)	PRU Value at Grant Date ($)	RSUs (#)	RSU Value at Grant Date ($)	Total Target Equity Incentive Awards Value at Grant Date ($)
Michael A. Brown	335,436	9,067,506	143,758	3,417,846	12,485,352
Thomas J. Seifert	107,819	2,914,563	71,879	1,708,923	4,623,486
Balaji Yelamanchili	119,799	3,238,407	79,866	1,898,814	5,137,221
Scott C. Taylor	71,879	1,943,033	47,919	1,139,274	3,082,307
Francis C. Rosch	119,799	3,238,407	79,866	1,898,814	5,137,221

Burn Rate and Dilution: We closely manage how we use our equity to compensate employees. We think of "gross burn rate" as the total number of shares granted under all of our equity incentive plans during a period divided by the weighted average number of shares of common stock outstanding during that period and expressed as a percentage. We think of "net burn rate" as the total number of shares granted under all of our equity incentive plans during a period, minus the total number of shares returned to such plans through awards cancelled during that period, divided by the weighted average number of shares of common stock outstanding during that period, and expressed as a percentage. "Overhang" we think of as the total number of shares underlying options and awards outstanding plus shares available for issuance under all of our equity incentive plans at the end of a period divided by the weighted average number of shares of common stock outstanding during that period and expressed as a percentage. The Compensation Committee determines the percentage of equity to be made available for our equity programs with reference to the companies in our market composite. In addition, the Compensation Committee considers the accounting costs that will be reflected in our financial statements when establishing the forms of equity to be granted and the size of the overall pool available. For fiscal 2016, our gross burn rate was 2.17%, our net burn rate was 0.24%, and our overhang was 12.02%.

Roles of Our Compensation Committee, Independent Directors, Executive Officers and Consultants in our Compensation Process

The Compensation Committee, which is comprised entirely of independent directors, is responsible for overseeing all of Symantec's compensation programs, including the review and recommendation to the independent directors of our Board of all compensation arrangements for our CEO and the review and approval of the compensation payable to our other named executive officers.

The independent directors of the Board evaluate the CEO's performance and the Compensation Committee then reviews and recommends to the independent members of the Board all compensation arrangements for the CEO. After discussion, the independent members of the Board determine the CEO's compensation. The

Compensation Committee also discusses the performance of the other named executive officers with the CEO, reviews the compensation recommendations that the CEO submits for the other named executive officers, makes any appropriate adjustments, and approves their compensation. While our CEO provides input and makes compensation recommendations with respect to executive officers other than himself, our CEO does not make recommendations with respect to his own compensation or participate in the deliberations regarding the setting of his own compensation by the Board or the Compensation Committee.

Since fiscal 2004, the Compensation Committee has engaged Mercer, an outside consulting firm, to provide advice and ongoing recommendations on executive compensation matters. The Compensation Committee oversees Mercer's engagement. Mercer representatives meet informally with the Compensation Committee Chair and the Chief Human Resources Officer and also with the Compensation Committee during its regular meetings, including in executive sessions from time to time without any members of management present.

As part of its engagement in fiscal 2016, Mercer provided, among other services, advice and recommendations on the amount and form of executive and director compensation. For example, Mercer evaluated and advised the Compensation Committee on the peer group that the Compensation Committee uses to develop a market composite for purposes of establishing named executive officer pay levels (as described below), the competitiveness of our executive and director compensation programs, the design of awards and proposed performance metrics and opportunity ranges for incentive plans, compensation-related trends and developments in our industry and the broader talent market and regulatory developments relating to compensation practices.

We paid Mercer approximately $192,000 for executive compensation services in fiscal 2016. In addition, with the Compensation Committee's approval, management engaged and Symantec paid Mercer and its affiliates for other services, including approximately $5.532 million for other unrelated consulting and business services. We also reimbursed Mercer and its affiliates for reasonable travel and business expenses. The Compensation Committee did not review or approve the other services provided by Mercer and its affiliates to Symantec, as those services were approved by management in the normal course of business. Based in part on policies and procedures implemented by Mercer to ensure the objectivity of its executive compensation consultants and the Compensation Committee's assessment of Mercer's independence pursuant to the SEC rules, the Compensation Committee concluded that the consulting advice it receives from Mercer is objective and not influenced by Mercer and its affiliates' other relationships with Symantec and that no conflict of interest exists that will prevent Mercer from being independent consultants to the Compensation Committee.

The Compensation Committee establishes our compensation philosophy, approves our compensation programs and solicits input and advice from several of our executive officers and Mercer. As mentioned above, our CEO provides the Board and the Compensation Committee with feedback on the performance of our executive officers and makes compensation recommendations (other than with respect to his own compensation) that go to the Compensation Committee for their approval. Our CEO, Chief Human Resources Officer and General Counsel regularly attend the Compensation Committee's meetings to provide their perspectives on competition in the industry, the needs of the business, information regarding Symantec's performance, and other advice specific to their areas of expertise. In addition, at the Compensation Committee's direction, Mercer works with our Chief Human Resources Officer and other members of management to obtain information necessary for Mercer to make their own recommendations as to various matters as well as to evaluate management's recommendations.

Equity Grant Practices: The Compensation Committee generally approves grants to the named executive officers at its first meeting of each fiscal year, or shortly thereafter through subsequent action. The grant date for all equity grants made to employees, including the named executive officers, is generally the 10th day of the month following the applicable meeting. If the 10th day is not a business day, the grant is generally made on the previous business day. The Compensation Committee does not coordinate the timing of equity awards with the release of material, nonpublic information. RSUs may be granted from time to time throughout the year, but all RSUs generally vest on either March 1, June 1, September 1 or December 1 for administrative reasons. PRUs are currently granted once a year and, subject to certain exceptions, vesting occurs only after a three-year performance period.

Change of Control and Severance Arrangements: The vesting of certain stock options, RSUs and PRUs held by our named executive officers will accelerate if they experience an involuntary (including constructive) termination of employment under certain circumstances. For additional information about these arrangements, including arrangements pertaining to Mr. Brown in connection with the CEO Transition, see "—Other Benefits—Change of Control and Severance Arrangements" below and "Potential Payments Upon Termination or Change in Control," below.

Other Awards

Certain business conditions may warrant using additional compensation approaches to attract, retain or motivate executives. Such conditions include acquisitions and divestitures, attracting or retaining specific or unique talent, and recognition for exceptional contributions. In these situations, the Compensation Committee considers the business needs and the potential costs and benefits of special rewards.

Other Benefits

All named executive officers are eligible to participate in our 401(k) plan (which includes our matching contributions), health and dental coverage, life insurance, disability insurance, paid time off, and paid holidays on the same terms as are available to all employees generally. These rewards are designed to be competitive with overall market practices, and are in place to attract and retain the talent needed in the business. In addition, named executive officers are eligible to participate in the deferred compensation plan, and to receive other benefits described below.

Deferred Compensation: Symantec's named executive officers are eligible to participate in a nonqualified deferred compensation plan that provides management employees on our U.S. payroll with a base salary of $150,000 or greater (including our named executive officers) the opportunity to defer up to 75% of base salary and 100% of cash bonuses for payment at a future date. This plan is provided to be competitive in the executive talent market, and to provide executives with a tax-efficient alternative for receiving earnings. None of our named executive officers participated in this plan during fiscal 2016. The plan is described further under "Non-Qualified Deferred Compensation in Fiscal 2016," on page 66.

Additional Benefits: Symantec's named executive officers typically do not receive perquisites, except in limited circumstances when deemed appropriate by the Compensation Committee. For example, an additional benefit available to named executive officers is reimbursement for up to $10,000 for financial planning services. In addition, Mr. Seifert received reimbursement for certain relocation expenses associated with his move to the San Francisco Bay Area in 2014, a portion of which was paid to him in fiscal 2015 and fiscal 2016. For similar reasons, beginning in August 2016 we maintain an apartment for our new President and Chief Operating Officer who resides in another state at a cost of approximately $5,100 per month. The Compensation Committee provides certain perquisites because it believes they are for business-related purposes or are prevalent in the marketplace for executive talent. The value of the perquisites we provide is taxable to the named executive officers and the incremental cost to us for providing these perquisites is reflected in the Summary Compensation Table. (These benefits are disclosed in the All Other Compensation column of the Summary Compensation Table on page 58).

Change of Control and Severance Arrangements: Our Executive Retention Plan provides (and, in the case of PRUs, the terms of the PRUs provide) participants with double trigger acceleration of equity awards and, if applicable, become immediately exercisable, where equity vesting and exercisability is accelerated only in the event the individual's employment is terminated without cause, or is constructively terminated, within 12 months after a change in control of our company (as defined in the plan). In the case of PRUs, PRUs will vest at target if the change in control occurs prior to the first performance period, will vest as to eligible shares if the change in control occurs following the first performance period but before achievement is determined with respect to the second performance period, and will vest as to the sum of the eligible shares determined to be earned for the second performance period plus 50% of the eligible shares if the change in control occurs following the second performance period but before achievement is determined with respect to the third performance period.

We believe that the double trigger acceleration provision appropriately achieves the intent of the applicable plan without providing an undue benefit to executives who continue to be employed following a change in control transaction. The intent of the plan is to enable named executive officers to have a balanced perspective in making overall business decisions in the context of a potential acquisition of our company, as well as to be competitive with market practices. The Compensation Committee believes that change in control benefits, if structured appropriately, serve to minimize the distraction caused by a potential transaction and reduce the risk that key talent would leave our company before a transaction closes.

In connection with the CEO Transition and in consideration for the role Mr. Brown would play in connection with the CEO Transition, we amended Mr. Brown's employment agreement in April 2016 to provide him with, among other things, the cash severance and equity acceleration benefits to which he would have been entitled under his employment agreement, prior to its amendment, had he been involuntarily terminated or resigned for Good Reason (as defined in his amended employment agreement), and ensures that he will be entitled to receive his existing compensation through the October 28, 2016, even if he terminates earlier. On August 1, 2016, the Blue Coat Acquisition closed and Mr. Brown was entitled to certain of these benefits on that date. For more information on these benefits, see "Potential Payments Upon Termination or Change in Control" below.

The change in control and severance benefits described above do not influence and are not influenced by the other elements of compensation as these benefits serve different objectives than the other elements. We do not provide for gross-ups of excise tax values under Section 4999 of the Code. Rather, we allow the named executive officer to reduce the benefit received or waive the accelerated vesting of options to avoid excess payment penalties.

Details of each individual named executive officer's benefits, including estimates of amounts payable in specified circumstances in effect as of the end of fiscal 2016, are disclosed under "Potential Payments Upon Termination or Change in Control" below.

SUPPLEMENTARY POLICIES AND CONSIDERATIONS

We use several additional policies to ensure that the overall compensation structure is responsive to stockholder interests and competitive with the market. Specific policies include:

Stock Ownership Requirements

We believe that in order to align the interests of our executive officers with those of our stockholders, our executive officers should have a financial stake in our company. We have maintained stock ownership requirements for our executive officers since October 2005. For fiscal 2016, our executive officers were required to hold the following minimum number of shares:

- CEO: 5x base salary;
- CFO, COO and President, Products and Services: 3x base salary; and
- Executive Vice Presidents: 2x base salary.

Stock options and unvested RSUs and PRUs do not count toward stock ownership requirements.

The executive officer is required to acquire and thereafter maintain the stock ownership required within four years of becoming an executive officer of Symantec (or four years following the adoption date of these revised guidelines). During the four-year transitional period, each executive officer must retain at least 50% of all net (after-tax) equity grants until the required stock ownership level has been met.

As of July 1, 2016, each of our named executive officers has reached the stated ownership requirements for fiscal 2016. See the table below for individual ownership levels relative to the executive's ownership requirement.

Named Executive Officer	Ownership Requirement[1] (# of shares)	Holdings as of July 1, 2016
Michael A. Brown	244,379	209,971
Thomas J. Seifert	105,572	41,374
Balaji Yelamanchili	68,426	114,096
Scott C. Taylor	58,651	161,622
Francis C. Rosch	51,320	95,132

(1) Based on the closing price for a share of our common stock of $20.46 on July 1, 2016.

Recoupment Policies (Clawbacks)

Since fiscal 2009, we have included provisions within our executive annual incentive plans to the effect that we will seek reimbursement of excess incentive cash compensation if our financial statements are the subject of a restatement due to error or misconduct.

Insider Trading, Hedging and Pledging Policies

Our Insider Trading Policy prohibits all directors and employees from short-selling Symantec stock or engaging in transactions involving Symantec-based derivative securities, including, but not limited to, trading in Symantec-based option contracts (for example, buying and/or writing puts and calls). It also prohibits pledging Symantec stock as collateral for a loan.

In addition, our Insider Trading Policy prohibits our directors, officers, employees and contractors from purchasing or selling Symantec securities while in possession of material, non-public information. It also requires that each of our directors, our Chief Executive Officer and our Chief Financial Officer conduct open market sales of our securities only through use of stock trading plans adopted pursuant to Rule 10b5-1 of the Exchange Act. Rule 10b5-1 allows insiders to sell and diversify their holdings in our stock over a designated period by adopting pre-arranged stock trading plans at a time when they are not aware of material nonpublic information about us, and thereafter sell shares of our common stock in accordance with the terms of their stock trading plans without regard to whether or not they are in possession of material nonpublic information about the Company at the time of the sale. All other executives are strongly encouraged to trade using 10b5-1 plans.

Tax and Accounting Considerations on Compensation

The financial reporting and income tax consequences to the Company of individual compensation elements are important considerations for the Compensation Committee when it reviews compensation practices and makes compensation decisions. While structuring compensation programs that result in more favorable tax and financial reporting treatment is a general principle, the Compensation Committee balances these goals with other business needs that may be inconsistent with obtaining the most favorable tax and accounting treatment for each component of its compensation.

Deductibility by Symantec. Under Section 162(m) of the Code, we may not receive a federal income tax deduction for compensation that is not performance-based (as defined in the Section 162(m) rules) paid to the Chief Executive Officer and the next three most highly compensated executive officers (other than our Chief Financial Officer) to the extent that any of these persons receives more than $1,000,000 in nonperformance-based compensation in any one year. However, we strive to maximize the tax deductibility of our compensation awards since our philosophy is to provide the largest proportion of compensation as performance-based. While the

Compensation Committee considers the deductibility of awards as one factor in determining our executive compensation, it also looks at other factors in making its executive compensation decisions and retains the flexibility to grant awards or pay compensation the Compensation Committee determines to be consistent with its goals for Symantec's executive compensation program even if the awards may not be deductible by Symantec for tax purposes.

Tax Implications for Officers. Section 409A of the Code imposes additional income taxes on executive officers for certain types of deferred compensation that do not comply with Section 409A. The Company attempts in good faith to structure compensation so that it either conforms with the requirements of or qualifies for an exception under Code Section 409A. Section 280G of the Code imposes an excise tax on payments to executives of severance or change of control compensation that exceed the levels specified in the Section 280G rules. Our named executive officers could receive the amounts shown in the section entitled "Potential Payments Upon Termination or Change in Control" (beginning on page 66 below) as severance or change of control payments that could implicate this excise tax. As mentioned above, we do not offer our officers as part of their change of control benefits any gross-ups related to this excise tax under Code Section 4999.

Accounting Considerations. The Compensation Committee also considers the accounting and cash flow implications of various forms of executive compensation. In its financial statements, the Company records salaries and performance-based compensation incentives as expenses in the amount paid, or to be paid, to the named executive officers. Accounting rules also require the Company to record an expense in its financial statements for equity awards, even though equity awards are not paid as cash to employees. The accounting expense of equity awards to employees is calculated in accordance with the requirements of FASB Accounting Standards Codification Topic 718. The Compensation Committee believes, however, that the many advantages of equity compensation, as discussed above, more than compensate for the non-cash accounting expense associated with them.

Compensation Committee Interlocks and Insider Participation

The members of the Compensation Committee during fiscal 2016 were Geraldine B. Laybourne, David L. Mahoney, Robert S. Miller and Daniel H. Schulman. Kenneth Y. Hao was appointed to the Compensation Committee by the Board in fiscal 2017 on May 10, 2016. None of the members of the Compensation Committee in fiscal 2016 were at any time during fiscal 2016 or at any other time an officer or employee of Symantec or any of its subsidiaries, and none had or have any relationships with Symantec that are required to be disclosed under Item 404 of Regulation S-K. None of Symantec's executive officers has served as a member of the board of directors, or as a member of the compensation or similar committee, of any entity that has one or more executive officers who served on our Board or Compensation Committee during fiscal 2016.

Compensation Committee Report

The information contained in the following report of Symantec's Compensation Committee is not considered to be "soliciting material," "filed" or incorporated by reference in any past or future filing by Symantec under the Securities Exchange Act of 1934 or the Securities Act of 1933 unless and only to the extent that Symantec specifically incorporates it by reference.

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis ("CD&A") contained in this proxy statement. Based on this review and discussion, the Compensation Committee has recommended to the Board that the CD&A be included in this proxy statement and our Annual Report on Form 10-K for the fiscal year ended April 1, 2016.

By: The Compensation and Leadership Development Committee of the Board:

Robert S. Miller (Chair)
Geraldine B. Laybourne
David L. Mahoney
Daniel H. Schulman
Kenneth Y. Hao (member since May 2016)

Summary of Compensation

The following table shows for the fiscal year ended April 1, 2016, compensation awarded to or paid to, or earned by, our former Chief Executive Officer, Chief Financial Officer and the three most highly compensated executive officers who were serving as executive officers (other than as our Chief Executive Officer or Chief Financial Officer) at the end of fiscal 2016 (the "named executive officers").

Summary Compensation Table for Fiscal 2016

Name and Principal Position	Fiscal Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)(2)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)	Total ($)
Michael A. Brown	2016	1,000,000	—	12,485,352	—	852,000(3)	54,449(4)	14,391,801
Former Chief Executive	2015	1,473,077(5)	—	14,177,180	—	658,176(6)	22,000(7)	16,330,433
Officer	2014	36,364(8)	—	—	—	—	340,000(9)	376,364
Thomas J. Seifert	2016	720,000	—	4,623,486	—	449,856(3)	222,439(10)	6,015,781
Executive Vice President,	2015	720,000	—	4,394,834	—	612,000(6)	174,055(11)	5,900,889
Chief Financial Officer	2014	30,000(12)	1,800,000(13)	—	—	—	14,702(14)	1,844,702
Balaji Yelamanchili	2016	536,750	500,000(15)	5,137,221	—	248,500(3)	110,173(16)	9,544,115
Executive Vice President and General Manager, Enterprise Security	2015	281,345(17)	500,000(15)	7,042,854	—	342,125(6)	13,531(18)	8,179,855
Scott C. Taylor	2016	593,939(19)	—	3,082,307		283,380(3)	86,028(20)	4,045,654
Executive Vice President,	2015	536,250(19)	—	2,326,081	—	392,900(6)	63,323(21)	3,318,554
General Counsel and Corporate Secretary	2014	420,000	—	2,136,428	—	—	28,443(22)	2,584,871
Francis C. Rosch	2016	504,394(24)		5,137,221		320,750(3)	97,334(23)	6,059,699
Executive Vice President, Norton Business Unit	2015	435,923(24)	—	2,190,974	—	409,715(6)	54,885(25)	3,091,497

(1) Amounts shown in this column reflect the aggregate full grant date fair calculated in accordance with FASB Accounting Standards Codification ("FASC") Topic 718 for RSUs and PRUs in fiscal years 2014-2016. The grant date fair values for RSUs were determined based on the closing share price of our common stock on the date of grant. For a discussion of the valuation methodology used to value the PRUs awarded during the fiscal years 2014-2016, see footnote 2 to the Summary Compensation Table, below.

(2) The PRUs awarded in fiscal years 2014-2016 are based on a three-year performance period. The PRUs are eligible to be earned if we achieve at least 70% of the target level non-GAAP EPS performance. Depending on our achievement of this metric, 0% to 133% of the target shares will be eligible to be earned at the end of the fiscal year of grant, based on, and subject to further adjustment as a result of, the achievement of the TSR goal for our company as compared to the S&P 500 (the market-related component) in the subsequent fiscal years. If any target shares become eligible (the "eligible shares") to be earned at the end of the fiscal year of grant as a result of achievement of the performance-related component, then 50% to 150% of one-half of the eligible shares may be earned based on the achievement of the TSR goal for the first and second fiscal years and 50% to 150% of one-half of the eligible shares (plus any eligible shares not earned at the end of the second fiscal year if less than 100% of the TSR goal is achieved for the two-year period then ended) may be earned based on the achievement of the TSR goal for the first, second and third fiscal years. Because the performance-related component is based on separate measurements of our financial performance only in the first year of the three-year performance period, FASC Topic 718 requires the grant date fair value to be calculated at the commencement of the performance period. Consistent with FASC Topic 718, the full grant date fair value for the market-related component, or the TSR adjustment, for the entire three-year performance cycle is included in the amounts shown for the year of grant and was determined using a Monte Carlo simulation option pricing model ("Monte Carlo model") on the date the PRUs were awarded in fiscal years 2014-2016.

The table below sets forth the grant date fair value determined in accordance with FASC Topic 718 principles established in fiscal years 2014-2016 for the performance-related component of these awards (i) based upon the probable outcome of the fiscal years 2014-2016 performance-related component as of the grant date, and (ii) based upon achieving the maximum level of performance under the fiscal years 2014-2016 performance-related component as of the grant date. Also set forth below are the grant date fair values pertaining to the market-related component or the TSR adjustment and significant inputs and assumptions used in the Monte Carlo model, determined upon grant in fiscal years 2014-2016, and which is not subject to probable or maximum outcome assumptions.

Name	Fiscal Year	Probable Outcome of Performance Conditions Grant Date Fair Value ($)	Maximum Outcome of Performance Conditions Grant Date Fair Value ($)	Market-Related Component Grant Date Fair Value ($)
Michael A. Brown	2016	8,469,051	12,059,783	9,067,506
	2015	9,017,952	14,110,442	10,609,355
Thomas J. Seifert	2016	2,722,202	3,876,369	2,914,563
	2015	2,540,404	3,312,488	2,490,592
Balaji Yelamanchili	2016	3,024,672	4,307,081	3,238,407
Scott C. Taylor	2016	1,814,793	2,584,234	1,943,033
	2015	1,427,183	1,860,935	1,399,199
	2014	606,769	849,476	638,704
Francis C. Rosch	2016	3,024,672	4,307,081	3,238,407
	2015	1,427,183	1,860,935	1,399,199

Grant Date	Grant Date Fair Value ($)	Volatility (%)	Risk-Free Interest Rate (%)
5/20/2013	26.03	28.80	0.38
6/10/2014	25.08	26.20	0.84
9/24/2014	30.78	22.89	0.84
6/10/2015	27.03	22.55	1.07

(3) Represents the executive officer's annual bonus under the FY16 Executive Annual Incentive Plans, which was earned in fiscal 2016 and paid in fiscal 2017.

(4) Represents (a) $26,593 for dividend equivalent payment on stock awards, (b) $15,834 for reimbursement for tax and financial services, (c) $6,000 for the Company's contributions to Mr. Brown's account under its 401(k) plan, (d) $5,612 for the Company's contributions to Mr. Brown's Company sponsored life insurance policy and (e) $410 for membership fees.

(5) This amount reflects payments based on Mr. Brown's interim President and Chief Executive Officer base salary for the first six months of fiscal 2015 and Mr. Brown's adjusted salary for the remainder of fiscal 2015.

(6) Represents the executive officer's annual bonus under the Executive Annual Incentive Plans for fiscal 2015, which was earned in fiscal 2015 and paid in fiscal 2016.

(7) Represents (a) $12,000 for the Company's contributions to Mr. Brown's account under its 401(k) plan, and (b) $10,000 for reimbursement for tax services.

(8) Represents the prorated salary of $36,364 that Mr. Brown received based on his period of employment as our interim President and Chief Executive Officer in fiscal 2014.

(9) Represents the following non-employee director compensation paid to Mr. Brown prior to his becoming our interim President and Chief Executive Officer in March 2014:

Fees Earned or Paid in Cash ($)*	Stock Awards ($)†	Total ($)
105,023††	234,978	340,000

*	Mr. Brown received the following annual fees: (i) $50,000 annual retainer fee; (ii) $15,000 for serving on the Compensation Committee; (ii) $15,000 for serving on the Nominating and Governance Committee; and (iii) $25,000 for chairing the Compensation Committee.

†	Amounts shown in this column reflect the aggregate full grant date fair value calculated in accordance with FASC Topic 718 for awards granted during the fiscal year.

††	Includes cash payout of $22.50 for fractional share from non-employee director stock award grant.

(10) Represents (a) $176,942 in relocation expenses incurred in fiscal 2016, (b) $25,835 for reimbursement for tax services, (c) $9,930 for dividend equivalent payment on stock awards, (d) $6,000 for the Company's contributions to Mr. Seifert's account under its 401(k) plan, (e) $2,877 for the Company contributions to Mr. Seifert's Company-sponsored life insurance plan and (d) $855 for the Company's contributions under Mr. Seifert's Company-sponsored long term disability plan.

(11) Represents (a) $154,730 in relocation expenses incurred in fiscal 2015, (b) $11,400 for the Company's contributions to Mr. Seifert's account under its 401(k) plan and (c) $7,925 for reimbursement for tax services.

(12) Represents the prorated salary of $30,000 Mr. Seifert received based on his period of employment as our Executive Vice President and Chief Financial Officer in fiscal 2014.

(13) Represents a one-time sign-on bonus, which Mr. Seifert is obligated to repay all or a portion of the sign-on bonus if he voluntarily leaves the Company or is terminated for cause prior to March 17, 2017.

(14) Represents relocation expenses incurred in fiscal 2014.

(15) Represents half of a one-time sign-on bonus of $1,000,000 as an inducement to accept our offer of employment. Mr. Yelamanchili received $500,000 on March 31, 2016 and received the other $500,000 on August 31, 2016.

(16) Represents (a) $82,808 for dividend equivalent payment on stock awards, (b) $18,570 in compensation earned by Mr. Yelamanchili's child who was employed by the Company in fiscal 2016, (c) $6,000 for the Company's contributions to Mr. Yelamanchili's account under its 401(k) plan and (d) $2,795 for the Company's contributions to Mr. Yelamanchili's Company-sponsored life insurance policy.

(17) Represents the prorated salary of $281,345 Mr. Yelamanchili received based on his period of employment as our Executive Vice President and General Manager, Enterprise Security in fiscal 2016.

(18) Represents (a) $8,281 for dividend equivalent payment on stock awards, and (b) $5,250 for the Company's contributions to Mr. Yelamanchili's account under its 401(k) plan.

(19) This amount includes a prorated increase in base salary as part of Mr. Taylor's annual review.

(20) Represents (a) $60,816 for dividend equivalent payment on stock awards, (b) $15,834 for reimbursement for tax services, (c) $6,188 for the Company's contributions to Mr. Taylor's account under its 401(k) plan, (d) $2,335 for the Company's contributions to Mr. Taylor's Company-sponsored life insurance policy, and (e) $855 for the Company's contributions to Mr. Taylor's Company-sponsored long term disability insurance.

(21) Represents (a) $36,817 for dividend equivalent payment on stock awards, (b) $13,357 for reimbursement for tax services, (c) $7,688 for the Company's contributions to Mr. Taylor's account under its 401(k) plan, (d) $4,284 for coverage of expenses related to attendance at the FY14 sales achiever's trip, and (e) $1,178 for membership fees.

(22) Represents (a) $7,350 for dividend equivalent payment on stock awards, (b) $1,121 for membership fees, (c) $13,971 for reimbursement for tax services, and (d) $6,000 for the Company's contributions to Mr. Taylor's account under its 401(k) plan.

(23) Represents (a) $55,763 for dividend equivalent payment on stock awards, (b) $23,853 for coverage of expenses related to attendance at the FY15 sales achiever's trip, (c) $6,638 for the Company's contributions to Mr. Rosch's account under its 401(k) plan, (d) $6,211 for spousal medical benefits, (e) $2,955 for

reimbursement for tax services, and (f) $1,914 for the Company's contributions to Mr. Rosch's Company-sponsored life insurance policy.

(24) Mr. Rosch received a prorated salary of $435,923 based on his period of employment as our Executive Vice President, Norton Business Unit in fiscal 2016. Mr. Rosch's base annual salary increased from $400,000 to $440,000 in July 2014 in connection with his promotion to our Executive Vice President, Norton Business Unit.

(25) Represents (a) $32,030 for dividend equivalent payment on stock awards, (b) $12,145 for coverage of expenses related to attendance at the FY14 sales achiever's trip, (c) $6,800 for the Company's contributions to Mr. Rosch's account under its 401(k) plan, (d) $2,070 for spousal medical benefits, (e) $1,800 for reimbursement for tax services, and (f) $40 for an appreciation award.

The following table shows for the fiscal year ended April 1, 2016, certain information regarding grants of plan-based awards to our named executive officers from our incentive plans:

Grants of Plan-Based Awards in Fiscal 2016

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards(2)			Estimated Future Payouts Under Equity Incentive Plan Awards(3)			All Other Stock Awards: Number of Shares of Stock or Units(4)	Grant Date Fair Value of Stock and Option Awards
Name	**Grant Date(1)**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**(#)**	**($)**
Michael A. Brown	06/10/15	600,000	1,500,000	3,000,000	—	—	—	143,758	3,417,846
	06/10/15				167,718	335,436	669,194	—	9,067,506
Thomas J. Seifert	06/10/15	100,800	720,000	2,016,000	—	—	—	71,879	1,708,923
	06/10/15				53,909	107,819	215,098		2,914,563
Balaji Yelamanchili	06/10/15	122,500	875,000	2,450,000	—	—	—	79,866	1,898,814
	06/10/15				59,899	119,799	238,999		3,238,407
Scott C. Taylor	06/10/15	58,206	415,758	1,164,121	—	—	—	47,919	1,139,274
	06/10/15				35,939	71,879	143,398		1,943,033
Francis C. Rosch	06/10/15	56,492	403,515	1,129,842	—	—	—	79,866	1,898,814
	06/10/15				59,899	119,799	238,999		3,238,407

(1) Represents grant date of stock awards.

(2) Represents threshold, target and maximum payouts with respect to each applicable metric under the FY16 Executive Annual Incentive Plans.

(3) The amounts shown in these rows reflect, in share amounts, the threshold, target, and maximum potential eligible shares to be earned (based on performance for the fiscal 2016 period) at the end of fiscal 2017 and fiscal 2018, based on, and subject to further adjustment as a result of, the achievement of the TSR ranking for our company as compared to the S&P 500, as further described in the CD&A section beginning on page 38. In June 2015 all named executive officers were awarded a PRU under the 2013 Plan, eligible to be earned if we achieve at least 70% of the target level non-GAAP EPS performance, with a threshold award equal to 50% of the target eligible shares and a maximum award equal to 200% of the target eligible shares. For fiscal 2016, the Compensation Committee determined that we achieved 88.7% of our non-GAAP EPS target under the PRUs, resulting in 81.2% of the target eligible shares becoming eligible to be earned based on achievement of the TSR performance goals under the PRUs. Pursuant to the terms of these awards, each named executive officer will be eligible to receive at least half of the eligible shares if he remains employed by us through the last day of fiscal 2018 even if we fail to achieve those TSR performance goals, and could receive up to 150% of such shares, depending upon the degree to which we achieve of those goals and the same employment condition is met. For additional detail on the grant date fair value of the PRUs, see footnote 2 to the Summary Compensation Table, above.

(4) This RSU grant was granted under 2013 Plan, is settled in shares on the vesting date and vests: 30% to vest approximately 1 year from grant date, 30% to vest approximately 2 years from grant date. The remaining 40% will vest approximately 3 years from grant date.

For a summary of the terms of the FY16 Executive Annual Incentive Plans, see "Compensation Discussion & Analysis (CD&A) — Compensation Components — Executive Annual Incentive Plans" above. Details of acceleration of the equity awards described are disclosed under "Compensation Discussion & Analysis (CD&A) — Other Benefits — Change in Control and Severance Arrangements" above and "Potential Payments Upon Termination or Change in Control" below.

The following table shows for the fiscal year ended April 1, 2016, certain information regarding outstanding equity awards at fiscal year-end for our named executive officers.

Outstanding Equity Awards At Fiscal Year-End 2016

		Option Awards				Stock Awards			
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)*	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights that Have Not Yet Vested (#)	Equity Incentive Plan Awards: Value of Unearned Shares, Units or Other Rights that Have Not Yet Vested ($)*
Michael A. Brown	9/24/2014					103,415(1)	1,903,870	433,735(2)	7,985,061
	6/10/2015					143,758(3)	2,646,585	272,374(4)	5,014,405
Thomas J. Seifert	6/10/2014					49,649(5)	914,038	124,939(2)	2,300,127
	6/10/2014					23,244(6)	427,922		
	6/10/2015					71,879(7)	1,323,292	87,549(4)	1,611,777
Balaji Yelamanchili	12/10/2014					82,808(8)	1,524,495		
	6/10/2015					79,866(9)	1,470,333	97,276(4)	1,790,851
Scott C. Taylor	6/10/2010	72,000		10.44	6/10/2017				
	5/10/2012					6,875(10)	126,569		
	5/20/2013					12,270(11)	225,891		
	2/10/2014					21,662(12)	398,797		
	6/10/2014					27,892(13)	513,492	70,190(2)	1,292,198
	6/10/2014					3,173(14)	58,415		
	6/10/2015					47,919(15)	882,189	58,365(4)	1,074,500
Francis C. Rosch	9/10/2010	28,000		10.86	9/10/2017				
	6/10/2011	40,000		14.50	6/10/2018				
	5/10/2012					4,166(16)	76,696		
	7/10/2012					2,500(17)	46,025		
	5/20/2013					10,225(18)	188,242		
	6/10/2013					4,176(19)	76,880		
	10/10/2013					19,867(20)	365,751		
	2/10/2014					21,662(12)	398,797		
	6/10/2014					27,892(13)	513,492	70,190(2)	1,292,198
	6/10/2015					79,866(9)	1,470,333	97,276(4)	1,790,851

* The market value of the equity awards that have not vested is calculated by multiplying the number of units that have not vested by the closing price of our common stock on April 1, 2016, which was $18.41.

(1) 44,321 shares to vest on 9/1/2016 and 59,094 shares to vest on 9/1/2017.

(2) Vests on 3/31/2017 based on, and subject to further adjustment as a result of, the achievement of the TSR ranking for our company as compared to the S&P 500. The number of shares and the payout value for the fiscal 2015 PRUs reflect the target potential payout which represents 98.3% of the target number of PRUs and 106% TSR for the 2-year tranche. Each PRU is subject to the Compensation Committee's certification when approving the settlement thereof.

(3) 43,128 shares to vest on 6/1/2016, 43,127 shares to vest on 6/1/2017, and 57,503 shares to vest on 6/1/2018.

(4) Vests on 3/30/2018 based on, and subject to further adjustment as a result of, the achievement of the TSR ranking for our company as compared to the S&P 500. The number of shares and the payout value for the fiscal 2016 PRUs set forth above reflect the target potential payout which represents 81.2% of the target number of PRUs. Each PRU is subject to the Compensation Committee's certification when approving the settlement thereof.

(5) 16,550 shares to vest on 6/1/2016, 16,550 shares to vest on 6/1/2017, and 16,549 shares to vest on 6/1/2018.

(6) 11,622 shares to vest on 6/1/2016, 5,811 shares to vest on 6/1/2017, and 5,811 shares to vest on 6/1/2018.

(7) 21,564 shares to vest on 6/1/2016, 21,564 shares to vest on 6/1/2017, and 28,751 shares to vest on 6/1/2018.

(8) 41,404 shares to vest on 12/1/2016, and 41,404 shares to vest on 12/1/2017.

(9) 23,960 shares to vest on 6/1/2016, 23,960 shares to vest on 6/1/2017, and 31,946 shares to vest on 6/1/2018.

(10) 6,875 shares to vest on 6/1/2016.

(11) 6,135 shares to vest on 6/1/2016, and 6,135 shares to vest on 6/1/2017.

(12) 10,831 shares to vest on 3/1/2017, and 10,831 shares to vest on 3/1/2018.

(13) 9,298 shares to vest on 6/1/2016, 9,297 shares to vest on 6/1/2017, and 9,297 shares to vest on 6/1/2018.

(14) 3,173 shares to vest on 6/1/2016.

(15) 14,376 shares to vest on 6/1/2016, 14,376 shares to vest on 6/1/2017, and 19,167 shares to vest on 6/1/2018.

(16) 4,166 shares to vest on 6/1/2016.

(17) 2,500 shares to vest on 6/1/2016.

(18) 5,113 shares to vest on 6/1/2016, and 5,112 shares to vest on 6/1/2017.

(19) 2,088 shares to vest on 6/1/2016, and 2,088 shares to vest on 6/1/2017.

(20) 9,934 shares to vest on 9/1/2016, and 9,933 shares to vest on 9/1/2017.

The following table shows for the fiscal year ended April 1, 2016, certain information regarding option exercises and stock vested during the last fiscal year with respect to our named executive officers:

Option Exercises and Stock Vested in Fiscal 2016

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Michael A. Brown	—	—	44,321	883,318
Thomas J. Seifert	—	—	16,550	408,702
Balaji Yelamanchili	—	—	138,014	2,724,396
Scott C. Taylor	26,000	183,820	51,343	1,099,022
Francis C. Rosch	—	—	56,457	1,198,154

Employment Arrangements with New Officers

Gregory S. Clark

We entered into an employment agreement with Mr. Clark in connection with the Blue Coat Acquisition. This agreement establishes Mr. Clark's initial annual base salary of $1,000,000 and eligibility for bonuses under our Executive Annual Incentive Plan, with a target amount of 100% of annual base salary. For fiscal year 2018 under the agreement, we have committed to grant Mr. Clark a combination of RSUs and PRUs equal to $15,000,000 on the grant date in relative amounts subject to terms and conditions approved by our Compensation Committee. Prior to the closing of the Blue Coat Acquisition, Blue Coat granted to Mr. Clark a combination of unvested RSUs and PRUs equal to $15,000,000 in value on the date of grant, which RSUs and PRUs were assumed by us at the closing of the Blue Coat Acquisition. RSUs vest over a three-year period of continuous service and the PRUs vest, if at all on March 31, 2018 in the event we meet performance conditions. Additionally, in connection with the closing of the Blue Coat Acquisition, we assumed options to purchase 3,865,271 shares of our common stock at an exercise price of $6.73 per share. These options vest over a two-year period of continuous service from August 1, 2016 and are subject to transfer restrictions until August 1, 2018 but may be released from such restrictions on or after August 1, 2017 if our common stock achieves a specified trading price over a defined period as set forth in the agreement.

Pursuant to the agreement, Mr. Clark is entitled to receive certain benefits upon termination of his employment with us under certain circumstances. In the event of (i) an involuntary termination of Mr. Clark's employment by us for any reason other than "Cause" (as defined in the agreement) or (ii) Mr. Clark's resignation for "Good Reason" (as defined in the agreement), Mr. Clark will be entitled to (x) a lump-sum cash payment of two-years of his annual base salary then in effect within 60 days following such termination date; (y) reimbursement of COBRA premiums for a 18-month period after such termination date; and (z) acceleration of 100% of any unvested portion of the following securities outstanding as of August 1, 2016: (x) options to purchase 3,865,271 shares of our common stock at an exercise price of $6.73 per share, (y) 867,052 RSUs and (z) 2,329,520 shares of our common stock. Upon a change in control of the Company, Mr. Clark will be entitled to 100% acceleration of any unvested portion of his 867,052 RSUs outstanding as of August 1, 2016. All severance benefits described above are conditioned upon Mr. Clark's execution of a customary release of claims in agreed form in our favor.

Michael D. Fey

We entered into an offer letter agreement with Mr. Fey in connection with the Blue Coat Acquisition. This agreement establishes Mr. Fey's initial annual base salary of $800,000 and eligibility for bonuses under our Executive Annual Incentive Plan, with a target amount of 150% of annual base salary. Prior to the closing of the Blue Coat Acquisition, Blue Coat granted to Mr. Clark a combination of unvested RSUs and PRUs equal to $$5,901,000 in value on the date of grant, which RSUs and PRUs were assumed by us at the closing of the Blue Coat Acquisition. RSUs vest over a three-year period of continuous service and the PRUs vest, if at all on

March 31, 2018 in the event we meet performance conditions. Additionally, in connection with the closing of the Blue Coat Acquisition, we assumed options to purchase a number of shares of our common stock equal to (x) 2,601,625 shares at an exercise price of $6.73 per share and (y) 79,287 shares at an exercise price of $1.69 per share. These options vest over a two-year period of continuous service from August 1, 2016 and are subject to transfer restrictions until August 1, 2018 but may be released from such restrictions on or after August 1, 2017 if our common stock achieves a specified trading price over a defined period as set forth in the agreement.

Pursuant to the agreement, Mr. Fey is entitled to receive certain benefits upon the involuntary termination of his employment under certain circumstances. In the event of (i) an involuntary termination of Mr. Fey's employment by us for any reason other than "Cause" (as defined in the agreement), (ii) Mr. Fey's resignation for "Good Reason" (as defined in the agreement) or (iii) the termination of Mr. Fey's employment due to his death or permanent disability, Mr. Fey will be entitled to acceleration of 100% of any unvested portion of the stock options described in the paragraph above. In addition, Mr. Fey is eligible participate in our Executive Severance Plan. All severance benefits described above are conditioned upon Mr. Fey's execution of a customary release of claims in agreed form in our favor.

Non-Qualified Deferred Compensation in Fiscal 2016

In fiscal 2016, certain management employees on our U.S. payroll with a base salary of $150,000 or greater, including each of the named executive officers, were eligible to participate in the Symantec Corporation Deferred Compensation Plan. The plan provides the opportunity for participants to defer up to 75% of base salary and 100% of variable pay each year. Variable pay includes all bonus and commission payments. Deferral elections must be made prior to the beginning of a calendar year and cannot be revoked as of the day immediately prior to commencement of that year. The plan is "unfunded" and all deferrals are general assets of Symantec. Amounts deferred by each participant under the plan are credited to a bookkeeping account maintained on behalf of each participant. The bookkeeping account under the plan will then be adjusted based on the performance of the measurement funds that have been selected by the participant. The measurement funds available under the plan are substantially identical to the investment funds available under our 401(k) plan. Each participant may change their measurement fund selections on a daily basis. The plan requires that benefits accumulated in the bookkeeping accounts for each participant not meeting a 5-year service requirement to be distributed to the participant following his or her termination of employment with us for any reason. If a 5-year service requirement has been met, accumulated benefits will be distributed according to the participant's designated payment election. The plan permits us to terminate the plan and make such a distribution in the event of a change in control of Symantec. We intend to take such action in the event of a change in control of Symantec.

None of our named executive officers participated in the Symantec Deferred Compensation Plan during fiscal 2016.

Potential Payments Upon Termination or Change-In-Control

Set forth below is a description of the plans and agreements that could result in potential payouts to our named executive officers in the case of their termination of employment and/or a change in control of Symantec.

Symantec Executive Retention Plan

In January 2001, the Board approved the Symantec Executive Retention Plan, to deal with employment termination resulting from a change in control of the Company. The plan was modified by the Board in July 2002, April 2006, June 2007, April 2012 and February 2016. Under the terms of the plan, all equity compensation awards (including, among others, stock options, RSUs and PRUs) granted by the Company to the Company's Section 16(b) officers (including our named executive officers) would become fully vested (at target or to the extent of achievement for PRUs) and, if applicable, exercisable following a change in control of the Company (as defined in the plan) after which the officer's employment is terminated without cause or constructively terminated by the acquirer within 12 months after the change in control. In the case of PRUs, PRUs will vest at target if the change in control occurs prior to the first performance period, will vest as to eligible shares if the change in control occurs following the first performance period but before achievement is determined with respect to the second performance period, and will vest as to the sum of the eligible shares determined to be earned for the second performance period plus 50% of the eligible shares if the change in control occurs following the second performance period but before achievement is determined with respect to the third performance period. Additionally, in accordance with the terms of the PRU award agreement, in the case that an executive's employment with the Company terminates by reason of the executive's death, total and permanent disability or an involuntary termination by the Company other than for cause (as defined in the award agreement) after the end of the first year of the performance period but prior to the end of the third year of the performance period, then the executive will be entitled to payment of a prorated number of PRUs based on the number of months in the three-year performance period during with the executive was employed by the Company, provided that the Company's performance met at least the threshold level of non-GAAP EPS performance during the first year of the performance period.

In April 2012, the Compensation Committee revised the plan to provide for the payment of a cash severance benefit for our named executive officers equal to one times such officer's base salary and target payout under the Executive Annual Incentive Plan applicable to such named executive officer in the circumstances described above (i.e., following a change in control of the Company after which the officer's employment is terminated without cause or constructively terminated by the acquirer within 12 months after the change in control.)

Symantec Executive Severance Plan

In April 2012, the Compensation Committee adopted the Symantec Executive Severance Plan to provide severance benefits to specified officers of Symantec, including our named executive officers. The executive officers must meet certain criteria in order to participate in the plan, including, among other criteria, (i) the executive officer was involuntarily terminated from active employment other than for cause (as defined in the plan); (ii) the executive officer was not terminated due to the sale of a business, part of a business, divestiture or spin-off and offered employment upon terms and conditions substantially identical to those in effect immediately prior to such sale, divestiture or spin-off; and (iii) the executive officer is not entitled to severance under any other plan, fund, program, policy, arrangement or individualized written agreement providing for severance benefits that is sponsored or funded by Symantec.

Under the terms of the plan, the executive officer will receive severance payments equal to one times the sum of his or her base salary in effect at the time of his or her involuntary termination. The executive officer will also receive a one-time bonus of $15,000, minus taxes and other legally required deductions. The executive officer is also entitled to receive six months of outplacement services, including counseling and guidance. The executive officer is solely responsible for all COBRA premiums for his or her continuation coverage.

In fiscal 2016, the Compensation Committee revised the plan to provide an additional payment equivalent to 75% of the executive officer's prorated target incentive bonus under the Executive Annual Incentive Plan in effect for such fiscal year to the executive officer who was terminated in the second half of such fiscal year and was employed in good standing for a minimum of six (6) months prior to his or her termination date. This payment was added to standardize benefits to all of our executive officers and to be competitive with overall market practices.

Payment of severance payments, one-time bonus payment, outplacement services and 75% of the prorated target bonus under the Executive Annual Incentive Plan pursuant to the Symantec Executive Severance Plan is subject to the applicable executive officer returning a release of claims against Symantec.

Thomas J. Seifert

The following table summarizes the value of the payouts to Mr. Seifert pursuant to the Symantec Executive Retention Plan and the Symantec Executive Severance Plan, assuming a qualifying termination as of April 1, 2016:

	Severance Pay	RSU Vesting	PRU Vesting
Involuntary Termination Because of Market Conditions or Division Performance	$1,279,200	—	$1,807,126
Termination Without Cause or Constructive Termination Within 12 Months of a Change of Control	$1,440,000	$2,665,253	$3,408,759
Termination Without Cause	$1,279,200	—	$1,807,126
Termination Due to Death or Disability	—	—	$1,807,126

Balaji Yelamanchili

The following table summarizes the value of the payouts to Mr. Yelamanchili pursuant to the Symantec Executive Retention Plan and the Symantec Executive Severance Plan, assuming a qualifying termination as of April 1, 2016:

	Severance Pay	RSU Vesting	PRU Vesting
Involuntary Termination Because of Market Conditions or Division Performance	$1,375,450	—	$ 596,944
Termination Without Cause or Constructive Termination Within 12 Months of a Change of Control	$1,575,000	$2,994,828	$1,790,851
Termination Without Cause	$1,375,450	—	$ 596,944
Termination Due to Death or Disability	—	—	$ 596,944

Scott C. Taylor

The following table summarizes the value of the payouts to Mr. Taylor pursuant to the Symantec Executive Retention Plan and the Symantec Executive Severance Plan, assuming a qualifying termination as of April 1, 2016:

	Severance Pay	RSU Vesting	PRU Vesting
Involuntary Termination Because of Market Conditions or Division Performance	$ 931,018	—	$1,071,554
Termination Without Cause or Constructive Termination Within 12 Months of a Change of Control	$1,020,000	$2,205,352	$2,084,030
Termination Without Cause	$ 931,018	—	$1,071,554
Termination Due to Death or Disability	—	—	$1,071,554

Francis C. Rosch

The following table summarizes the value of the payouts to Mr. Rosch pursuant to the Symantec Executive Retention Plan and the Symantec Executive Severance Plan, assuming a qualifying termination as of April 1, 2016:

	Severance Pay	RSU Vesting	PRU Vesting
Involuntary Termination Because of Market Conditions or Division Performance	$846,836	—	$1,310,332
Termination Without Cause or Constructive Termination Within 12 Months of a Change of Control	$945,000	$3,136,217	$2,800,382
Termination Without Cause	$846,836	—	$1,310,332
Termination Due to Death or Disability	—	—	$1,310,332

Michael A. Brown

As discussed above, in connection with the CEO Transition and in consideration for the role Mr. Brown would play in connection with the CEO Transition, we entered into an amendment to Mr. Brown's employment agreement on April 28, 2016 which governs the payouts to Mr. Brown upon certain termination scenarios (the "Brown Amended Agreement"). Under the Brown Amended Agreement, Mr. Brown was entitled to the cash severance and equity acceleration benefits to which he would have been entitled under his employment agreement, prior to its amendment, had he been involuntarily terminated or resigned for Good Reason (as defined in the Brown Amended Agreement), and provides that he would be entitled to receive his existing compensation through October 28, 2016, even if his employment terminates earlier. On August 1, 2016, the Blue Coat Acquisition closed and Mr. Brown was entitled to certain of these benefits as he ceased to serve as our Chief Executive Officer on that date. As set forth in the Brown Amended Agreement, the Symantec Executive Retention Plan and the Symantec Executive Severance Plan would not apply to Mr. Brown.

Under the Brown Amended Agreement, upon (a) an involuntary termination of Mr. Brown's employment by Symantec for any reason other than Cause (as defined therein), death or Disability (as defined therein), (b) Mr. Brown's resignation for Good Reason (as defined therein), or (c) Mr. Brown's otherwise automatic termination on October 28, 2016 under the Brown Amended Agreement, Mr. Brown shall be entitled to (u) a cash payment equal to three times (3x) his base salary and target bonus, (v) eligible family COBRA benefits for up to 18 months following his termination, (w) a pro-rated portion of his annual base salary between April 28, 2016 and October 28, 2016, (x) the prorated portion of Mr. Brown's target bonus for fiscal 2017, (y) acceleration of vesting on Mr. Brown's RSUs through October 28, 2016, and (z) vesting of any PRUs held by Mr. Brown pursuant to the applicable PRU agreement through October 28, 2016.

The following table summarizes the value of the payouts to Mr. Brown pursuant to the Symantec Executive Retention Plan and the Symantec Executive Severance Plan, assuming a qualifying termination as of April 1, 2016. The payouts below would be the same under the Brown Amended Agreement assuming the Brown Amended Agreement were in effect as of April 1, 2016:

	Severance Pay	COBRA Premiums	RSU Vesting	PRU Vesting
Involuntary Termination Because of Market Conditions or Division Performance	$7,504,200	—	—	$ 6,079,884
Termination Without Cause or Constructive Termination Within 12 Months of a Change of Control	$5,000,000	$37,521	$4,550,455	$11,252,744
Termination Without Cause	$7,504,200	$37,521	—	$ 6,079,884
Termination Due to Death or Disability	—	—	—	$ 6,079,884

Equity Compensation Plan Information

The following table gives information about Symantec's common stock that may be issued upon the exercise of options, warrants and rights under all of Symantec's existing equity compensation plans as of April 1, 2016:

	Equity Compensation Plan Information		
Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	18,969,852	$0.30	61,600,927(1)
Equity compensation plans not approved by security holders	—(2)	—	—
Total	18,969,852	$0.30	61,600,927

(1) Represents 62,784 shares remaining available for future issuance under Symantec's 2000 Director Equity Incentive Plan, 209,599 shares remaining available for future issuance under Symantec's 2002 Executive Officer's Stock Purchase Plan, 41,830,021 shares remaining available for future issuance under Symantec's 2008 Employee Stock Purchase Plan and 19,498,523 shares remaining available for future issuance as stock options under our 2013 Plan.

(2) Excludes outstanding options to acquire 11,433 shares as of April 1, 2016 that were assumed as part of various acquisitions. The weighted average exercise price of these outstanding options was $1.43 as of April 1, 2016. In connection with these acquisitions, Symantec has only assumed outstanding options and rights, but not the plan themselves, and therefore, no further options may be granted under these acquired-company plans.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Related-Person Transactions Policy and Procedure

Symantec has adopted a written related person transactions policy which provides for the Company's policies and procedures regarding the identification, review, consideration and approval or ratification of "related person transactions." The Nominating and Governance Committee reviews transactions that may be "related person transactions," which are transactions between Symantec and any related persons in which the aggregate amount involved exceeds or may be expected to exceed $120,000, and in which the related person has or will have a direct or indirect material interest. For purposes of the policy, a related person is any Symantec executive officer, director, nominee for director, or stockholder holding more than 5% of any class of Symantec's voting securities, in each case, since the beginning of the previous fiscal year, and their immediate family members.

Under the policy, absent any facts or circumstances indicating special or unusual benefits to the related person, the following transactions are deemed not to be "related person transactions" (meaning the related person is deemed to not have a direct or indirect material interest in the transaction):

- compensation to executive officers determined by Symantec's Compensation Committee;
- any transaction with another company at which a related person is a director or an employee (other than an executive officer) if the aggregate amount involved does not exceed the greater of $2,000,000, or three percent of that company's total annual gross revenues, provided that the transaction involves the purchase of either company's goods and services and the transaction is subject to usual trade terms and is in the ordinary course of business and the related person is not involved in the negotiation of the transaction;
- any compensation paid to a director if the compensation is required to be reported in Symantec's proxy statement;
- any transaction where the related person's interest arises solely from the ownership of the Company's common stock and all holders of the Company's common stock received the same benefit on a pro rata basis;
- any charitable contribution, grant or endowment by Symantec or the Symantec Foundation to a charitable organization, foundation or university at which a related person's only relationship is as a director or an employee (other than an executive officer), if the aggregate amount involved does not exceed $120,000, or any non-discretionary matching contribution, grant or endowment made pursuant to a matching gift program;
- any transaction where the rates or charges involved are determined by competitive bids;
- any transaction involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority; or
- any transaction involving services as a bank depositary of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.

Under the policy, members of Symantec's legal department review transactions involving related persons that do not fall into one of the above categories. If they determine that a related person could have a significant interest in a transaction, the transaction is referred to the Nominating and Governance Committee. In addition, transactions may be identified through Symantec's Code of Conduct or other Symantec policies and procedures, and reported to the Nominating and Governance Committee. The Nominating and Governance Committee determines whether the related person has a material interest in a transaction and may approve, ratify, rescind or take other action with respect to the transaction.

Certain Related Person Transactions

For a description of employment agreements with our Chief Executive Officer and President and COO, see "Executive Compensation and Related Information—Employment Arrangements with New Officers" above.

On February 3, 2016, Symantec entered into an investment agreement with Silver Lake, relating to the issuance to Silver Lake of $500 million principal amount of convertible 2.5% unsecured notes, due 2021. In connection with the investment, Kenneth Y. Hao, a managing partner and managing director of Silver Lake, was appointed to Symantec's Board.

On June 12, 2016, Symantec entered into an investment agreement with Silver Lake and Bain Capital relating to the issuance of $1.25 billion aggregate principal amount of 2.0% convertible unsecured notes due 2021. Pursuant to the investment agreement, Silver Lake, a private equity firm of which Mr. Hao is a managing partner and managing director, has agreed to purchase $500 million aggregate principal amount of the notes, and Bain Capital, private equity firm of which Mr. Humphrey is a managing director, has agreed to purchase $750 million aggregate principal amount of the notes. The transactions contemplated by this investment agreement closed concurrently with the closing of the Blue Coat Acquisition on August 1, 2016. In connection with the investment, David W. Humphrey, a managing director of Bain Captial, was appointed to Symantec's Board.

On June 12, 2016, we entered into reinvestment agreements with Mr. Clark and GSC-OZ Investment LLC, an entity controlled by Mr. Clark, pursuant to which the parties agreed to purchase, in the aggregate, 2,329,520 shares our common stock for an aggregate purchase price of $40,300,696. On August 1, 2016, we issued and sold these shares to Mr. Clark and GSC-OZ Investment LLC. The agreements provide that, in the aggregate, 207,907 of such shares will vest monthly until October 30, 2019, subject to Mr. Clark's continued service to the Company, and that all of the shares are subject to transfer restrictions until August 1, 2018 but may be released from such restrictions on or after August 1, 2017 if our common stock achieves a specified volume weighted average trading price over a defined period as set forth in the agreements.

REPORT OF THE AUDIT COMMITTEE

The information contained in the following report of Symantec's Audit Committee is not considered to be "soliciting material," "filed" or incorporated by reference in any past or future filing by Symantec under the Securities Exchange Act of 1934 or the Securities Act of 1933 unless and only to the extent that Symantec specifically incorporates it by reference.

The Audit Committee is comprised solely of independent directors, as defined by current NASDAQ listing standards, and operates under a written charter which was most recently amended by the Board on May 2, 2013. The Audit Committee oversees Symantec's financial reporting process on behalf of the Board. Management has primary responsibility for the financial statements and the reporting process, including the systems of internal controls. In fulfilling its oversight responsibilities, the Audit Committee reviewed the audited financial statements that were included in Symantec's Annual Report on Form 10-K for the fiscal year ended April 1, 2016 with management, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements.

The Audit Committee reviewed with Symantec's independent registered public accounting firm, which is responsible for expressing an opinion on the conformity of those audited financial statements with generally accepted accounting principles, its judgments as to the quality, not just the acceptability, of Symantec's accounting principles and discussed with the independent registered public accounting firm the matters required to be discussed by the Public Company Accounting Oversight Board (PCAOB) Auditing Standard No. 16 (*Communications with Audit Committees*). In addition, the Audit Committee has received and reviewed the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the PCAOB regarding the registered public accounting firm's communications with the Audit Committee concerning independence from management and Symantec, and has discussed with the independent registered public accounting firm the registered public accounting firm's independence from management and Symantec.

The Audit Committee discussed with Symantec's internal accountants and independent registered public accounting firm the overall scope and plans for their respective audits. The Audit Committee meets with the internal accountants and independent registered public accounting firm, with and without management present, to discuss the results of their examinations, their evaluations of Symantec's internal controls, and the overall quality of Symantec's financial reporting.

The Audit Committee also received the report of management contained in Symantec's Annual Report on Form 10-K for the fiscal year ended April 1, 2016, as well as KPMG's Report of Independent Registered Public Accounting Firm included in Symantec's Annual Report on Form 10-K related to its audit of (i) the consolidated financial statements and financial statement schedule and (ii) the effectiveness of internal control over financial reporting. The Audit Committee continues to oversee Symantec's efforts related to its internal control over financial reporting and management's preparations for the evaluation in fiscal 2017.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board (and the Board has approved) that the audited financial statements be included in Symantec's Annual Report on Form 10-K for the fiscal year ended April 1, 2016 for filing with the SEC.

By: The Audit Committee of the Board of Directors:

Frank E. Dangeard
Anita M. Sands
V. Paul Unruh (Chair)
Suzanne M. Vautrinot
David W. Humphrey (member as of August 2, 2016)

SYMANTEC CORPORATION
2016 ANNUAL MEETING OF STOCKHOLDERS
MEETING INFORMATION

Information About Solicitation and Voting

This proxy is solicited on behalf of the Board for use at the Annual Meeting to be held at Symantec's offices located at 350 Ellis Street, Mountain View, California 94043 on Tuesday, November 1, 2016, at 9:00 a.m. (Pacific Time), and any adjournment or postponement thereof. We will provide a live and re-playable webcast of the Annual Meeting, which will be available on the events section of our investor relations website at *investor.symantec.com*.

About the Annual Meeting

What is the purpose of the Annual Meeting?

At our Annual Meeting, stockholders will act upon the proposals described in this proxy statement. In addition, following the meeting, management will report on the performance of Symantec and respond to questions from stockholders.

What proposals are scheduled to be voted on at the Annual Meeting?

Stockholders will be asked to vote on four proposals. The proposals are:

1. Election to the Board of the eleven nominees named in this proxy statement;

2. Ratification of the appointment of KPMG as our independent registered public accounting firm for the 2017 fiscal year;

3. Approval of amendments to our 2013 Equity Incentive Plan, as amended;

4. An advisory vote to approve executive compensation; and

5. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

What is the recommendation of the Board on each of the proposals scheduled to be voted on at the Annual Meeting?

The Board recommends that you vote **FOR** each of the nominees to the Board (Proposal 1), **FOR** the ratification of the appointment of KPMG as our independent registered public accounting firm for the 2016 fiscal year (Proposal 2); **FOR** the approval of amendments to our 2013 Equity Incentive Plan, as amended (Proposal 3); and **FOR** the approval of compensation to our named executive officers (Proposal 4).

Could other matters be decided at the Annual Meeting?

Our Bylaws require that we receive advance notice of any proposal to be brought before the Annual Meeting by stockholders of Symantec, and we have not received notice of any such proposals. If any other matter were to come before the Annual Meeting, the proxy holders appointed by the Board will have the discretion to vote on those matters for you.

Who can vote at the Annual Meeting?

Stockholders as of the record date for the Annual Meeting, September 2, 2016, are entitled to vote at the Annual Meeting. At the close of business on the record date, there were 622,417,451 shares of Symantec common stock outstanding and entitled to vote. Each share of common stock is entitled to vote on each matter properly brought before the meeting.

Stockholder of Record: Shares Registered in Your Name

If on September 2, 2016, your shares were registered directly in your name with our transfer agent, Computershare Investor Services, then you are considered the stockholder of record with respect to those shares. As a stockholder of record, you may vote at the Annual Meeting or vote by proxy. Whether or not you plan to attend the Annual Meeting, we urge you to vote over the Internet or by telephone, or if you received paper proxy materials by mail, by filling out and returning the proxy card.

For questions regarding your stock ownership, you may contact our transfer agent, Computershare Investor Services, by email through their website at *www.computershare.com/contactus* or by phone at (877) 282-1168 (within the U.S. and Canada) or (781) 575-2879 (outside the U.S. and Canada).

Beneficial Owner: Shares Registered in the Name of a Broker or Nominee

If on September 2, 2016, your shares were held in an account with a brokerage firm, bank or other nominee, then you are the beneficial owner of the shares held in street name. As a beneficial owner, you have the right to direct your nominee on how to vote the shares held in your account, and it has enclosed or provided voting instructions for you to use in directing it on how to vote your shares. However, the organization that holds your shares is considered the stockholder of record for purposes of voting at the Annual Meeting. Because you are not the stockholder of record, you may not vote your shares at the Annual Meeting unless you request and obtain a valid proxy from the organization that holds your shares giving you the right to vote the shares at the Annual Meeting.

How do I vote?

If you are a stockholder of record, you may:

- vote in person — we will provide a ballot to stockholders who attend the Annual Meeting and wish to vote in person;
- vote via the Internet or via telephone — instructions are shown on your Notice of Internet Availability or proxy card; or
- vote by mail — if you received a paper proxy card and voting instructions by mail, simply complete, sign and date the enclosed proxy card and return it before the Annual Meeting in the envelope provided.

Votes submitted via the Internet or by telephone must be received by 11:59 p.m., Eastern Time, on October 31, 2016. Submitting your proxy, whether via the Internet, by telephone or by mail if you received a paper proxy card, will not affect your right to vote at the Annual Meeting should you decide to attend the meeting.

If you are not the stockholder of record, please refer to the voting instructions provided by your nominee to direct it how to vote your shares.

Your vote is important. Whether or not you plan to attend the Annual Meeting, we urge you to vote by proxy to ensure that your vote is counted. You may still attend the Annual Meeting if you have already voted by proxy.

What is the quorum requirement for the Annual Meeting?

A majority of our outstanding shares as of the record date must be present at the Annual Meeting in order to hold the meeting and conduct business. This presence is called a quorum. Your shares are counted as present at the Annual Meeting if you are present and vote in person at the meeting or if you have properly submitted a proxy.

How are abstentions and broker non-votes treated?

Abstentions (shares present at the meeting and voted “abstain”) are counted for purposes of determining whether a quorum is present, and have no effect on the election of directors. For the purpose of determining whether the stockholders have approved all other matters, abstentions have the same effect as an “against” vote.

Broker non-votes occur when shares held by a broker for a beneficial owner are not voted either because (i) the broker did not receive voting instructions from the beneficial owner, or (ii) the broker lacked discretionary authority to vote the shares. Broker non-votes are counted for purposes of determining whether a quorum is present, and have no effect on the matters voted upon. If you are a beneficial holder and do not provide specific voting instructions to your broker, the broker that holds your shares will not be authorized to vote your shares on any of the proposals, except for Proposal 2, ratification of the appointment of KPMG as our independent public accounting firm for the 2017 fiscal year. Accordingly, we encourage you to provide voting instructions to your broker, whether or not you plan to attend the Annual Meeting.

What is the vote required for each proposal?

The votes required to approve each proposal are as follows:

- *Proposal No. 1.* Each director must be elected by a majority of the votes cast, meaning the votes "FOR" a director must exceed the number of votes "AGAINST" a director.
- *Proposal Nos. 2, 3 and 4.* Approval of each of Proposals 2, 3 and 4 requires the affirmative "FOR" vote of a majority of the shares entitled to vote on these proposals at the Annual Meeting and present in person or represented by proxy.

What if I return a proxy card but do not make specific choices?

All proxies will be voted in accordance with the instructions specified on the proxy card. If you received a Notice of Internet Availability, please follow the instructions included on the notice on how to access your proxy card and vote over the Internet or by telephone. If you sign a physical proxy card and return it without instructions as to how your shares should be voted on a particular proposal at the Annual Meeting, your shares will be voted in accordance with the recommendations of our Board stated above.

If you do not vote and you hold your shares in street name, and your broker does not have discretionary power to vote your shares, your shares may constitute "broker non-votes" (as described above) and will not be counted in determining the number of shares necessary for approval of the proposals. However, shares that constitute broker non-votes will be counted for the purpose of establishing a quorum for the Annual Meeting. Voting results will be tabulated and certified by the inspector of elections appointed for the Annual Meeting.

Who is paying for this proxy solicitation?

Symantec is paying the costs of the solicitation of proxies. We have retained D.F. King & Co., Inc. to help us solicit proxies from brokers, bank nominees and other institutions for a fee of $9,500, plus reasonable out-of-pocket expenses. We will also reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation materials to such beneficial owners. In addition, our directors, officers, and other employees, without additional compensation, may solicit proxies personally or in writing, by telephone, e-mail, or otherwise. If you choose to access the proxy materials and/or vote over the Internet, you are responsible for any Internet access charges you may incur.

What does it mean if I receive more than one proxy card or Notice of Internet Availability?

If you receive more than one proxy card or Notice of Internet Availability, your shares are registered in more than one name or are registered in different accounts. To make certain all of your shares are voted, please follow the instructions included on the Notice of Internet Availability on how to access each proxy card and vote each proxy card over the Internet or by telephone. If you received paper proxy materials by mail, please complete, sign and return each proxy card to ensure that all of your shares are voted.

How can I change my vote after submitting my proxy?

You may change your vote or revoke your proxy at any time before your proxy is voted at the Annual Meeting. If you are a stockholder of record, you may change your vote or revoke your proxy by:

- delivering to the Corporate Secretary of Symantec (by any means, including facsimile) a written notice stating that the proxy is revoked;

- signing and delivering a proxy bearing a later date;
- voting again over the Internet or by telephone; or
- attending and voting at the Annual Meeting (although attendance at the meeting will not, by itself, revoke a proxy).

Please note, however, that if you are a beneficial owner and you wish to change or revoke your proxy, you may change your vote by submitting new voting instructions to your broker, bank or other nominee or, if you have obtained a legal proxy from your broker, bank or other nominee giving you the right to vote your shares at the Annual Meeting, by attending the Annual Meeting and voting in person.

How can I get electronic access to the proxy materials?

The Notice of Internet Availability will provide you with instructions regarding how to:

- view our proxy materials for the Annual Meeting over the Internet; and
- instruct us to send our future proxy materials to you electronically by email.

Choosing to receive your future proxy materials by email will save us the cost of printing and mailing documents to you and will reduce the impact of our annual meetings of stockholders on the environment. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

Where can I find the voting results?

The preliminary voting results will be announced at the Annual Meeting and posted on our website at *investor.symantec.com*. The final results will be tallied by the inspector of elections and filed with the U.S. Securities and Exchange Commission in a current report on Form 8-K within four business days of the Annual Meeting.

ADDITIONAL INFORMATION

Stockholder Proposals for the 2017 Annual Meeting

Requirements for Stockholder Proposals to be Brought Before an Annual Meeting. Symantec's Bylaws provide that, for stockholder nominations to the Board or other proposals to be considered at an annual meeting, the stockholder must give timely notice thereof in writing to the Corporate Secretary at Symantec Corporation, 350 Ellis Street, Mountain View, California 94043, Attn: Corporate Secretary.

To be timely for the 2017 Annual Meeting of Stockholders, a stockholder's notice must be delivered to or mailed and received by our Corporate Secretary at our principal executive offices between July 3, 2017 and August 3, 2017. A stockholder's notice to the Corporate Secretary must set forth as to each matter the stockholder proposes to bring before the annual meeting the information required by Symantec's Bylaws.

Requirements for Stockholder Proposals to be Considered for Inclusion in Our Proxy Materials. Stockholder proposals submitted pursuant to Rule 14a-8 under the Exchange Act and intended to be presented at Symantec's 2016 annual meeting must be received by us not later than May 15, 2017 in order to be considered for inclusion in Symantec's proxy materials for that meeting.

Available Information

Symantec will mail without charge, upon written request, a copy of Symantec's Annual Report on Form 10-K for fiscal year 2016, including the financial statements, schedule and list of exhibits, and any exhibit specifically requested. Requests should be sent to:

Symantec Corporation
350 Ellis Street
Mountain View, California 94043
Attn: Investor Relations

The Annual Report is also available at investor.symantec.com.

"Householding" — Stockholders Sharing the Same Last Name and Address

The SEC has adopted rules that permit companies and intermediaries (such as brokers) to implement a delivery procedure called "householding." Under this procedure, multiple stockholders who reside at the same address may receive a single copy of our annual report and proxy materials, including the Notice of Internet Availability, unless the affected stockholder has provided contrary instructions. This procedure reduces printing costs and postage fees, and helps protect the environment as well.

This year, a number of brokers with account holders who are Symantec stockholders will be "householding" our annual report and proxy materials, including the Notice of Internet Availability. A single Notice of Internet Availability and, if applicable, a single set of annual report and other proxy materials will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that it will be "householding" communications to your address, "householding" will continue until you are notified otherwise or until you revoke your consent. Stockholders may revoke their consent at any time by contacting Broadridge ICS, either by calling toll-free (800) 542-1061, or by writing to Broadridge ICS, Householding Department, 51 Mercedes Way, Edgewood, New York, 11717.

Upon written or oral request, Symantec will promptly deliver a separate copy of the Notice of Internet Availability and, if applicable, annual report and other proxy materials to any stockholder at a shared address to which a single copy of any of those documents was delivered. To receive a separate copy of the Notice of Internet Availability and, if applicable, annual report and other proxy materials, you may write or call Symantec's Investor Relations department at 350 Ellis Street, Mountain View, California 94043, Attn: Investor Relations, telephone number (650) 527-5523.

Any stockholders who share the same address and currently receive multiple copies of Symantec's Notice of Internet Availability or annual report and other proxy materials who wish to receive only one copy in the future can contact their bank, broker or other holder of record to request information about householding or Symantec's Investor Relations department at the address or telephone number listed above.

OTHER MATTERS

The Board does not presently intend to bring any other business before the meeting and, so far as is known to the Board, no matters are to be brought before the meeting except as specified in the notice of the meeting. As to any business that may arise and properly come before the meeting, however, it is intended that proxies, in the form enclosed, will be voted in respect thereof in accordance with the judgment of the persons voting such proxies.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended April 1, 2016

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from to

Commission File Number 000-17781

Symantec Corporation

(Exact name of the registrant as specified in its charter)

Delaware	**77-0181864**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. employer Identification no.)*
350 Ellis Street, Mountain View, California	**94043**
(Address of principal executive offices)	*(zip code)*

Registrant's telephone number, including area code:
(650) 527-8000

Securities registered pursuant to Section 12(b) of the Act:

Common Stock, par value $0.01 per share	**The NASDAQ Stock Market LLC**
(Title of each class)	*(Name of each exchange on which registered)*

Securities registered pursuant to Section 12(g) of the Act:
None
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. Yes ☐ No ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Aggregate market value of the voting stock held by non-affiliates of the registrant, based upon the closing sale price of Symantec common stock on October 2, 2015 as reported on the NASDAQ Global Select Market: $13,338,113,735.

Number of shares outstanding of the registrant's common stock as of April 29, 2016: 612,292,085

DOCUMENTS INCORPORATED BY REFERENCE

The information called for by Part III will be included in an amendment to this Form 10-K or incorporated by reference from the registrant's definitive Proxy Statement to be filed pursuant to Regulation 14A.

SYMANTEC CORPORATION

FORM 10-K
For the Fiscal Year Ended April 1, 2016

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"Symantec," "we," "us," "our," and "the Company" refer to Symantec Corporation and all of its subsidiaries. Symantec, the Symantec Logo and Norton are trademarks or registered trademarks of Symantec in the United States ("U.S.") and other countries. Other names may be trademarks of their respective owners.

FORWARD-LOOKING STATEMENTS AND FACTORS THAT MAY AFFECT FUTURE RESULTS

The discussion below contains forward-looking statements, which are subject to safe harbors under the Securities Act of 1933, as amended (the "Securities Act") and the Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include references to our ability to utilize our deferred tax assets, as well as statements including words such as "expects," "plans," "anticipates," "believes," "estimates," "predicts," "projects," and similar expressions. In addition, projections of our future financial performance, anticipated growth and trends in our businesses and in our industries, the anticipated impacts of acquisitions, our intent to pay quarterly cash dividends in the future, the actions we intend to take as part of our new strategy, the expected impact of our new strategy and other characterizations of future events or circumstances are forward-looking statements. These statements are only predictions, based on our current expectations about future events and may not prove to be accurate. We do not undertake any obligation to update these forward-looking statements to reflect events occurring or circumstances arising after the date of this report. These forward-looking statements involve risks and uncertainties, and our actual results, performance, or achievements could differ materially from those expressed or implied by the forward-looking statements on the basis of several factors, including those that we discuss under Item 1A, Risk Factors. We encourage you to read that section carefully.

PART I

Item 1. *Business*

Overview

Symantec Corporation is a global leader in security. We operate our business on a global civilian cyber intelligence threat network and track a vast number of threats across the Internet from hundreds of millions of mobile devices, endpoints, and servers across the globe. We believe one of our competitive advantages is our database of threat indicators which allows us to reduce the number of false positives and provide faster and better protection for customers through our products. Through the delivery of new and enhanced solutions, we are integrating our security offerings across our portfolio. We are also developing novel solutions in growing markets like cloud, advanced threat protection, information protection and cyber security services. Founded in 1982, Symantec has operations in more than 35 countries and our principal executive offices are located at 350 Ellis Street, Mountain View, California, 94043. Our Internet home page is located at *www.symantec.com*.

Strategy

Our security strategy is to deliver a unified security analytics platform that provides big data analytics, utilizes our vast telemetry, provides visibility into real-time global threats, and powers Symantec and third-party security analytics applications; leverage this analytics platform to provide best-in-class consumer and enterprise security products; and offer cyber security services that provide a full-suite of services from monitoring to incident response to threat intelligence, all supported by over 500 cyber security experts and nine global security response centers.

During fiscal 2016, we executed on our five priorities: running our business with a portfolio approach by managing certain businesses for operating margin; prioritizing investments for growth; further reducing costs and improving efficiencies; attracting top talent to our executive team; and continuing to return significant cash to stockholders.

After closing the divestiture of our information management business ("Veritas"), as the world leader in cybersecurity, we are more focused than ever on the following priorities: delivering upon our Unified Security strategy, building our enterprise security pipeline and go-to-market capabilities, improving our cost structure, and fulfilling our commitment to allocate capital to our stockholders.

Divestiture of Veritas

In August 2015, we entered into a definitive agreement to sell the assets of Veritas to The Carlyle Group and certain co-investors ("Carlyle"). The transaction closed on January 29, 2016, at which time, we received net consideration of $6.6 billion in cash, excluding transaction costs, and 40 million B common shares of Veritas and Veritas assumed certain liabilities. We now have two reporting segments, Consumer Security and Enterprise Security.

Business highlights

During fiscal 2016, we took the following actions in support of our business:

- We completed the divestiture of Veritas and refocused Symantec as a pure cybersecurity company.
- We launched our SecureOne channel partner program designed specifically to help security-focused partners grow their businesses.

- In Enterprise Security, Symantec Endpoint Protection won AV-TEST's "Best Protection 2015 Award" for corporate users.

- In Consumer Security, Norton Security won AV-TEST's coveted "Best Protection Award 2015" for "home user" security.

- We released new products and services:

  - We launched Advanced Threat Protection endpoint, email, and network solutions, which detect and remediate advanced threats across control points, from a single console with just a click, without deployment of new endpoint agents.

  - We launched Encryption Everywhere, a website security package available through web hosting providers that integrates encryption into websites from the moment they are created.

- We completed a $500 million strategic investment by Silver Lake Partners and in connection with this investment, Kenneth Hao joined our Board of Directors.

- We increased our capital return program to $5.5 billion, including a $2.6 billion special dividend that was paid in March 2016 and a total of $1.5 billion in accelerated share repurchase ("ASR") transactions that were announced in November 2015 and March 2016.

Operating segments and products

Our operating segments are significant strategic business units that offer different products and services distinguished by customer needs. The two reporting segments, which are the same as our operating segments, are: Consumer Security and Enterprise Security.

Consumer Security

Our Consumer Security segment focuses on making it simple for customers to be productive and protected at home and at work. Our Norton-branded services provide multi-layer security and identity protection on major desktop and mobile operating systems, to defend against increasingly complex online threats to individuals, families, and small businesses.

Our Norton Security products help customers protect against increasingly complex threats and address the need for identity protection, while also managing the rapid increase in mobile and digital data, such as personal financial records, photos, music, and videos.

Enterprise Security

Our Enterprise Security segment protects organizations so they can securely conduct business while leveraging new platforms and data. Our Enterprise Security segment includes our threat protection products, information protection products, cyber security services, and website security offerings, previously named trust services.

These products and services help our customers secure their information in transit and wherever it resides in the network path, from the user's device to the data's resting place. These products protect customer data from sophisticated threats such as advanced protection threats, malicious spam and phishing attacks, malware, drive-by website infections, hackers, and cyber criminals. In addition, these products help to prevent the loss of confidential data by insiders, and help customers achieve and maintain compliance with laws and regulations. Our enterprise endpoint security and management offerings support the evolving endpoint, providing advanced threat protection while helping reduce cost and complexity. These solutions are delivered through various methods, such as software, appliance, Software-as-a-Service ("SaaS"), and managed services.

Financial information by segment and geographic region

For information regarding our revenue by segment, revenue by geographical area, and property and equipment by geographical area, see Note 8 of the Notes to Consolidated Financial Statements in this annual report. For information regarding the amount and percentage of our revenue contributed by each of our segments and our financial information, including information about geographic areas in which we operate, see Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations*. For information regarding risks associated with our international operations, see Item 1A, *Risk Factors*.

Sales and go-to-market strategy

Our go-to-market network includes direct sales forces and broad e-commerce capabilities, as well as indirect sales resources that support our global partner ecosystem. We also maintain important relationships with a number of original equipment manufacturers ("OEMs"), Internet service providers ("ISPs"), and retail and online stores through which we market and sell our products.

Our dedicated renewals team remains focused on extending customer relationships and renewing customer contracts with us. We also continued to streamline our indirect sales strategy to have fewer, more focused partners with specialized partner programs to enhance sales. We believe these changes provide customers with a high-quality sales and post-sales support experience, while also enabling us to expand our business.

Consumer

We sell and market our consumer products and services to individuals, households and small businesses globally. We bring these products to market through our e-commerce platform, distributors, direct marketers, Internet-based resellers, system builders, ISPs, wireless carriers, and retailers worldwide. We also maintain a limited number of partnerships with OEMs globally to distribute our Internet security and online backup offerings.

Commercial

We sell and market our products and related services to small, medium and large customers through field sales and inside sales forces that leverage indirect sales partners around the world that are specifically trained and certified to sell our solutions. These partners include national solution providers, regional solution providers, national account resellers, global/federal system integrators and managed service providers. Our products and services are also available on our e-commerce platform, as well as through authorized distributors and OEMs who incorporate our technologies into their products, bundle our products with their offerings, or serve as authorized resellers of our products.

Enterprise

We sell and market our products and related services to large enterprises, including government and public sector customers, through our field sales force. This field sales team is responsible for leveraging our global partner ecosystem primarily targeting senior executives and IT department personnel responsible for managing a company's highest-order IT initiatives.

Research and development

Symantec embraces a global research and development strategy to drive organic innovation. Our engineers and researchers are focused on delivering new versions of existing product lines as well as developing entirely new offerings to drive the company's leadership in cybersecurity. We also have a technology research organization focused on short, medium, and longer-term applied research projects, with the goal of transferring completed innovations into our product groups for commercialization.

Symantec's Security Technology and Response organization consists of a global team of security engineers, threat analysts, and researchers that provide the underlying functionality, content, and support for many of our consumer, commercial and enterprise security products. Our security experts analyze threat telemetry collected through Symantec's massive global sensor network, one of the largest cyber intelligence networks in the world, to protect our customers against current and emerging threats. Our research and development teams also leverage this vast amount of data and related insights to develop new technologies and approaches, including our Unified Security analytics platform, in order to improve security outcomes for our customers.

Research and development expenses were $748 million, $812 million, and $722 million in fiscal 2016, 2015, and 2014, respectively, representing approximately 21%, 21% and 17% of revenue in fiscal 2016, 2015 and 2014, respectively. The percentage fluctuates between periods as a result of a variety of factors, including changes in sales level and foreign currency exchange rates. We believe that technical leadership is essential to our success, and we expect to continue to commit substantial resources to research and development.

Support

Symantec has support facilities throughout the world, staffed by technical product experts knowledgeable in the operating environments in which our products are deployed. Our technical support experts assist customers with issue resolution and threat detection.

We provide consumers with various levels of support offerings. Consumers receive automatic downloads of the latest virus definitions, application bug fixes, and patches for most of our consumer products. Our consumer support program provides self-help online services and phone, chat, and email support to consumers worldwide. In addition, our Norton Security products come with a "Virus Protection Promise," which in some markets provides free virus removal services to customers whose protected computers become infected.

We provide customers various levels of enterprise support offerings. Our enterprise security support program offers annual maintenance support contracts, including content, upgrades, and technical support. Our standard technical support includes: self-service options delivered by telephone or electronically during the contracted-for hours, immediate patches for severe problems, periodic software updates, and access to our technical knowledge base and frequently asked questions.

Significant customers

In each of fiscal 2016, 2015 and 2014, no customer accounted for more than 10% of our total net revenues. One distributor accounted for 10% of our gross accounts receivable as of April 1, 2016.

Acquisitions

Our strategy will be complemented by business combinations that fit strategically and meet specific profitability hurdles. Our acquisitions are designed to enhance the features and functionality of our existing products and extend our product leadership in core markets. We consider time-to-market, synergies with existing products, and potential market share gains when evaluating the economics of acquisitions of technologies, product lines, or companies. We may acquire or dispose of other technologies, products, and companies in the future.

We did not make any material acquisitions during fiscal 2016.

Competition

Our markets are consolidating, highly competitive, and subject to rapid changes in technology. The competitive landscape has changed significantly over the past few years, with new competition arising. Much of the market growth has come from startups whose focus is on solving a specific customer issue or delivering a niche-oriented product and from larger integration providers that increasingly are looking to put various types of protection into their platforms. We are focused on delivering comprehensive customer solutions, integrating across our broad product portfolio and partnering with other technology providers to differentiate ourselves from the competition. We believe that the principal competitive factors necessary to be successful in our industry include product quality and effectiveness, time-to-market, price, reputation, financial stability, breadth of product offerings, customer support, brand recognition, and effective sales and marketing efforts.

In addition to the competition we face from direct competitors, we face indirect or potential competition from retailers, application providers, operating system providers, network equipment manufacturers, and other OEMs who may provide various solutions and functions in their current and future products. We also compete for access to retail distribution channels and for spending at the retail level and in corporate accounts. In addition, we compete with other software companies, operating system providers, network equipment manufacturers, and other OEMs to acquire technologies, products, or companies and to publish software developed by third parties. We also compete with other software companies in our effort to place our products on the computer equipment sold to consumers and enterprises by OEMs.

Most of the channels in which our products are offered are highly competitive. Some of our consumer competitors are intensely focused on customer acquisition, which has led competitors to offer their technology for free, engage in aggressive marketing, or enter into competitive partnerships. Our primary security competitors are Intel Corporation, Microsoft Corporation ("Microsoft"), and Trend Micro Inc. There are also several freeware providers and regional security companies that we compete against. For our consumer backup offerings, our primary competitors are Carbonite, Inc. and EMC Corporation. In the Secure Socket Layer Certificate market, our primary competitors are Comodo Group, Inc. and GoDaddy.com, Inc. In the SaaS security market, our primary competitors are Proofpoint and Microsoft. Our primary competitors in the managed security services business are SecureWorks Corporation and IBM Corporation.

Intellectual property

Protective measures

We regard some of the features of our internal operations, software, and documentation as proprietary and rely on copyright, patent, trademark and trade secret laws, confidentiality procedures, contractual arrangements, and other measures to protect our proprietary information. Our intellectual property is an important and valuable asset that enables us to gain recognition for our products, services, and technology and enhance our competitive position.

As part of our confidentiality procedures, we generally enter into non-disclosure agreements with our employees, distributors, and corporate partners and we enter into license agreements with respect to our software, documentation, and other proprietary information. These license agreements are generally non-transferable and have either a perpetual or subscription based time limited term. We also educate our employees on trade secret protection and employ measures to protect our facilities, equipment, and networks.

Trademarks, patents, copyrights, and licenses

Symantec and the Symantec logo are trademarks or registered trademarks in the U.S. and other countries. In addition to Symantec and the Symantec logo, we have used, registered, or applied to register other specific trademarks and service marks to help distinguish our products, technologies, and services from those of our competitors in the U.S. and foreign countries and jurisdictions. We enforce our trademark, service mark, and trade name rights in the U.S. and abroad. The duration of our trademark registrations varies from country to country, and in the U.S. we generally are able to maintain our trademark rights and renew any trademark registrations for as long as the trademarks are in use.

We have more than 1,700 patents, in addition to foreign patents and pending U.S. and foreign patent applications, which relate to various aspects of our products and technology. The duration of our patents is determined by the laws of the country of issuance and for the U.S. is typically 17 years from the date of issuance of the patent or 20 years from the date of filing of the patent application resulting in the patent, which we believe is adequate relative to the expected lives of our products.

Our products are protected under U.S. and international copyright laws and laws related to the protection of intellectual property and proprietary information. We take measures to label such products with the appropriate proprietary rights notices, and we actively enforce such rights in the U.S. and abroad. However, these measures may not provide sufficient protection, and our intellectual property rights may be challenged. In addition, we license some intellectual property from third parties for use in our products, and generally must rely on the third party to protect the licensed intellectual property rights. While we believe that our ability to maintain and protect our intellectual property rights is important to our success, we also believe that our business as a whole is not materially dependent on any particular patent, trademark, license, or other intellectual property right.

Seasonality

As is typical for many large technology companies, our business is seasonal. Orders are generally higher in our third and fourth fiscal quarters and lower in our first and second fiscal quarters. Revenue generally reflects similar seasonal patterns but to a lesser extent than orders because revenue is not recognized until an order is shipped or services are performed and other revenue recognition criteria are met, and because a significant portion of our in-period revenue comes from our deferred revenue balance.

Employees

As of April 1, 2016, we employed more than 11,000 people worldwide, approximately 46% of whom reside in the U.S. Approximately 3,000 employees work in sales and marketing, 4,000 in research and development, 2,000 in support and services, and 2,000 in management and administration.

Available information

Our Internet home page is located at *www.symantec.com.* We make available free of charge our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports as soon as reasonably practicable after we electronically file such material with the Securities and Exchange Commission ("SEC") on our investor relations website located at *www.symantec.com/invest*. The information contained, or referred to, on our website is not part of this annual report unless expressly noted. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding our filings at *http://www.sec.gov.* In addition, you may read and copy any filing that we make with the SEC at the public reference room maintained by the SEC, located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room.

Item 1A. ***Risk Factors***

A description of the risk factors associated with our business is set forth below. The list is not exhaustive and you should carefully consider these risks and uncertainties before investing in our common stock.

If we are unsuccessful at addressing our business challenges, our business and results of operations may be adversely affected and our ability to invest in and grow our business could be limited.

For the last few years, we have experienced a number of transitions as we have attempted to revitalize our business model, improve execution and innovate new products and services. These transitions have involved significant turnover in management and other key personnel, changes in our strategic direction and, more recently, the divestiture of Veritas. Transitions of the magnitude we have experienced and are experiencing can be disruptive, result in loss of institutional focus and employee morale and make the execution of business strategies more difficult. We are also focused on addressing dynamic and accelerating market trends, such as the continued decline in the PC market, the market shifts towards mobility, the transition towards cloud-based solutions and architectural shifts in the provision of security, all of which has made it more difficult for us to compete effectively and requires us to improve our product and service offerings. We may experience delays in the anticipated timing of activities related to our efforts to address these challenges and higher than expected or unanticipated execution costs. In addition, we are vulnerable to increased risks associated with these efforts and the broad range of geographic regions in which we and our customers and partners operate. If we do not succeed in these efforts, or if these efforts are more costly or time-consuming than expected, our business and results of operations may be adversely affected, which could limit our ability to invest in and grow our business.

We may not achieve the intended benefits of the divestiture of Veritas.

On January 29, 2016, we completed the divestiture of Veritas, however, we may not realize some or all of the anticipated benefits from the transaction. The resource constraints as a result of our prior focus on completing the transaction which included the loss of employees could have a continuing impact on the execution of our business strategy and our overall operating results. Additionally, in connection with the divestiture, our Board of Directors committed to returning the proceeds of the sale of Veritas to stockholders in the form of a capital return program, which included the payment of a special dividend in March 2016, entry into multiple share accelerated transactions, and continued repurchases under current and future share repurchase programs. The use of proceeds in this manner could impair the Company’s future financial growth.

Fluctuations in demand for our products and services are driven by many factors, and a decrease in demand for our products could adversely affect our financial results.

We are subject to fluctuations in demand for our products and services due to a variety of factors, including market transitions, general economic conditions, competition, product obsolescence, technological change, shifts in buying patterns, financial difficulties and budget constraints of our current and potential customers, awareness of security threats to IT systems and other factors. While such factors may, in some periods, increase product sales, fluctuations in demand can also negatively impact our product sales. If demand for our products and solutions declines, whether due to general economic conditions or a shift in buying patterns, our revenues and margins would likely be adversely affected.

Our business depends on customers renewing their arrangements for maintenance, subscriptions, managed security services and SaaS offerings.

A large portion of our revenue is derived from arrangements for maintenance, subscriptions, managed security services and SaaS offerings, yet existing customers have no contractual obligation to purchase additional solutions after the initial subscription or contract period. Our customers’ renewal rates may decline or fluctuate as a result of a number of factors, including their level of satisfaction with our solutions or our customer support, customer budgets and the pricing of our solutions compared with the solutions offered by our competitors, any of which may cause our revenue to grow more slowly than expected, if at all. Accordingly, we must invest significant time and resources in providing ongoing value to our customers. If these efforts fail, or if our customers do not renew for other reasons, or if they renew on terms less favorable to us, our revenue may decline and our business will suffer.

Any cost reduction initiatives that we undertake may not deliver the results we expect, and these actions may adversely affect our business.

In May 2016 we announced a fiscal 2017 restructuring plan to be achieved by the end of fiscal 2018. This initiative could result in disruptions to our operations. Any cost-cutting measures could also negatively impact our business by delaying the introduction of new products or technologies, interrupting service of additional products, or impacting employee retention. In addition, we cannot be sure that the cost reduction and streamlining initiatives will be as successful in reducing our overall expenses as we expect or that additional costs will not offset any such reductions or streamlining. If our operating costs are higher than we expect or if we do not maintain adequate control of our costs and expenses, our results of operations will suffer.

If we are unable to develop new and enhanced products and services that achieve widespread market acceptance, or if we are unable to continually improve the performance, features, and reliability of our existing products and services or adapt our business model to keep pace with industry trends, our business and operating results could be adversely affected.

Our future success depends on our ability to respond to the rapidly changing needs of our customers by developing or introducing new products, product upgrades and services on a timely basis. We have in the past incurred, and will continue to incur, significant research and development expenses as we strive to remain competitive. Additionally, we must continually address the challenges of dynamic and accelerating market trends, such as the emergence of advanced persistent threats in the security space, the continued decline in the PC market and the market shift towards mobility and the increasing transition towards cloud-based solutions, all of which have made it more difficult for us to compete effectively. Customers may require features and capabilities that our current solutions do not have. Our failure to develop solutions that satisfy customer preferences in a timely and cost-effective manner may harm our ability to renew our subscriptions with existing customers and to create or increase demand for our solutions and may adversely impact our operating results. New product development and introduction involves a significant commitment of time and resources and is subject to a number of risks and challenges including:

- Managing the length of the development cycle for new products and product enhancements, which has frequently been longer than we originally expected;
- Adapting to emerging and evolving industry standards and to technological developments by our competitors and customers;
- Extending the operation of our products and services to new and evolving platforms, operating systems and hardware products, such as mobile devices;
- Entering into new or unproven markets with which we have limited experience;
- Managing new product and service strategies for the markets in which we operate;
- Addressing trade compliance issues affecting our ability to ship our products;
- Developing or expanding efficient sales channels; and
- Obtaining sufficient licenses to technology and technical access from operating system software vendors on reasonable terms to enable the development and deployment of interoperable products, including source code licenses for certain products with deep technical integration into operating systems.

If we are not successful in managing these risks and challenges, or if our new products, product upgrades and services are not technologically competitive or do not achieve market acceptance, our business and operating results could be adversely affected.

We operate in a highly competitive environment, and our competitors may gain market share in the markets for our products that could adversely affect our business and cause our revenues to decline.

We operate in intensely competitive markets that experience rapid technological developments, changes in industry standards, changes in customer requirements and frequent new product introductions and improvements. If we are unable to anticipate or react to these competitive challenges or if existing or new competitors gain market share in any of our markets, our competitive position could weaken and we could experience a decline in our sales that could adversely affect our business and operating results. To compete successfully, we must maintain an innovative research and development effort to develop new products and services and enhance existing products and services, effectively adapt to changes in the technology or product rights held by our competitors, appropriately respond to competitive strategies and effectively adapt to technological changes and changes in the ways that our information is accessed, used and stored within our enterprise and consumer markets. If we are unsuccessful in responding to our competitors or to changing technological and customer demands, our competitive position and our financial results could be adversely affected.

Our competitors include software vendors that offer software products that directly compete with our product offerings. In addition to competing with these vendors directly for sales to end-users of our products, we compete with them for the opportunity to have our products bundled with the product offerings of our strategic partners such as computer hardware OEMs and ISPs. Our competitors could gain market share from us if any of these strategic partners replace our products with the products of our competitors or if these partners more actively promote our competitors' products than our products. In addition, software vendors who have bundled our products with theirs may choose to bundle their software with their own or other vendors' software or may limit our access to standard product interfaces and inhibit our ability to develop products for their platform. In the future, further product development by these vendors could cause our software applications and services to become redundant, which could significantly impact our sales and financial results.

We face growing competition from network equipment, computer hardware manufacturers, large operating system providers and other technology companies that are increasingly developing and incorporating into their products data protection software that competes at some levels with our product offerings. Our competitive position could be adversely affected to the extent that our customers perceive the functionality incorporated into these products as replacing the need for our products.

Security protection is also offered by some of our competitors at prices lower than our prices or, in some cases is offered free of charge. Some companies offer the lower-priced or free security products within their computer hardware or software products that we believe are inferior to our products and SaaS offerings. Our competitive position could be adversely affected to the extent that our customers perceive these security products as replacing the need for more effective, full featured products and services, such as those that we provide. The expansion of these competitive trends could have a significant negative impact on our sales and financial results by causing, among other things, price reductions of our products, reduced profitability and loss of market share.

Many of our competitors have greater financial, technical, sales, marketing or other resources than we do and consequently, may have the ability to influence customers to purchase their products instead of ours. Further consolidation within our industry or other changes in the competitive environment could result in larger competitors that compete with us on several levels. We also face competition from many smaller companies that specialize in particular segments of the markets in which we compete.

Fluctuations in our quarterly financial results have affected the price of our common stock in the past and could affect our stock price in the future.

Our quarterly financial results have fluctuated in the past and are likely to vary significantly in the future due to a number of factors, many of which are outside of our control. If our quarterly financial results or our predictions of future financial results fail to meet our expectations or the expectations of securities analysts and investors, our stock price could be negatively affected. Any volatility in our quarterly financial results may make it more difficult for us to raise capital in the future or pursue acquisitions that involve issuances of our stock. Our operating results for prior periods may not be effective predictors of our future performance.

Factors associated with our industry, the operation of our business, and the markets for our products may cause our quarterly financial results to fluctuate, including:

- Reduced demand for any of our products and services;
- Entry of new competition into our markets;

- Competitive pricing pressure for one or more of our classes of products;
- Our ability to timely complete the release of new or enhanced versions of our products;
- How well we execute our strategy and operating plans and the impact of changes in our business model that could result in significant restructuring charges;
- Fluctuations in foreign currency exchange rates;
- The number, severity, and timing of threat outbreaks (e.g. worms, viruses, malware, ransomeware and other malicious threats);
- Our resellers making a substantial portion of their purchases near the end of each quarter;
- Enterprise customers' tendency to negotiate site licenses near the end of each quarter;
- Cancellation, deferral, or limitation of orders by customers;
- Changes in the mix or type of products sold;
- Movements in interest rates;
- The rate of adoption of new product technologies and new releases of operating systems;
- Changes in accounting rules;
- Weakness or uncertainty in general economic or industry conditions in any of the multiple markets in which we operate that could reduce customer demand and ability to pay for our products and services;
- Political and military instability, which could slow spending within our target markets, delay sales cycles, and otherwise adversely affect our ability to generate revenues and operate effectively;
- Budgetary constraints of customers, which are influenced by corporate earnings and government budget cycles and spending objectives;
- Disruptions in our business operations or target markets caused by, among other things, earthquakes, floods, or other natural disasters affecting our headquarters located in Silicon Valley, California, an area known for seismic activity, or our other locations worldwide;
- Acts of war or terrorism;
- Intentional disruptions by third parties; and
- Health or similar issues, such as a pandemic.

Any of the foregoing factors could cause the trading price of our common stock to fluctuate significantly.

Our business models present execution and competitive risks.

In recent years, our SaaS offerings have become increasingly critical in our business. Our competitors are rapidly developing and deploying SaaS offerings for consumers and business customers. Pricing and delivery models are evolving. Devices and form factors influence how users access services in the cloud. We are devoting significant resources to develop and deploy our own SaaS strategies. We cannot assure you that our investments in and development of SaaS offerings will achieve the expected returns for us or that we will be able to compete successfully in the marketplace. In addition to software development costs, we are incurring costs to build and maintain infrastructure to support SaaS offerings. These costs may reduce the operating margins we have previously achieved. Whether we are successful in this business model depends on our execution in a number of areas, including:

- Continuing to innovate and bring to market compelling cloud-based experiences that generate increasing traffic and market share; and
- Ensuring that our SaaS offerings meet the reliability expectations of our customers and maintain the security of their data.

We may need to change our pricing models to compete successfully.

The intense competition we face in the sales of our products and services and general economic and business conditions can put pressure on us to change our prices. If our competitors offer deep discounts on certain products or services or develop products that the marketplace considers more valuable, we may need to lower prices or offer other favorable terms in order to compete successfully. Any such changes may reduce margins and could adversely affect operating results. Additionally, the increasing prevalence of cloud and SaaS delivery models offered by us and our competitors may unfavorably impact pricing in both our on-premise enterprise software business and our cloud business, as well as overall demand for our on-premise software product and service offerings, which could reduce our revenues and profitability. Our competitors may offer lower pricing on their support offerings, which could put pressure on us to further discount our product or support pricing.

Any broad-based change to our prices and pricing policies could cause our revenues to decline or be delayed as our sales force implements and our customers adjust to the new pricing policies. Some of our competitors may bundle products for promotional purposes or as a long-term pricing strategy or provide guarantees of prices and product implementations. These practices could, over time, significantly constrain the prices that we can charge for certain of our products. If we do not adapt our pricing models to reflect changes in customer use of our products or changes in customer demand, our revenues could decrease. The increase in open source software distribution may also cause us to change our pricing models.

Defects, disruptions or risks related to the provision of our SaaS offerings could impair our ability to deliver our services and could expose us to liability, damage our brand and reputation or otherwise negatively impact our business.

Our SaaS offerings may contain errors or defects that users identify after they begin using them that could result in unanticipated service interruptions, which could harm our reputation and our business. Since our customers use our SaaS offerings for mission-critical protection from threats to electronic information, endpoint devices, and computer networks, any errors, defects, disruptions in service or other performance problems with our SaaS offerings could significantly harm our reputation and may damage our customers' businesses. If that occurs, customers could elect not to renew, or delay or withhold payment to us, we could lose future sales or customers may make warranty or other claims against us, which could result in an increase in our provision for doubtful accounts, an increase in collection cycles for accounts receivable or the expense and risk of litigation.

We currently serve our SaaS-based customers from hosting facilities located across the globe. Damage to, or failure of, any significant element of these hosting facilities could result in interruptions in our service, which could harm our customers and expose us to liability. Interruptions or failures in our service delivery could cause customers to terminate their subscriptions with us, could adversely affect our renewal rates, and could harm our ability to attract new customers. Our business would also be harmed if our customers believe that our SaaS offerings are unreliable.

We collect, use, disclose, store or otherwise process personal information, which subjects us to privacy and data security laws and contractual commitments, and our actual or perceived failure to comply with such laws and commitments could harm our business.

The personal information we collect, use, store or disclose (collectively, "Process"), including from employees and customers, is subject to an increasing number of federal, state, local and foreign laws regarding privacy and data security, as well as contractual commitments. Any failure or perceived failure by us to comply with such obligations may result in governmental enforcement actions, fines, litigation, or public statements against us by consumer advocacy groups or others and could cause our customers to lose trust in us, which could have an adverse effect on our reputation and business. Our customers may also accidentally disclose their passwords or store them on a device that is lost or stolen, creating the perception that our systems are not secure against third-party access. Additionally, if third parties that we work with, such as vendors or developers, violate applicable laws or our policies, such violations may also place personal information at risk and have an adverse effect on our business. Changes to applicable privacy or data security laws could impact how we Process personal information, and therefore limit the effectiveness of our products, services or features, or our ability to develop new products, services or features.

If we fail to manage our sales and distribution channels effectively, or if our partners choose not to market and sell our products to their customers, our operating results could be adversely affected.

We sell our products to customers around the world through multi-tiered sales and distribution networks. Sales through these different channels involve distinct risks, including the following:

Direct Sales. A significant portion of our revenues from enterprise products is derived from sales by our direct sales force to end-users. Special risks associated with direct sales include:

- Longer sales cycles associated with direct sales efforts;
- Difficulty in hiring, retaining, and motivating our direct sales force, particularly through periods of transition in our organization; and
- Substantial amounts of training for sales representatives to become productive in selling our products and services, including regular updates to cover new and revised products, and associated delays and difficulties in recognizing the expected benefits of investments in new products and updates.

Indirect Sales Channels. A significant portion of our revenues is derived from sales through indirect channels, including distributors that sell our products to end-users and other resellers. This channel involves a number of risks, including:

- Our lack of control over the timing of delivery of our products to end-users;
- Our resellers and distributors are generally not subject to minimum sales requirements or any obligation to market our products to their customers;
- Our reseller and distributor agreements are generally nonexclusive and may be terminated at any time without cause;
- Our resellers and distributors frequently market and distribute competing products and may, from time to time, place greater emphasis on the sale of these products due to pricing, promotions, and other terms offered by our competitors; and
- The consolidation of electronics retailers has increased their negotiating power with respect to hardware and software providers such as us.

OEM Sales Channels. A portion of our revenues is derived from sales through our OEM partners that incorporate our products into, or bundle our products with, their products. Our reliance on this sales channel involves many risks, including:

- Our lack of control over the volume of systems shipped and the timing of such shipments;
- Our OEM partners are generally not subject to minimum sales requirements or any obligation to market our products to their customers;
- Our OEM partners may terminate or renegotiate their arrangements with us and new terms may be less favorable due to competitive conditions in our markets and other factors;
- Sales through our OEM partners are subject to changes in general economic conditions, strategic direction, competitive risks, and other issues that could result in a reduction of OEM sales;
- The development work that we must generally undertake under our agreements with our OEM partners may require us to invest significant resources and incur significant costs with little or no assurance of ever receiving associated revenues;
- The time and expense required for the sales and marketing organizations of our OEM partners to become familiar with our products may make it more difficult to introduce those products to the market; and
- Our OEM partners may develop, market, and distribute their own products and market and distribute products of our competitors, which could reduce our sales.

If we fail to manage our sales and distribution channels successfully, these channels may conflict with one another or otherwise fail to perform as we anticipate, which could reduce our sales and increase our expenses as well as weaken our competitive position. Some of our distribution partners have experienced financial difficulties in the past, and if our partners suffer financial difficulties in the future because of general economic conditions or for other reasons, these partners may delay paying their obligations to us and we may have reduced sales or increased bad debt expense that could adversely affect our operating results. In addition, reliance on multiple channels subjects us to events that could cause unpredictability in demand, which could increase the risk that we may be unable to plan effectively for the future, and could result in adverse operating results in future periods.

Over the long term we intend to invest in research and development activities, and these investments may achieve delayed, or lower than expected, benefits which could harm our operating results.

While we continue to focus on managing our costs and expenses, over the long term, we also intend to invest significantly in research and development activities as we focus on organic growth through internal innovation in each of our business segments. We believe that we must continue to dedicate a significant amount of resources to our research and development efforts to maintain our competitive position. We recognize the costs associated with these research and development investments earlier than the anticipated benefits, and the return on these investments may be lower, or may develop more slowly, than we expect. If we do not achieve the benefits anticipated from these investments, or if the achievement of these benefits is delayed, our operating results may be adversely affected.

Changes in industry structure and market conditions could lead to charges related to discontinuances of certain of our products or businesses and asset impairments.

In response to changes in industry and market conditions and in connection with the recent divestiture of Veritas, we may be required to strategically reallocate our resources and consider restructuring, disposing of or otherwise exiting businesses. Any decision to limit investment in or dispose of or otherwise exit businesses may result in the recording of special charges, such as inventory and technology-related write-offs, workforce reduction costs, charges relating to consolidation of excess facilities or claims from third parties who were resellers or users of discontinued products. Our estimates with respect to the useful life or ultimate recoverability of our carrying basis of assets, including purchased intangible assets, could change as a result of such assessments and decisions. Although in certain instances our supply agreements allow us the option to cancel, reschedule and adjust our requirements based on our business needs prior to firm orders being placed, our loss contingencies may include liabilities for contracts that we cannot cancel, reschedule or adjust with contract manufacturers and suppliers. Further, our estimates relating to the liabilities for excess facilities are affected by changes in real estate market conditions. Additionally, we are required to evaluate goodwill impairment on an annual basis and between annual evaluations in certain circumstances, and future goodwill impairment evaluations may result in a charge to earnings.

Our inability to successfully recover from a disaster or other business continuity event could impair our ability to deliver our products and services and harm our business.

We are heavily reliant on our technology and infrastructure to provide our products and services to our customers. For example, we host many of our products using third-party data center facilities and we do not control the operation of these facilities. These facilities are vulnerable to damage, interruption or performance problems from earthquakes, hurricanes, floods, fires, power loss, telecommunications failures and similar events. They are also subject to break-ins, computer viruses, sabotage, intentional acts of vandalism and other misconduct. The occurrence of a natural disaster or an act of terrorism, a decision to close the facilities without adequate notice or other unanticipated problems could result in lengthy interruptions in the delivery of our products and services.

Furthermore, our business administration, human resources and finance services depend on the proper functioning of our computer, telecommunication and other related systems and operations. A disruption or failure of these systems or operations because of a disaster or other business continuity event could cause data to be lost or otherwise delay our ability to complete sales and provide the highest level of service to our customers. In addition, we could have difficulty producing accurate financial statements on a timely basis, which could adversely affect the trading value of our stock. Although we endeavor to ensure there is redundancy in these systems and that they are regularly backed-up, there are no assurances that data recovery in the event of a disaster would be effective or occur in an efficient manner.

Any errors, defects, disruptions or other performance problems with our products and services could harm our reputation and may damage our customers' businesses. For example, we may experience disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints due to an overwhelming number of users accessing our website simultaneously, fraud or security attacks. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Interruptions in our products and services could impact our revenues or cause customers to cease doing business with us. In addition, our business would be harmed if any of events of this nature caused our customers and potential customers to believe our services are unreliable. Our operations are dependent upon our ability to protect our technology infrastructure against damage from business continuity events that could have a significant disruptive effect on our operations. We could potentially lose customer data or experience material adverse interruptions to our operations or delivery of services to our clients in a disaster recovery scenario.

We have grown, and may continue to grow, through acquisitions, which gives rise to risks and challenges that could adversely affect our future financial results.

We have in the past acquired, and we expect to acquire in the future, other businesses, business units, and technologies. Acquisitions can involve a number of special risks and challenges, including:

- Complexity, time, and costs associated with the integration of acquired business operations, workforce, products, and technologies;
- Diversion of management time and attention;
- Loss or termination of employees, including costs associated with the termination or replacement of those employees;
- Assumption of liabilities of the acquired business, including litigation related to the acquired business;
- The addition of acquisition-related debt as well as increased expenses and working capital requirements;
- Dilution of stock ownership of existing stockholders; and
- Substantial accounting charges for restructuring and related expenses, write-off of in-process research and development, impairment of goodwill, amortization of intangible assets, and stock-based compensation expense.

If integration of our acquired businesses is not successful, we may not realize the potential benefits of an acquisition or suffer other adverse effects. To integrate acquired businesses, we must implement our technology systems in the acquired operations and integrate and manage the personnel of the acquired operations. We also must effectively integrate the different cultures of acquired business organizations into our own in a way that aligns various interests, and may need to enter new markets in which we have no or limited experience and where competitors in such markets have stronger market positions.

Any of the foregoing, and other factors, could harm our ability to achieve anticipated levels of profitability from our acquired businesses or to realize other anticipated benefits of acquisitions.

Our international operations involve risks that could increase our expenses, adversely affect our operating results, and require increased time and attention of our management.

We derive a substantial portion of our revenues from customers located outside of the U.S. and we have significant operations outside of the U.S., including engineering, sales, customer support, and production. We plan to expand our international operations, but such expansion is contingent upon our identification of growth opportunities. Our international operations are subject to risks in addition to those faced by our domestic operations, including:

- Potential loss of proprietary information due to misappropriation or laws that may be less protective of our intellectual property rights than U.S. laws or that may not be adequately enforced;
- Requirements of foreign laws and other governmental controls, including trade and labor restrictions and related laws that reduce the flexibility of our business operations;
- Regulations or restrictions on the use, import, or export of encryption technologies that could delay or prevent the acceptance and use of encryption products and public networks for secure communications;
- Local business and cultural factors that differ from our normal standards and practices, including business practices that we are prohibited from engaging in by the Foreign Corrupt Practices Act and other anti-corruption laws and regulations;
- Central bank and other restrictions on our ability to repatriate cash from our international subsidiaries or to exchange cash in international subsidiaries into cash available for use in the U.S.;
- Fluctuations in currency exchange rates, economic instability and inflationary conditions could reduce our customers' ability to obtain financing for software products or could make our products more expensive or could increase our costs of doing business in certain countries;
- Limitations on future growth or inability to maintain current levels of revenues from international sales if we do not invest sufficiently in our international operations;
- Longer payment cycles for sales in foreign countries and difficulties in collecting accounts receivable;
- Difficulties in staffing, managing, and operating our international operations, including difficulties related to administering our stock plans in some foreign countries;
- Difficulties in coordinating the activities of our geographically dispersed and culturally diverse operations;
- Seasonal reductions in business activity in the summer months in Europe and in other periods in other countries;
- Costs and delays associated with developing software and providing support in multiple languages; and
- Political unrest, war, or terrorism, or regional natural disasters, particularly in areas in which we have facilities.

A significant portion of our transactions outside of the U.S. is denominated in foreign currencies. Accordingly, our revenues and expenses will continue to be subject to fluctuations in foreign currency rates. For example, in recent periods the U.S. dollar has strengthened significantly against the Euro and other major currencies, which has adversely impacted our reported international revenue. We expect to be affected by fluctuations in foreign currency rates in the future, especially if international sales continue to grow as a percentage of our total sales or our operations outside the U.S. continue to increase.

The level of corporate income tax from sales to our non-U.S. customers is generally less than the level of tax from sales to our U.S. customers. This benefit is contingent upon existing tax regulations in the U.S. and in the countries in which our international operations are located. Future changes in domestic or international tax regulations could adversely affect our ability to continue to realize these tax benefits.

Our products are complex and operate in a wide variety of environments, systems, applications and configurations, which could result in errors or product failures.

Because we offer very complex products, undetected errors, failures, or bugs may occur, especially when products are first introduced or when new versions are released. Our products are often installed and used in large-scale computing environments with different operating systems, system management software, and equipment and networking configurations, which may cause errors or failures in our products or may expose undetected errors, failures, or bugs in our products. Our customers' computing environments are often characterized by a wide variety of standard and non-standard configurations that make pre-release testing for programming or compatibility errors very difficult and time-consuming. In addition, despite testing by us and others, errors, failures, or bugs may not be found in new products or releases until after commencement of commercial shipments. In the past, we have discovered software errors, failures, and bugs in certain of our product offerings after their introduction and, in some cases, have experienced delayed or lost revenues as a result of these errors.

Errors, failures, or bugs in products released by us could result in negative publicity, damage to our brand, product returns, loss of or delay in market acceptance of our products, loss of competitive position, or claims by customers or others. Many of our end-user customers use our products in applications that are critical to their businesses and may have a greater sensitivity to defects in our products than to defects in other, less critical, software products. In addition, if an actual or perceived breach of information integrity, security or availability occurs in one of our end-user customer's systems, regardless of whether the breach is attributable to our products, the market perception of the effectiveness of our products could be harmed. Alleviating any of these problems could require significant expenditures of our capital and other resources and could cause interruptions, delays, or cessation of our product licensing, which could cause us to lose existing or potential customers and could adversely affect our operating results.

If we do not protect our proprietary information and prevent third parties from making unauthorized use of our products and technology, our financial results could be harmed.

Most of our software and underlying technology is proprietary. We seek to protect our proprietary rights through a combination of confidentiality agreements and procedures and through copyright, patent, trademark and trade secret laws. However, all of these measures afford only limited protection and may be challenged, invalidated or circumvented by third parties. Third parties may copy all or portions of our products or otherwise obtain, use, distribute, and sell our proprietary information without authorization.

Third parties may also develop similar or superior technology independently by designing around our patents. Our shrink- wrap license agreements are not signed by licensees and therefore may be unenforceable under the laws of some jurisdictions. Furthermore, the laws of some foreign countries do not offer the same level of protection of our proprietary rights as the laws of the U.S., and we may be subject to unauthorized use of our products in those countries. The unauthorized copying or use of our products or proprietary information could result in reduced sales of our products. Any legal action to protect proprietary information that we may bring or be engaged in with a strategic partner or vendor could adversely affect our ability to access software, operating system, and hardware platforms of such partner or vendor, or cause such partner or vendor to choose not to offer our products to their customers. In addition, any legal action to protect proprietary information that we may bring or be engaged in, could be costly, may distract management from day-to-day operations, and may lead to additional claims against us, which could adversely affect our operating results.

From time to time we are a party to lawsuits and investigations, which typically require significant management time and attention and result in significant legal expenses, and which could, if not determined favorably, negatively impact our business, financial condition, results of operations, and cash flows.

We have been named as a party to lawsuits, including patent litigation, class actions and governmental claims, and we may be named in additional litigation. The expense of defending such litigation may be costly and divert management's attention from the day-to-day operations of our business, which could adversely affect our business, results of operations, and cash flows. In addition, an unfavorable outcome in such litigation could result in significant fines, settlements, monetary damages or injunctive relief that could negatively impact our ability to conduct our business, results of operations, and cash flows.

Third parties claiming that we infringe their proprietary rights could cause us to incur significant legal expenses and prevent us from selling our products.

From time to time, third parties may claim that we have infringed their intellectual property rights, including claims regarding patents, copyrights, and trademarks. Because of constant technological change in the segments in which we compete, the extensive patent coverage of existing technologies, and the rapid rate of issuance of new patents, it is possible that the number of these claims may grow. In addition, former employers of our former, current, or future employees may assert claims that such employees have improperly disclosed to us the confidential or proprietary information of these former employers. Any such claim, with or without merit, could result in costly litigation and distract management from day-to-day operations. If we are not successful in defending such claims, we could be required to stop selling, delay shipments of, or redesign our products, pay monetary amounts as damages, enter into royalty or licensing arrangements, or satisfy indemnification obligations that we have with some of our customers. We cannot assure you that any royalty or licensing arrangements that we may seek in such circumstances will be available to us on commercially reasonable terms or at all. We have made and expect to continue making significant expenditures to investigate, defend and settle claims related to the use of technology and intellectual property rights as part of our strategy to manage this risk.

In addition, we license and use software from third parties in our business. These third party software licenses may not continue to be available to us on acceptable terms or at all, and may expose us to additional liability. This liability, or our inability to use any of this third party software, could result in shipment delays or other disruptions in our business that could materially and adversely affect our operating results.

Adverse global economic events may impact our customers' ability to do business with us, thereby harming our business, operating results and financial condition.

Adverse macroeconomic conditions could negatively affect our customers, thereby impacting our business, operating results or financial condition. During challenging economic times and periods of high unemployment, current or potential customers may delay or forgo decisions to license new products or additional instances of existing products, upgrade their existing hardware or operating environments (which upgrades are often a catalyst for new purchases of our software), or purchase services. Customers may also have difficulties in obtaining the requisite third-party financing to complete the purchase of our products and services. Any of these scenarios could adversely affect our business.

Our exposure to credit risk and payment delinquencies on our accounts receivable significantly increases in adverse economic conditions.

An adverse macroeconomic environment could subject us to increased credit risk should customers be unable to pay us, or delay paying us, for previously purchased products and services. Our outstanding accounts receivables are generally not secured. In addition, our standard terms and conditions permit payment within a specified number of days following the receipt of our product. Accordingly, reserves for doubtful accounts and write-offs of accounts receivable may increase. In addition, weakness in the market for end users of our products could harm the cash flow of our distributors and resellers who could then delay paying their obligations to us. This would further increase our credit risk exposure and, potentially, cause delays in our recognition of revenue on sales to these customers. Further, while no customer accounted for more than 10% of our total net revenues in each of fiscal 2016, 2015 and 2014, one distributor accounted for 10% of our gross accounts receivable as of April 1, 2016. The loss of this or other large customers could have a negative impact on our business. While we have procedures to monitor and limit exposure to credit risk on our receivables and have not suffered any material losses to date, there can be no assurance such procedures will continue to effectively limit our credit risk and avoid future losses.

We cannot predict our future capital needs and we may be unable to obtain financing, which could have a material adverse effect on our business, results of operations and financial condition.

The onset or continuation of adverse economic conditions may make it more difficult to obtain financing for our operations, investing activities (including potential acquisitions) or financing activities. Any required financing may not be available on terms acceptable to us, or at all. If we raise additional funds by obtaining loans from third parties, the terms of those financing arrangements may include negative covenants or other restrictions on our business that could impair our financial or operational flexibility, and would also require us to fund additional interest expense. If additional financing is not available when required or is not available on acceptable terms, we may be unable to successfully develop or enhance our software and services through acquisitions in order to take advantage of business opportunities or respond to competitive pressures, which could have a material adverse effect on our software and services offerings, revenues, results of operations and financial condition.

Failure to maintain our credit ratings could adversely affect our liquidity, capital position, ability to hedge certain financial risks, borrowing costs and access to capital markets.

Our credit risk is evaluated by the major independent rating agencies, and such agencies have in the past and could in the future downgrade our ratings. We cannot assure you that we will be able to maintain our current credit ratings, and any additional actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, may further impact us in a similar manner and may have a negative impact on our liquidity, capital position, ability to hedge certain financial risks and access to capital markets.

Our financial condition and results of operations could be adversely affected if we do not effectively manage our liabilities.

As a result of the sale of our 4.20% Senior Notes ("4.20% notes due 2020") in September 2010, and our 2.75% Senior Notes ("2.75 notes due 2017") and 3.95% Senior Notes ("3.95% notes due 2022") in June 2012 and 2.50% Convertible Senior ("2.50% senior convertible notes due 2021") in March 2016, we have notes outstanding in an aggregate principal amount of $2.3 billion that mature at specific dates in calendar years 2017, 2020, 2021 and 2022. In addition, we have entered into a credit facility with a borrowing capacity of $1.0 billion. From time to time in the future, we may also incur indebtedness in addition to the amount available under our credit facility. The maintenance of our debt levels could adversely affect our flexibility to take advantage of certain corporate opportunities and could adversely affect our financial condition and results of operations.

We may be required to use all or a substantial portion of our cash balance to repay these notes on maturity unless we can obtain new financing. There is a risk that we may not be able to refinance existing debt or that the terms of any refinancing may not be as favorable as the terms of our existing debt. Furthermore, if prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, then the interest expense relating to that refinanced indebtedness would increase. In addition, changes by any rating agency to our outlook or credit rating could negatively affect the value of both our debt and equity securities and increase the interest we pay on outstanding or future debt. These risks could adversely affect our financial condition and results of operations.

Our software products, SaaS Offerings and website may be subject to intentional disruption that could adversely impact our reputation and future sales.

Despite our precautions and significant ongoing investments to protect against security risks, data protection breaches, cyber-attacks and other intentional disruptions of our products and offerings, we expect to be an ongoing target of attacks specifically designed to impede the performance and availability of our products and offerings and harm our reputation as a company. Similarly, experienced computer programmers may attempt to penetrate our network security or the security of our website and misappropriate proprietary information or cause interruptions of our services. Because the techniques used by such computer programmers to access or sabotage networks change frequently and may not be recognized until launched against a target, we may be unable to anticipate these techniques. The theft or unauthorized use or publication of our trade secrets and other confidential business information as a result of such an event could adversely affect our competitive position, reputation, brand and future sales of our products, and our customers may assert claims against us related to resulting losses of confidential or proprietary information. Furthermore, our employees or contractors may, either intentionally or unintentionally, subject us to information security risks and incidents. Our business could be subject to significant disruption, and we could suffer monetary and other losses and reputational harm, in the event of such incidents.

Some of our products contain "open source" software, and any failure to comply with the terms of one or more of these open source licenses could negatively affect our business.

Certain of our products are distributed with software licensed by its authors or other third parties under so-called "open source" licenses, which may include, by way of example, the GNU General Public License, GNU Lesser General Public License, the Mozilla Public License, the BSD License, and the Apache License. Some of these licenses contain requirements that we make available source code for modifications or derivative works we create based upon the open source software, and that we license such modifications or derivative works under the terms of a particular open source license or other license granting third parties certain rights of further use. By the terms of certain open source licenses, we could be required to release the source code of our proprietary software if we combine our proprietary software with open source software in a certain manner. In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third party commercial software, as open source licensors generally do not provide warranties or controls on origin of the software. We have established processes to help alleviate these risks, including a review process for screening requests from our development organizations for the use of open source, but we cannot be sure that all open source is submitted for approval prior to use in our products. In addition, many of the risks associated with usage of open source cannot be eliminated, and could, if not properly addressed, negatively affect our business.

If we are unable to adequately address increased customer demands on our technical support services, our relationships with our customers and our financial results may be adversely affected.

We offer technical support services with many of our products. We may be unable to respond quickly enough to accommodate short-term increases in customer demand for support services. We also may be unable to modify the format of our support services to compete with changes in support services provided by competitors or successfully integrate support for our customers. Further customer demand for these services, without corresponding revenues, could increase costs and adversely affect our operating results.

We have outsourced a substantial portion of our worldwide consumer support functions to third party service providers. If these companies experience financial difficulties, do not maintain sufficiently skilled workers and resources to satisfy our contracts, or otherwise fail to perform at a sufficient level under these contracts, the level of support services to our customers may be significantly disrupted, which could materially harm our relationships with these customers.

If we are unable to attract and retain qualified employees, lose key personnel, fail to integrate replacement personnel successfully, or fail to manage our employee base effectively, we may be unable to develop new and enhanced products and services, effectively manage or expand our business, or increase our revenues.

Our future success depends upon our ability to recruit and retain key management, technical, sales, marketing, finance and other personnel. Our officers and other key personnel are employees-at-will, and we cannot assure you that we will be able to retain them. Competition for people with the specific skills that we require is significant, and we face difficulties in attracting, retaining and motivating employees as a result. In connection with the divestiture of Veritas, we experienced employee attrition and related difficulties and these difficulties may continue or increase with the divestiture of Veritas now complete. In order to attract and retain personnel in a competitive marketplace, we believe that we must provide a competitive compensation package, including cash and equity-based compensation. The volatility in our stock price may from time to time adversely affect our ability to recruit or retain employees. In addition, we may be unable to obtain required stockholder approvals of future increases in the number of shares available for issuance under our equity compensation plans, and accounting rules require us to treat the issuance of equity-based compensation as compensation expense. As a result, we may decide to issue fewer equity-based incentives and may be impaired in our efforts to attract and retain necessary personnel. If we are unable to hire and retain qualified employees, or conversely, if we fail to manage employee performance or reduce staffing levels when required by market conditions, our business and operating results could be adversely affected.

Effective succession planning is also important to our long-term success. Failure to ensure effective transfer of knowledge and smooth transitions involving key employees could hinder our strategic planning and execution. From time to time, key personnel leave our company and the incidence of this increased in recent periods due to the transitions we have experienced over the last few years including the divestiture of Veritas. For example, we recently announced that for the third time in four years, we are initiating a Chief Executive Officer transition process, and appointed an interim President and Chief Operating Officer. While we strive to reduce the negative impact of changes in our leadership, the loss of any key employee could result in significant disruptions to our operations, including adversely affecting the timeliness of product releases, the successful implementation and completion of company initiatives, the effectiveness of our disclosure controls and procedures and our internal control over financial reporting, and our results of operations. In addition, hiring, training, and successfully integrating replacement sales and other personnel could be time consuming and expensive, may cause additional disruptions to our operations, and may be unsuccessful, which could negatively impact future financial results. These risks may be exacerbated by the uncertainty associated with the transitions we have experienced over the last few years.

Our contracts with the U.S. government include compliance, audit and review obligations. Any failure to meet these obligations could result in civil damages and/or penalties being assessed against us by the government.

We sell products and services through government contracting programs directly and via partners, though we no longer hold a GSA contract. In the ordinary course of business, sales under these government contracting programs may be subject to audit or investigation by the U.S. government. Noncompliance identified as a result of such reviews (as well as noncompliance identified on our own) could subject us to damages and other penalties, which could adversely affect our operating results and financial condition.

Accounting charges may cause fluctuations in our quarterly financial results.

Our financial results have been in the past, and may continue to be in the future, materially affected by non-cash and other accounting charges, including:

- Amortization of intangible assets;
- Depreciation of property, plant and equipment;
- Impairment of goodwill and other long-lived assets;
- Stock-based compensation expense;
- Restructuring charges; and
- Loss on sale of a business and similar write-downs of assets held for sale.

Our effective tax rate may increase, which could increase our income tax expense and reduce (increase) our net income (loss).

Our effective tax rate could be adversely affected by several factors, many of which are outside of our control, including:

- Changes in the relative proportions of revenues and income before taxes in the various jurisdictions in which we operate that have differing statutory tax rates;
- Changing tax laws, regulations, and interpretations in multiple jurisdictions in which we operate, including possible corporate tax reform in the U.S., actions resulting from the Organisation for Economic Cooperation and Development’s base erosion and profit shifting project, proposed actions by international bodies, as well as the requirements of certain tax rulings;

- The tax effects of purchase accounting for acquisitions and restructuring charges that may cause fluctuations between reporting periods;
- Tax assessments, or any related tax interest or penalties that could significantly affect our income tax expense for the period in which the settlements take place; and
- Taxes arising in connection with the recent divestiture of Veritas.

The price of our common stock could decline if our financial results are materially affected by an adverse change in our effective tax rate.

We report our results of operations based on our determination of the aggregate amount of taxes owed in the tax jurisdictions in which we operate. From time to time, we receive notices that a tax authority in a particular jurisdiction believes that we owe a greater amount of tax than we have reported to such authority. We are regularly engaged in discussions and sometimes disputes with these tax authorities. We are engaged in disputes of this nature at this time. If the ultimate determination of our taxes owed in any of these jurisdictions is for an amount in excess of the tax provision we have recorded or reserved for, our operating results, cash flows, and financial condition could be adversely affected.

Our stock price may be volatile in the future, and you could lose the value of your investment.

The market price of our common stock has experienced significant fluctuations in the past and may continue to fluctuate in the future, and as a result you could lose the value of your investment. The market price of our common stock may be affected by a number of factors, including:

- Announcements of quarterly operating results and revenue and earnings forecasts by us that fail to meet or be consistent with our earlier projections or the expectations of our investors or securities analysts;
- Announcements by either our competitors or customers that fail to meet or be consistent with their earlier projections or the expectations of our investors or securities analysts;
- Rumors, announcements or press articles regarding our or our competitors' operations, management, organization, financial condition, or financial statements;
- Changes in revenue and earnings estimates by us, our investors or securities analysts;
- Accounting charges, including charges relating to the impairment of goodwill;
- Announcements of planned acquisitions or dispositions by us or by our competitors;
- Announcements of new or planned products by us, our competitors, or our customers;
- Gain or loss of a significant customer, partner, reseller or distributor;
- Inquiries by the SEC, NASDAQ, law enforcement, or other regulatory bodies;
- Acts of terrorism, the threat of war, and other crises or emergency situations; and
- Economic slowdowns or the perception of an oncoming economic slowdown in any of the major markets in which we operate.

The stock market in general, and the market prices of stocks of technology companies in particular, have experienced extreme price volatility that has adversely affected, and may continue to adversely affect, the market price of our common stock for reasons unrelated to our business or operating results.

Unforeseen catastrophic or other global events could harm our operating results and financial condition.

We are a global company and conduct our business inside and outside the U.S. Our business operations and financial results could be adversely impacted by unforeseen catastrophic or other global events, including an epidemic or a pandemic, acts of war or terrorist attacks, cyber-attacks, natural disasters, or political unrest or turmoil. Unforeseen political turmoil, military escalations, and armed conflict pose a risk of economic disruption in the countries in which they occur and in other countries, which may increase our operating costs. Such incidences of uncertainty could disrupt customers' spending on our products and services which may adversely affect our revenue. In addition, our corporate headquarters are located in the Silicon Valley area of Northern

California, a region known for seismic activity. A significant natural disaster, such as an earthquake, could have a material adverse impact on our business operations, target markets, operating results, and financial condition.

Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

Our properties consist primarily of owned and leased office facilities for sales, research and development, administrative, customer service, and technical support personnel. Our corporate headquarters is located in Mountain View, California where we occupy facilities totaling approximately 793,000 square feet, of which 723,000 square feet is owned and 70,000 square feet is leased. We also lease an additional 67,000 square feet in the San Francisco Bay Area. Our leased facilities are occupied under agreements that expire on various dates through fiscal 2026. The following table presents the approximate square footage of our facilities as of April 1, 2016:

	Approximate Total Square Footage [1]	
	Owned	**Leased**
	(In thousands)	
Americas (U.S., Canada and Latin America)	1,512	539
EMEA (Europe, Middle East and Africa)	177	318
APJ (Asia Pacific and Japan)	-	1,044
Total	1,689	1,901

(1) Included in the total square footage above are vacant and available-for-lease properties totaling approximately 80,000 square feet. Total square footage excludes approximately 766,000 square feet relating to facilities subleased to third parties.

We believe that our existing facilities are adequate for our current needs and that the productive capacity of our facilities is substantially utilized.

Item 3. ***Legal Proceedings***

Information with respect to this Item may be found under the heading “Litigation Contingencies” in Note 7 of the Notes to Consolidated Financial Statements in this annual report which information is incorporated into this Item 3 by reference.

Item 4. ***Mine Safety Disclosures***

Not applicable.

PART II

Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

Price Range of Common Stock

Our common stock is traded on the NASDAQ Global Select Market under the symbol "SYMC." The high and low closing sales prices set forth below are as reported on the NASDAQ Global Select Market during each quarter of the two most recent fiscal years. During the fourth quarter of fiscal 2016, we paid a special dividend of $4.00 per share, resulting in a substantial decline in the sales price of our common stock on March 4, 2016.

	2016				2015			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
High	$ 20.88	$ 21.37	$ 23.47	$ 25.90	$ 26.69	$ 26.58	$ 24.77	$ 23.04
Low	$ 16.62	$ 19.50	$ 19.33	$ 23.03	$ 23.28	$ 21.94	$ 22.42	$ 19.97

Stockholders

As of April 1, 2016, there were 1,849 stockholders of record.

Dividends

During fiscal 2016, 2015 and 2014, we declared and paid aggregate cash dividends of $3.0 billion or $4.60 per common share, $413 million or $0.60 per common share, and $418 million or $0.60 per common share, respectively. Dividends declared and paid each quarter during fiscal 2016, 2015 and 2014 were $0.15 per share. Additionally, a special dividend of $4.00 per share was declared and paid in the fourth quarter of fiscal 2016. Our restricted stock and performance-based stock units have dividend equivalent rights entitling holders to dividend equivalents to be paid in the form of cash upon vesting, for each share of the underlying units. On May 12, 2016, we declared a cash dividend of $0.075 per share of common stock to be paid on June 22, 2016, to all stockholders of record as of the close of business on June 8, 2016. All future dividends and dividend equivalents are subject to the approval of our Board of Directors.

Repurchases of our equity securities

Through our stock repurchase programs we have repurchased shares on a quarterly basis since the fourth quarter of fiscal 2004. Under these programs, shares may be repurchased on the open market and through ASR transactions.

In November 2015, we entered into an ASR transaction with a financial institution to repurchase $500 million of our common stock. In January 2016, the purchase period for this ASR ended and we received an additional 5.0 million shares of our common stock. The total shares received and retired under the terms of this ASR transaction were 24.9 million, with an average price paid per share of $20.08.

In March 2016, we entered into multiple ASR transactions with financial institutions to repurchase an aggregate of $1 billion of our common stock. In exchange for an up-front payment of $1 billion, the financial institutions committed to deliver shares during the purchase period for these ASRs, which will end in or before the third quarter of fiscal 2017. During the fourth quarter of fiscal 2016, 42.4 million shares were delivered and retired under these ASRs, and the final number of shares to be delivered and the average price paid per share will be determined at the conclusion of the purchase period.

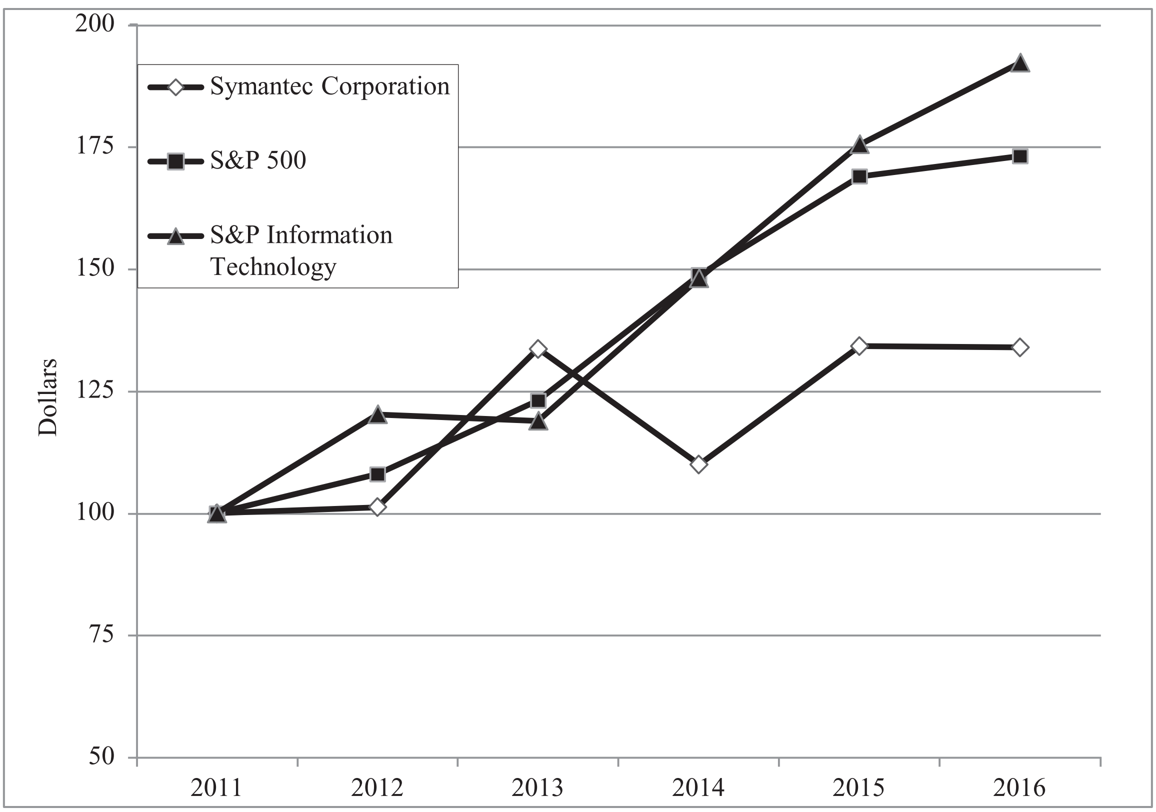
The maximum dollar value of shares that may yet be purchased under the plans or programs is $790 million. See Note 9 of our Notes to Consolidated Financial Statements for additional information regarding our stock repurchase programs.

Stock performance graph

This performance graph shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of Symantec under the Securities Act or the Exchange Act.

The graph below compares the cumulative total stockholder return on our common stock with the cumulative total return on the S&P 500 Composite Index and the S&P Information Technology Index for the five years ended April 1, 2016 (assuming the investment of $100 in our common stock and in each of the other indices on the last day of trading for fiscal 2011, and the reinvestment of all dividends). The comparisons in the graph below are based on historical data and are not intended to forecast the possible future performance of our common stock.

COMPARISON OF FIVE-YEAR CUMULATIVE TOTAL RETURN
Among Symantec Corporation, the S&P 500 Index
and the S&P Information Technology Index



	2011	2012	2013	2014	2015	2016
Symantec Corporation	$100.00	$101.30	$133.69	$110.03	$134.25	$134.02
S&P 500	$100.00	$108.00	$123.08	$148.80	$169.03	$173.18
S&P Information Technology	$100.00	$120.31	$118.96	$148.18	$175.60	$192.33

Item 6. ***Selected Financial Data***

The following selected consolidated financial data is derived from our Consolidated Financial Statements. This data should be read in conjunction with our Consolidated Financial Statements and related notes included in this annual report and with Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*, and Note 3 of the Notes to Consolidated Financial Statements in this annual report. Historical results may not be indicative of future results.

Five-Year Summary

Summary of operations:

	Year Ended [1]				
	April 1, 2016	**April 3, 2015**	**March 28, 2014**	**March 29, 2013**	**March 30, 2012**
	(In millions, except per share data)				
Net revenues	$ 3,600	$ 3,956	$ 4,183	$ 4,268	$ 4,175
Operating income (loss)	457	154	144	(60)	(50)
Income (loss) from continuing operations [2]	(821)	109	91	(138)	123
Income from discontinued operations, net of income taxes [3]	3,309	769	807	893	1,064
Net income [4]	2,488	878	898	755	1,187
Income (loss) per share — basic: [5]					
Continuing operations	$ (1.23)	$ 0.16	$ 0.13	$ (0.20)	$ 0.17
Discontinued operations	$ 4.94	$ 1.12	$ 1.16	$ 1.27	$ 1.44
Net income per share — basic	$ 3.71	$ 1.27	$ 1.29	$ 1.08	$ 1.60
Income (loss) per share — diluted: [5]					
Continuing operations	$ (1.23)	$ 0.16	$ 0.13	$ (0.20)	$ 0.16
Discontinued operations	$ 4.94	$ 1.10	$ 1.15	$ 1.27	$ 1.42
Net income per share — diluted	$ 3.71	$ 1.26	$ 1.28	$ 1.08	$ 1.59
Weighted-average shares outstanding:					
Basic	670	689	696	701	741
Diluted	670	696	704	701	748
Cash dividends declared per common share	$ 4.60	$ 0.60	$ 0.60	$ -	$ -

Consolidated Balance Sheets Data:

	April 1, 2016	**April 3, 2015**	**March 28, 2014**	**March 29, 2013**	**March 30, 2012**
	(In millions)				
Total assets	$11,767	$13,233	$ 13,539	$ 14,508	$ 13,158
Long-term obligations [6][7]	2,207	1,746	2,095	2,094	2,039
Total stockholders' equity [8]	3,676	5,935	5,797	5,476	5,237

(1) We have a 52/53-week fiscal year. Our fiscal 2015 was a 53-week year whereas fiscal 2016, 2014, 2013, and 2012, each consisted of 52 weeks.

(2) In fiscal 2016, the Company recorded $1.1 billion in income tax expense related to unremitted earnings of foreign subsidiaries from the proceeds of the sale of Veritas. This charge is presented in loss from continuing operations in the Consolidated Statements of Operations for fiscal 2016. See Note 11 of the Notes to Consolidated Financial Statements in this annual report for more information.

(3) In fiscal 2016, the Company sold the assets of Veritas to Carlyle for a net gain of $3.0 billion, which is presented as part of income from discontinued operations, net of income taxes in the Consolidated Statements of Operations for fiscal 2016.

[4] In fiscal 2012, we sold our ownership interest in a joint venture for $530 million in cash. The net gain of $526 million, offset by costs to sell the joint venture of $4 million, was included in gain from sale of joint venture in our fiscal 2012 Consolidated Statements of Operations.

[5] Net income per share amounts may not add due to rounding.

[6] On June 15, 2013, the principal balance on the Company's 1.00% Convertible Senior Notes matured and was settled by a cash payment of $1 billion. At the time of issuance of the 1.00% notes, we granted warrants to affiliates of certain initial purchasers of the notes whereby they had the option to purchase up to 52.7 million shares of our common stock. All the warrants expired unexercised during the second quarter of fiscal 2014. In the fourth quarter of fiscal 2016, we issued $500 million in principal amount of 2.50% Convertible Senior Notes, due in April of 2021. See Note 5 of the Notes to Consolidated Financial Statements in this annual report for more information on the Company's long-term obligations.

[7] During the second quarter of fiscal 2016, the principal balance on the Company's 2.75% Senior Notes due September 15, 2015, matured and was settled by a cash payment of $350 million. See Note 5 of the Notes to Consolidated Financial Statements in this annual report for more information.

[8] Includes noncontrolling interest in subsidiary of $78 million in fiscal 2012.

Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

OVERVIEW

Our business

Symantec Corporation is a global leader in security. We operate our business on a global civilian cyber intelligence threat network and track a vast number of threats across the Internet from hundreds of millions of mobile devices, endpoints, and servers across the globe. We believe one of our competitive advantages is our database of threat indicators which allows us to reduce the number of false positives and provide faster and better protection for customers through our products. Through the delivery of new and enhanced solutions, we are integrating our security offerings across our portfolio. We are also developing novel solutions in growing markets like cloud, advanced threat protection, information protection and cyber security services. Founded in 1982, Symantec has operations in more than 35 countries and our principal executive offices are located at 350 Ellis Street, Mountain View, California, 94043.

Fiscal calendar

We have a 52/53-week fiscal year ending on the Friday closest to March 31. Unless otherwise stated, references to years in this report relate to fiscal year and periods ended April 1, 2016, April 3, 2015 and March 28, 2014. Our fiscal 2016 and 2014 were 52-week years whereas our fiscal 2015 was a 53-week year.

Strategy

Our security strategy is to deliver a unified security analytics platform that provides big data analytics, utilizes our vast telemetry, provides visibility into real-time global threats, and powers Symantec and third-party security analytics applications; leverage this analytics platform to provide best-in-class consumer and enterprise security products; and offer cyber security services that provide a full-suite of services from monitoring to incident response to threat intelligence, all supported by over 500 cyber security experts and nine global security response centers.

After closing the divestiture of Veritas, as the world leader in cybersecurity, we are more focused than ever on the following priorities: delivering upon our Unified Security strategy, building our enterprise security pipeline and go-to-market capabilities, improving our cost structure, and fulfilling our commitment to allocate capital to our stockholders.

Divestiture of Veritas

In August 2015, we entered into a definitive agreement to sell the assets of Veritas to Carlyle and amended the terms in January 2016. Based on the amended terms of the definitive agreement, we received net consideration of $6.6 billion in cash, excluding transaction costs, and 40 million B common shares of Veritas and Veritas assumed certain liabilities in connection with the acquisition. The transaction closed on January 29, 2016. The disposition resulted in a net gain of $3.0 billion, which is presented as part of income from discontinued operations, net of income taxes in the Consolidated Statements of Operations for fiscal 2016. See Note 6 of the Notes to Consolidated Financial Statements for more information on severance, facilities and separation costs related to our fiscal 2015 plans to separate our security and information management businesses.

The results of Veritas are presented as discontinued operations in our Consolidated Statements of Operations and thus have been excluded from continuing operations and segment results for all reported periods. Furthermore, Veritas' assets and liabilities were removed from our Consolidated Balance Sheet upon consummation of its sale on January 29, 2016, and have been classified as discontinued operations on our Consolidated Balance Sheet as of April 3, 2015. Accordingly, the following discussion reflects our current segment reporting structure, which was reduced from three to two segments, and segment results for all reported periods have been adjusted to conform to the current segment structure. In addition, the following discussion relates to our continuing operations unless stated otherwise.

Our operating segments

Our operating segments are significant strategic business units that offer different products and services distinguished by customer needs. The two reporting segments, which are the same as our operating segments, are:

- *Consumer Securit*y: Our Consumer Security segment focuses on making it simple for customers to be productive and protected at home and at work. Our Norton-branded services provide multi-layer security and identity protection on major desktop and mobile operating systems, to defend against increasingly complex online threats to individuals, families, and small businesses.

- *Enterprise Security*: Our Enterprise Security segment protects organizations so they can securely conduct business while leveraging new platforms and data. Our Enterprise Security segment includes our threat protection products, information protection products, cyber security services, and website security offerings, previously named trust services.

For further description of our operating segments see Note 8 of the Notes to Consolidated Financial Statements in this annual report.

Financial results and trends

The following table provides an overview of key financial metrics for each of the last three fiscal years:

	2016	2015	2014
	(In millions, except percentages)		
Consolidated Statements of Operations Data:			
Net revenues	$ 3,600	$ 3,956	$ 4,183
Gross profit	2,985	3,229	3,392
Operating income	457	154	144
Operating margin percentage	13%	4%	3%
Consolidated Cash Flow Data:			
Net cash provided by continuing operating activities	$ 1,456	$ 17	$ 108

Net revenues decreased $356 million for fiscal 2016 as compared to fiscal 2015, primarily due to unfavorable foreign currency fluctuations, declines in our consumer security revenue, and the impact of the additional week from the 53-week fiscal 2015 year.

Gross margin increased to 83% for fiscal 2016 compared to 82% for fiscal 2015, primarily driven by decreases in OEM royalty fees and service related and content delivery expenses.

Operating income increased $303 million year over year as the reduction in our operating expenses was greater than the decline in our net revenues. The lower operating expenses were primarily due to a decrease in corporate charges previously allocated to our information management business but not classified within discontinued operations. These corporate charges were included in cost of revenues and expenses from continuing operations and include legal, accounting, real estate, information technology services, treasury, human resources and other corporate infrastructure expenses (“unallocated corporate charges”). See Note 8 of the Notes to Consolidated Financial Statements in this annual report for more information on unallocated corporate charges. We anticipate that we will not have unallocated corporate charges in fiscal 2017 and therefore our fiscal 2017 operating income will benefit from a reduction of unallocated corporate charges as compared to fiscal 2016. We expect our operating margins to fluctuate in future periods as a result of a number of factors, including our operating results and the timing and amount of expenses incurred.

Net cash provided by operating activities was $1.5 billion for fiscal 2016 due to increases in deferred income taxes of $1.1 billion and income taxes payable of $693 million. These amounts were partially offset by a loss from continuing operations, net of income taxes of $821 million, including non-cash items depreciation and amortization charges of $304 million and stock-based compensation expense of $161 million.

Total deferred revenue decreased from $2.9 billion in fiscal 2015 to $2.6 billion in fiscal 2016 primarily driven by a decline in sales and the amortization of retained contracts associated with Veritas.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of our Consolidated Financial Statements and related notes included in this annual report in accordance with generally accepted accounting principles in the U.S. requires us to make estimates, including judgments and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses, and related disclosure of contingent assets and liabilities. We have based our estimates on historical experience and on various assumptions that we believe to be reasonable under the circumstances. We evaluate our estimates on a regular basis and make changes accordingly. Historically, our critical accounting policies and estimates have not differed materially from actual results; however, actual results may differ from these estimates under different conditions. If actual results differ from these estimates and other considerations used in estimating amounts reflected in our Consolidated Financial Statements included in this annual report, the resulting changes could have a material adverse effect on our Consolidated Statements of Operations, and in certain situations, could have a material adverse effect on our liquidity and financial condition.

We believe that the estimates described below represent our critical accounting policies and estimates, as they have the greatest potential impact on our Consolidated Financial Statements. See also Note 1 of the Notes to Consolidated Financial Statements included in this annual report.

Revenue recognition

We recognize revenue primarily pursuant to the requirements under the authoritative guidance on software revenue recognition, and any applicable amendments or modifications. Revenue recognition requirements in the software industry are very complex and require us to make estimates.

For software arrangements that include multiple elements, including perpetual software licenses and maintenance or services, packaged products with content updates, and subscriptions, we allocate and defer revenue for the undelivered items based on the fair value using vendor specific objective evidence (“VSOE”), and recognize the difference between the total arrangement fee and the amount deferred for the undelivered items as revenue. VSOE of each element is based on the price for which the undelivered element is sold separately. We determine fair value of the undelivered elements based on historical evidence of our stand-alone sales of these elements to third parties or from the stated renewal rate for the undelivered elements. When VSOE does not exist for undelivered items, the entire arrangement fee is recognized ratably over the performance period. Our deferred revenue consists primarily of the unamortized balance of enterprise product maintenance, consumer product content updates, managed security services, subscriptions, and arrangements where VSOE does not exist. Changes to the elements in a software arrangement, the ability to identify VSOE for those elements, the fair value of the respective elements, and increasing flexibility in contractual arrangements could materially impact the amount recognized in the current period and deferred over time.

For arrangements that include both software and non-software elements, we allocate revenue to the software deliverables as a group and non-software deliverables based on their relative selling prices. In such circumstances, the accounting principles establish a hierarchy to determine the selling price to be used for allocating revenue to deliverables as follows: (i) VSOE, (ii) third-party evidence of selling price (“TPE”) and (iii) best estimate of the selling price (“ESP”). When we are unable to establish a selling price using VSOE or TPE, we use ESP to allocate the arrangement fees to the deliverables.

For our consumer products that include content updates, we recognize revenue ratably over the term of the subscription upon sell-through to end-users, as the subscription period generally commences on the date of sale to the end-user. We defer revenue and cost of revenue amounts for unsold product held by our distributors and resellers.

We expect our distributors and resellers to maintain adequate inventory of consumer packaged products to meet future customer demand, which is generally four or six weeks of customer demand based on recent buying trends. We ship product to our distributors and resellers at their request and based on valid purchase orders. Our distributors and resellers base the quantity of orders on their estimates to meet future customer demand, which may exceed the expected level of a four or six week supply. We offer limited rights of return if the inventory held by our distributors and resellers is below the expected level of a four or six week supply. We estimate reserves for product returns as described below. We typically offer liberal rights of return if inventory held by our distributors and resellers exceeds the expected level. Because we cannot reasonably estimate the amount of excess inventory that will be returned, we primarily offset deferred revenue against trade accounts receivable for the amount of revenue in excess of the expected inventory levels.

Arrangements for maintenance, subscriptions, managed security services and SaaS offerings are generally offered to our customers over a specified period of time, and we recognize the related revenue ratably over the maintenance, subscription, or service period.

Reserves for product returns. We reserve for estimated product returns as an offset to revenue or deferred revenue based primarily on historical trends. We fully reserve for obsolete products in the distribution channels as an offset to deferred revenue. Actual product returns may be different than what was estimated. These factors and unanticipated changes in the economic and industry environment could make actual results differ from our return estimates.

Reserves for rebates. We estimate and record reserves for channel and end-user rebates as an offset to revenue or deferred revenue. For consumer products that include content updates, rebates are recorded as a ratable offset to revenue or deferred revenue over the term of the subscription. Our estimated reserves for channel volume incentive rebates are based on distributors' and resellers' actual performance against the terms and conditions of volume incentive rebate programs, which are typically entered into quarterly. Our reserves for end-user rebates are estimated based on the terms and conditions of the promotional programs, actual sales during the promotion, the amount of actual redemptions received, historical redemption trends by product and by type of promotional program, and the value of the rebate. We also consider current market conditions and economic trends when estimating our reserves for rebates. If actual redemptions differ from our estimates, material differences may result in the amount and timing of our net revenues for any period presented.

Valuation of goodwill, intangible assets and long-lived assets

Business combinations. We allocate the purchase price of acquired businesses to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values on the acquisition date. Any residual purchase price is recorded as goodwill. Goodwill is allocated to reporting units expected to benefit from the business combination. The allocation of purchase price requires management to make significant estimates and assumptions in determining the fair values of the assets acquired and liabilities assumed especially with respect to intangible assets.

Critical estimates in valuing intangible assets include, but are not limited to, future cash flows from customer relationships, developed technology, trade names and acquired patents; and discount rates. Management estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable. Unanticipated events and circumstances may occur which may affect the accuracy or validity of such assumptions, estimates or actual results.

Goodwill impairment. Goodwill is allocated to our reporting units expected to benefit from the business combination based on the relative fair values at the acquisition date. We evaluate our reporting units which are the same as our operating segments when changes in our operating structure occur, and if necessary, reassign goodwill using a relative fair value allocation approach. We test goodwill for impairment at the reporting unit level at least annually on the first day of the fourth quarter of each fiscal year, or more frequently if events or changes in circumstances indicate that the asset may be impaired. The accounting guidance gives us the option to perform a qualitative assessment to determine whether further impairment testing is necessary. The qualitative assessment considers events and circumstances that might indicate that a reporting unit's fair value is less than its carrying amount. These include macro-economic conditions such as deterioration in the entity's operating environment or industry or market considerations; entity-specific events such as increasing costs, declining financial performance, or loss of key personnel; or other events such as the sale of a reporting unit or a sustained decrease in the company's stock price. If it is determined, as a result of the qualitative assessment, that it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount, a quantitative test is performed. In the first step of the quantitative testing, we compare the fair value of each reporting unit to its carrying amount. If the first step indicates that the fair value of each reporting unit is greater than its carrying amount, no further testing is required. Goodwill impairment tests require judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. To determine a reporting unit's fair value, we generally use the income approach which is based on the estimated discounted future cash flows of that unit. The estimation of future cash flows requires us to make projections of future revenues and expenses of each reporting unit and establish a weighted-average cost of capital to discount these cash flows. Changes in these key assumptions and estimates or other assumptions used in this process could materially affect our impairment analysis in a given year. For the fiscal year ended April 1, 2016, we concluded that goodwill was not impaired as the results of our annual impairment test indicate that the fair values of our reporting units are significantly in excess of their carrying values.

Long-lived assets impairment. Long-lived assets, including property and equipment, intangible assets and equity investments, excluding goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. The evaluation is performed at the lowest level of identifiable cash flows independent of other assets. An impairment loss would be recognized when estimated undiscounted future cash flows generated from the assets are less than their carrying amount. Measurement of an impairment loss would be based on the excess of the carrying amount of the asset group over its fair value. Our estimates of future cash flows require significant judgment based on historical and anticipated future operating results and are subject to many factors which are subject to variability and change.

Contingencies and litigation

We evaluate contingent liabilities including threatened or pending litigation in accordance with the authoritative guidance on contingencies. We assess the likelihood of any adverse judgments or outcomes from potential claims or proceedings, as well as potential ranges of probable losses, when the outcomes of the claims or proceedings are probable and reasonably estimable. A determination of the amount of accrued liabilities required, if any, for these contingencies is made after the analysis of each separate matter. Because of uncertainties related to these matters, we base our estimates on the information available at the time of our assessment. As additional information becomes available, we reassess the potential liability related to our pending claims and litigation and may revise our estimates. Any revisions in the estimates of potential liabilities could have a material impact on our operating results and financial position.

Income taxes

We are required to compute our income taxes in each federal, state, and international jurisdiction in which we operate. This process requires that we estimate the current tax exposure as well as assess temporary differences between the accounting and tax treatment of assets and liabilities, including items such as accruals and allowances not currently deductible for tax purposes. The income tax effects of the differences we identify are classified as current or long-term deferred tax assets and liabilities in our Consolidated Balance Sheets as of April 3, 2015, and as long-term deferred tax assets and liabilities as of April 1, 2016, following the adoption of Accounting Standards Update No. 2015-17, Income Taxes. See Note 1 of the Notes to Consolidated Financial Statements in this annual report for additional information. Our judgments, assumptions, and estimates relative to the current provision for income tax take into account current tax laws, our interpretation of current tax laws, and possible outcomes of current and future audits conducted by foreign and domestic tax authorities. Changes in tax laws or our interpretation of tax laws and the resolution of current and future tax audits could significantly impact the amounts provided for income taxes in our Consolidated Balance Sheets and Consolidated Statements of Operations.

Our effective tax rate includes the impact of providing U.S. taxes on certain undistributed foreign earnings attributable to the sale of Veritas as well as the impact of certain undistributed foreign earnings for which no U.S. taxes have been provided because such earnings are planned to be indefinitely reinvested outside the U.S. While we do not anticipate changing our intention regarding indefinitely reinvested earnings outside the U.S., material changes in our estimates of such earnings or tax legislation that limits or restricts the amount of such earnings could materially impact our income tax provision and effective tax rate. If certain foreign earnings previously treated as indefinitely reinvested outside the U.S. are repatriated, the related U.S. tax liability may be reduced by any foreign income taxes paid on these earnings.

We account for uncertain tax positions pursuant to authoritative guidance based on a two-step approach to recognize and measure those positions taken or expected to be taken in a tax return. The first step is to determine if the weight of available evidence indicates that it is more likely than not that the tax position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. We adjust reserves for our uncertain tax positions due to changing facts and circumstances, such as the closing of a tax audit, the refinement of estimates, or the realization of earnings or deductions that differ from our estimates. To the extent that the final outcome of these matters is different than the amounts recorded, such differences will impact our tax provision in our Consolidated Statements of Operations in the period in which such determination is made.

We must also assess the likelihood that deferred tax assets will be realized from future taxable income and, based on this assessment establish a valuation allowance, if required. The determination of our valuation allowance involves assumptions, judgments and estimates, including forecasted earnings, future taxable income, and the relative proportions of revenue and income before taxes in the various domestic and international jurisdictions in which we operate. To the extent we establish a valuation allowance or change the valuation allowance in a period, we reflect the change with a corresponding increase or decrease to our tax provision in our Consolidated Statements of Operations.

Recently issued authoritative guidance

See Note 1 of the Notes to Consolidated Financial Statements in this annual report for recently issued authoritative guidance, including the respective expected dates of adoption and effects on our results of operations and financial condition.

RESULTS OF OPERATIONS

The following table sets forth certain Consolidated Statements of Operations data as a percentage of net revenues for the fiscal years indicated below:

	2016	2015	2014
Net revenues	100%	100%	100%
Cost of revenues	17%	18%	19%
Gross profit	83%	82%	81%
Operating expenses:			
Sales and marketing	36%	42%	42%
Research and development	21%	21%	17%
General and administrative	8%	9%	10%
Amortization of intangible assets	2%	2%	2%
Restructuring, separation, and transition	4%	4%	6%
Total operating expenses	70%	78%	78%
Operating income	13%	4%	3%
Non-operating expense, net	2%	1%	1%

The total percentages may not add due to rounding.

Net revenues by fiscal year

	2016	2015	2014	Change in % 2016 v 2015	Change in % 2015 v 2014
	(Dollars in millions)				
Net revenues	$ 3,600	$ 3,956	$ 4,183	(9)%	(5)%

2016 compared to 2015

Net revenues decreased $356 million year over year primarily due to unfavorable foreign currency fluctuations of $171 million and declines in our consumer security revenue driven by the ongoing impact of changes to our renewal practices and a reduction in revenue from OEM arrangements. In addition, net revenues decreased partially due to the impact of the additional week from the 53-week fiscal 2015 year.

2015 compared to 2014

Net revenues decreased $227 million primarily due to declines in our consumer security products driven by our channel strategy to exit unprofitable retail arrangements and certain high-cost OEM arrangements, coupled with the impact to change our renewal practices. In addition, net revenues decreased due to the general strengthening of the U.S. dollar against foreign currencies and weakness in endpoint management, partially offset by the impact of the additional week from the 53-week fiscal 2015 year.

Net revenues and operating income by segment by fiscal year

	2016	2015	2014	Change in % 2016 v 2015	Change in % 2015 v 2014
	(Dollars in millions)				
Net revenues:					
Consumer Security	$ 1,670	$ 1,887	$ 2,063	(11)%	(9)%
Enterprise Security	1,930	2,069	2,135	(7)%	(3)%
Percentage of total net revenues:					
Consumer Security	46%	48%	49%		
Enterprise Security	54%	52%	51%		
Operating income:					
Consumer Security	$ 924	$ 982	$ 928	(6)%	6%
Enterprise Security	102	293	349	(65)%	(16)%
Operating margin:					
Consumer Security	55%	52%	45%		
Enterprise Security	5%	14%	16%		

2016 compared to 2015

Consumer Security revenue decreased $217 million primarily due to the ongoing impact of changes to our renewal practices and a reduction in revenue from OEM arrangements. Unfavorable currency fluctuations of $81 million also contributed to the decline in revenue. Consumer Security operating income decreased $58 million primarily due to the decreases in revenue in this segment, which were partially offset by reductions in cost of revenues, sales and marketing and research and development expenses.

Enterprise Security revenue decreased $139 million primarily due to unfavorable foreign currency fluctuations of $90 million, as well as decrease in sales of endpoint management and our mail cloud security products. The decrease of $191 million in operating income was primarily due to decreased revenue and increased allocation of stranded costs. These stranded costs consist of overhead expenses resulting from the sale of Veritas and primarily include information technology infrastructure and services, and real estate costs.

2015 compared to 2014

Consumer Security revenue decreased $176 million primarily due to our channel strategy to exit unprofitable retail arrangements and certain high-cost OEM arrangements, coupled with the impact of our decision to change our renewal practices. Consumer Security operating income increased $54 million primarily due to reductions in advertising and promotional expenses of $141 million and decreases in cost of revenues of $52 million and salaries and wages of $26 million, partially offset by the revenue decline in the segment.

Enterprise Security revenue decreased $66 million primarily due to unfavorable foreign currency fluctuations, as well as a decrease in the sales of endpoint management. The decrease of $56 million in operating income was mainly due to the reduction in revenue.

Net revenues by geographic region by fiscal year

	2016	2015	2014	Change in % 2016 v 2015	Change in % 2015 v 2014
	(Dollars in millions)				
Revenues by geographic region:					
Americas (U.S., Canada and Latin America)	$ 2,113	$ 2,214	$ 2,315	(5)%	(4)%
EMEA (Europe, Middle East and Africa)	894	1,065	1,129	(16)%	(6)%
APJ (Asia Pacific and Japan)	593	677	739	(12)%	(8)%
Total net revenues	$ 3,600	$ 3,956	$ 4,183		
U.S.	$ 1,897	$ 1,960	$ 2,049	(3)%	(4)%
International	1,703	1,996	2,134	(15)%	(6)%
Total net revenues	$ 3,600	$ 3,956	$ 4,183		
Percentage of total net revenues:					
Americas (U.S., Canada and Latin America)	59%	56%	55%		
EMEA (Europe, Middle East and Africa)	25%	27%	27%		
APJ (Asia Pacific and Japan)	16%	17%	18%		
U.S.	53%	50%	49%		
International	47%	50%	51%		

Fluctuations in the U.S. dollar compared to foreign currencies unfavorably impacted our international revenue by approximately $171 million for fiscal 2016 as compared to fiscal 2015. Fiscal 2016 revenue for the EMEA and APJ regions decreased primarily due to unfavorable foreign currency fluctuations of $119 million and $49 million, respectively, compared to fiscal 2015.

Fluctuations in the U.S. dollar compared to foreign currencies unfavorably impacted our international revenue by approximately $92 million for fiscal 2015 as compared to fiscal 2014. This was due to unfavorable foreign currency fluctuations of $53 million in the EMEA region and $39 million in the APJ region.

Our international sales are expected to continue to be a significant portion of our revenue. As a result, revenue is expected to continue to be affected by foreign currency exchange rates as compared to the U.S. dollar. We are unable to predict the extent to which revenue in future periods will be impacted by changes in foreign currency exchange rates. If international sales become a greater portion of our total sales in the future, changes in foreign currency exchange rates may have a potentially greater impact on our revenue and operating results.

Cost of revenues by fiscal year

	2016	2015	2014	Change in % 2016 v 2015	Change in % 2015 v 2014
	(Dollars in millions)				
Cost of revenues	$ 615	$ 727	$ 791	(15)%	(8)%

2016 compared to 2015

Cost of revenues consists primarily of technical support costs, costs of billable services, and fees to OEMs under revenue-sharing agreements. Our cost of revenues decreased $112 million for fiscal 2016 compared to fiscal 2015 primarily due to favorable currency effects, a decrease in OEM royalty fees, and a decrease in service related and content delivery expenses.

2015 compared to 2014

Our cost of revenues decreased $64 million for fiscal 2015 compared to fiscal 2014 primarily due to favorable currency effects, a decrease in OEM royalty fees, and a decrease in service related and content delivery expenses in our Consumer Security segment.

Operating expenses by fiscal year

	2016	2015	2014	Change in % 2016 v 2015	Change in % 2015 v 2014
	(Dollars in millions)				
Sales and marketing expense	$ 1,292	$ 1,650	$ 1,766	(22)%	(7)%
Research and development expense	748	812	722	(8)%	12%
General and administrative expense	295	362	420	(19)%	(14)%
Amortization of intangible assets	57	87	93	(34)%	(6)%
Restructuring, separation, and transition	136	164	247	(17)%	(34)%
Total	$ 2,528	$ 3,075	$ 3,248	(18)%	(5)%

2016 compared to 2015

The overall decreases in operating expenses for fiscal 2016 compared to fiscal 2015 were primarily due to a decrease in unallocated corporate charges previously allocated to Veritas. These unallocated corporate charges are included in expenses from continuing operations. Refer to Note 8 of the Notes to Consolidated Financial Statements in this annual report for more information about our unallocated corporate charges. The impacts of the unallocated corporate charges are discussed below. In addition to the impacts of unallocated corporate charges, we experienced favorable foreign currency effects on our operating expenses for fiscal 2016 compared to fiscal 2015.

Sales and marketing expense decreased $358 million primarily due to a reduction of unallocated corporate charges of $328 million.

Research and development expense decreased $64 million primarily due to a reduction of unallocated corporate charges of $76 million.

General and administrative expenses decreased $67 million primarily due to a reduction of unallocated corporate charges of $91 million, partially offset by an increase in stock-based compensation expense.

Amortization of intangible assets decreased $30 million primarily due to certain intangible assets becoming fully amortized during fiscal 2015.

Restructuring, separation, and transition costs include severance, facilities, separation, transition and other related costs. For fiscal 2016, we incurred $44 million of restructuring costs, $14 million in separation costs, and $78 million in transition costs. For further information on restructuring, separation, and transition costs, see Note 6 of the Notes to Consolidated Financial Statements in this annual report.

2015 compared to 2014

We experienced favorable foreign currency effects on our operating expenses in fiscal 2015 as compared to fiscal 2014.

Sales and marketing expense decreased $116 million in fiscal 2015, primarily due to lower advertisement and promotions expenses partly offset by higher unallocated corporate charges of $67 million.

The $90 million increase in research and development expense for fiscal 2015 was primarily due to higher unallocated corporate charges and stock-based compensation expense.

General and administrative expenses decreased $58 million primarily due to a reduction of unallocated corporate charges of $17 million.

Amortization of intangible assets decreased by $6 million primarily as a result of certain intangible assets becoming fully amortized during fiscal 2015.

Restructuring, separation, and transition costs include severance, facilities, separation, transition and other related costs. For fiscal 2015, we incurred $101 million of restructuring costs, $23 million in separation costs, and $40 million in transition costs. For further information on restructuring and transition costs, see Note 6 of the Notes to Consolidated Financial Statements in this annual report.

Non-operating expense, net by fiscal year

	2016	2015	2014	Change in % 2016 v 2015	Change in % 2015 v 2014
	(Dollars in millions)				
Interest income	$ 10	$ 11	$ 11	(9)%	-%
Interest expense	(75)	(78)	(84)	(4)%	(7)%
Other income, net	-	14	36	*	*
Non-operating expense, net	$ (65)	$ (53)	$ (37)	23%	43%

* Percentage is not meaningful.

2016 compared to 2015

Non-operating expense, net, increased $12 million primarily due to net foreign currency remeasurement losses.

2015 compared to 2014

Non-operating expense, net, increased $16 million primarily due to a $32 million realized gain from sale of short-term investments during fiscal 2014, offset by favorable foreign currency effects and a reduction in interest expense.

Provision for income taxes by fiscal year

	2016	2015	2014	Change in % 2016 v 2015	Change in % 2015 v 2014
	(Dollars in millions)				
Income from continuing operations before income taxes	$ 392	$ 101	$ 107	288%	(6)%
Provision for (benefit from) income taxes	$ 1,213	$ (8)	$ 16	*	*
Effective tax rate on continuing operations income	309%	(8)%	15%		

* Percentage is not meaningful.

We recorded an income tax expense on discontinued operations of $1.1 billion, $223 million and $242 million for fiscal 2016, 2015 and 2014, respectively. See Note 3 of the Notes to Consolidated Financial Statements in this annual report for additional information.

Tax expense in fiscal 2016 was primarily driven by (1) $1.1 billion of tax expense for providing U.S. taxes on certain undistributed foreign earnings, primarily those attributable to the sale of Veritas, and (2) $10 million of tax expense attributable to recording valuation allowances for certain deferred tax assets.

The tax expense in fiscal 2015 was reduced by the following benefits: (1) $59 million for tax benefits related to the settlement of the Symantec 2009 through 2013 Internal Revenue Service ("IRS") audit, (2) $21 million in tax benefits resulting from tax settlements and lapses of statutes of limitations, (3) $14 million in tax benefits related to certain foreign operations, and (4) $14 million in tax benefits resulting from deductible separation costs.

The tax expense in fiscal 2014 was reduced by the following benefits: (1) $33 million for the resolution of a tax matter related to the sale of our 49% ownership interest in the joint venture with Huawei during the fourth quarter of fiscal 2012, (2) $24 million for tax benefits related to the settlement of the Symantec 2005 through 2008 IRS audit, (3) $15 million tax benefit related to certain foreign operations, and (4) $13 million from lapses of statutes of limitation. These tax benefits were partially offset by $12 million in tax expense, resulting from the sale of short-term investments.

The effective tax rates for all periods presented otherwise reflect the benefits of lower-taxed international earnings, domestic manufacturing incentives, and research and development credits, partially offset by state income taxes.

We are a U.S.-based multinational company subject to tax in multiple U.S. and international tax jurisdictions. A substantial portion of our international earnings were generated from subsidiaries organized in Ireland and Singapore. Our results of operations would be adversely affected to the extent that our geographical mix of income becomes more weighted toward jurisdictions with higher tax rates and would be favorably affected to the extent the relative geographic mix shifts to lower tax jurisdictions. Any change in our mix of earnings is dependent upon many factors and is therefore difficult to predict.

For further information on the impact of foreign earnings on our effective tax rate, see Note 11 of the Notes to Consolidated Financial Statements in this annual report.

See Critical Accounting Policies and Estimates above for additional information about our provision for income taxes.

In assessing the ability to realize our deferred tax assets, we considered whether it is more likely than not that some portion or all the deferred tax assets will not be realized. We considered the following: we have historical cumulative book income, as measured by the current and prior two years; we have strong, consistent taxpaying history; we have substantial U.S. federal income tax carryback potential; and we have substantial amounts of scheduled future reversals of taxable temporary differences from our deferred tax liabilities. Levels of future taxable income are subject to the various risks and uncertainties discussed in Part I, Item 1A, Risk Factors, set forth in this annual report. We have concluded that this positive evidence outweighs the negative evidence and, thus, that the deferred tax assets as of April 1, 2016 of $308 million, which are net of a valuation allowance of $50 million, are realizable on a "more likely than not" basis.

On September 3, 2013, we settled and effectively settled matters with the IRS for the Symantec 2005 through 2008 fiscal years. The result of the settlements, effective settlements, and re-measurements resulted in a reduction in the balance of our gross unrecognized tax benefits in fiscal year 2014 of $122 million.

On March 18, 2015, we settled and effectively settled matters with the IRS for the Symantec 2009 through 2013 fiscal years. The settlement and effective settlement resulted in a benefit to tax expense in fiscal year 2015 of $59 million. Additionally, the Company settled transfer price related matters of $158 million, a portion of which was accounted for against deferred tax liabilities on unremitted foreign earnings. The Company has paid in $155 million to cover the final tax and interest liability on the settlement.

The timing of the resolution of income tax examinations is highly uncertain, and the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. Although potential resolution of uncertain tax positions involve multiple tax periods and jurisdictions, it is reasonably possible that the gross unrecognized tax benefits related to these audits could decrease (whether by payment, release, or a combination of both) in the next 12 months by $7 million.

We continue to monitor the progress of ongoing income tax controversies and the impact, if any, of the expected tolling of the statute of limitations in various taxing jurisdictions.

LIQUIDITY AND CAPITAL RESOURCES

Divestiture of Veritas

In August 2015, we entered into a definitive agreement to sell the assets of Veritas to Carlyle and amended the terms in January 2016. Based on the amended terms of the definitive agreement, we received net consideration of $6.6 billion in cash excluding transaction costs and 40 million B common shares of Veritas and Veritas assumed certain liabilities in connection with the acquisition. Our U.S. and foreign income taxes and indirect taxes payable resulting from the transaction are estimated to be $1.0 billion.

Sources of cash

We have historically relied on cash flow from operations, borrowings under a credit facility, issuances of debt and equity securities, and sale of business, more recently, for our liquidity needs. As of April 1, 2016, we had cash, cash equivalents and short-term investments of $6.0 billion and an unused credit facility of $1.0 billion resulting in a liquidity position of approximately $7.0 billion. As of April 1, 2016, $4.9 billion in cash, cash equivalents, and short-term investments were held by our foreign subsidiaries. We have provided U.S. deferred taxes on a portion of our undistributed foreign earnings sufficient to address the incremental U.S. tax that would be due if we needed such portion of these funds to support our operations in the U.S.

Senior Notes. In fiscal 2013, we issued $1.0 billion of Senior Notes consisting of the 3.95% Senior Notes due in 2022 and the 2.75% Senior Notes due in 2017. We received proceeds of $996 million, net of an issuance discount. In fiscal 2011, we issued $750 million of Senior Notes consisting of the 4.20% Senior Notes due in 2020.

Convertible Senior Notes. In fiscal 2016, we issued $500 million in 2.50% Convertible Senior Notes, due April 2021.

Revolving Credit Facility. In fiscal 2011, we entered into a $1.0 billion senior unsecured revolving credit facility ("credit facility"), which was amended in fiscal 2013. The amendment extended the term of the credit facility to June 7, 2017. This revolving credit facility was further amended in March 2016 to amend the definition of EBITDA (earnings before interest, taxes, depreciation and amortization) to account for the sale of Veritas and related expenses and to amend our consolidated leverage ratio under the agreement. Under the terms of this credit facility, we must comply with certain financial and non-financial covenants, including a covenant to maintain a specified ratio of debt to EBITDA. As of April 1, 2016, we were in compliance with the required covenants, and no amounts were outstanding.

In May 2016, we replaced our existing $1.0 billion senior unsecured revolving credit facility with a new $2.0 billion credit facility. See Note 13 of the Notes to the Consolidated Financial Statements in this annual report for more information.

We believe that our existing cash and investment balances, our available revolving credit facility, our ability to issue new debt instruments, and cash generated from operations will be sufficient to meet our working capital and capital expenditure requirements, as well as to fund any cash dividends, principal and interest payments on debt, and repurchases of our stock, for at least the next 12 months and foreseeable future. In connection with the divestiture of Veritas, our Board of Directors committed to returning the net proceeds of the sale to stockholders through a combination of a special dividend and share repurchases. The Board of Directors also resolved to adjust its annual dividend starting fiscal year 2017 to $0.30 per share to reflect reduced projected domestic cash flow following the sale of Veritas, while still enabling our company to invest in its future. Our strategy emphasizes organic growth through internal innovation and will be complemented by acquisitions that fit strategically and meet specific internal profitability hurdles.

Uses of cash

Our principal cash requirements include working capital, capital expenditures, payments of principal and interest on debt, and payments of taxes. Also, we may, from time to time, engage in the open market purchase of our notes prior to their maturity. Furthermore, our capital allocation strategy contemplates a quarterly cash dividend. In addition, we regularly evaluate our ability to repurchase stock, pay debts, and acquire other businesses.

Stock Repurchases on Open Market Transactions. In fiscal 2016, we repurchased 17 million shares, or $368 million of our common stock. In fiscal 2015, we repurchased 21 million shares, or $500 million, of our common stock. In fiscal 2014, we repurchased 21 million shares, or $500 million, of our common stock. Our active stock repurchase programs have $790 million remaining authorized for future repurchase as of April 1, 2016, with no expiration date.

Accelerated Stock Repurchase. In November and March of fiscal 2016, we entered into ASR agreements with financial institutions to repurchase an aggregate of $1.5 billion of our common stock. We made upfront payments of $500 million and $1 billion for a total of $1.5 billion, to the financial institutions pursuant to the ASR agreements and received and retired the initial deliveries of 19.9 million and 42.4 million shares of our common stock. The November 2015 ASR agreement's purchase period concluded in the fourth quarter of fiscal 2016, whereby upon settlement, we received an additional 5.0 million shares of our common stock. The total shares received and retired under the terms of the November 2015 ASR were 24.9 million, with an average price paid per share of $20.08. The March 2016 purchase period is expected to close by or no later than the third quarter of fiscal 2017. The upfront payments for the November 2015 and March 2016 ASR agreements are presented under the caption repurchases of common stock in our Consolidated Statements of Cash Flows.

Dividend Program. During fiscal 2016, we declared and paid aggregate cash dividends of $3.0 billion, or $4.60 per common share. These dividends were comprised of our quarterly dividends and a special dividend of $4.00 per share. During fiscal 2015, we declared and paid cash dividends of $413 million or $0.60 per common share. During fiscal 2014, we declared and paid cash dividends of $418 million or $0.60 per common share. Our restricted stock and performance-based stock units have dividend equivalent rights entitling holders to dividend equivalents to be paid in the form of cash upon vesting, for each share of the underlying units.

On May 12, 2016, we declared a cash dividend of $0.075 per share of common stock to be paid on June 22, 2016 to all stockholders of record as of the close of business on June 8, 2016. All shares of common stock issued and outstanding, and unvested restricted stock and performance-based stock, as of the record date will be entitled to the dividend and dividend equivalents, respectively. Any future dividends and dividend equivalents will be subject to the approval of our Board of Directors.

Restructuring Plans. In fiscal 2015, we announced plans to separate our security and information management businesses. In order to separate the businesses, we put a restructuring plan in place to properly align personnel, and have therefore incurred associated severance and facilities costs. We also incurred separation costs in the form of advisory, consulting and disentanglement expenses. These actions were substantially completed in the fourth quarter of fiscal 2016 with the sale of Veritas on January 29, 2016. However, we expect to incur immaterial adjustments to existing reserves in subsequent periods.

In May 2016, the Board of Directors approved a fiscal 2017 restructuring plan. See Note 13 of the Notes to the Consolidated Financial Statements in this annual report for more information.

Note Repayment. In the second quarter of fiscal 2016, the principal balance of our 2.75% Senior Notes due September 15, 2015 matured and was settled by a cash payment of $350 million, along with the $5 million semiannual interest payment.

Cash flows

The following table summarizes, for the fiscal periods indicated, selected items in our Consolidated Statements of Cash Flows:

	2016	2015	2014
	(Dollars in millions)		
Net cash provided by (used in) from continuing operations:			
Operating activities	$ 1,456	$ 17	$ 108
Investing activities	7,236	(1,076)	(517)
Financing activities	(4,734)	(800)	(1,700)

Continuing operating activities

We expect cash from our operating activities to fluctuate in future periods as a result of a number of factors, including the timing of our billings and collections, our operating results, the timing and amount of tax and other liability payments.

Net cash provided by operating activities was $1.5 billion for fiscal 2016 due to increases in deferred income taxes of $1.1 billion and income taxes payable of $693 million. These amounts were partially offset by a loss from continuing operations, net of income taxes of $821 million, including non-cash items depreciation and amortization charges of $304 million and stock-based compensation expense of $161 million.

Net cash provided by operating activities was $17 million for fiscal 2015, which resulted from income from continuing operations, net of income taxes of $109 million adjusted for non-cash items, including depreciation and amortization charges of $355 million and stock-based compensation expense of $131 million. These amounts were partially offset by decreases in income taxes payable of $405 million, deferred revenue of $83 million, and accounts payable of $73 million.

Net cash provided by operating activities was $108 million for fiscal 2014, which resulted from net income from continuing operations of $91 million adjusted for non-cash items, including depreciation and amortization charges of $374 million and stock-based compensation expense of $105 million. These amounts were partially offset by decreases in income taxes payable of $240 million, deferred revenue of $161 million, and accrued compensation and benefits of $83 million.

Continuing investing activities

Net cash provided by investing activities was $7.2 billion for fiscal 2016 and was primarily due to net proceeds of $6.5 billion from the divestiture of Veritas and proceeds of $1.4 billion from maturities and sales of short-term investments, partially offset by purchases of $378 million of short-term investments and payments of $272 million for capital expenditures.

Net cash used in investing activities was $1.1 billion for fiscal 2015 and was primarily due to $1.8 billion in purchases of short-term investments, and payments of $303 million for capital expenditures, partially offset by $1.0 billion in proceeds from the sales and maturities of our short-term investments.

Net cash used in investing activities was $517 million for fiscal 2014 and was primarily due to the purchase of $492 million, of short-term investments and payments of $194 million for capital expenditures, partially offset by $186 million in proceeds from the sales and maturities of our short-term investments.

Continuing financing activities

Net cash used in financing activities was $4.7 billion for fiscal 2016, which was primarily due to cash dividend payments of $3.0 billion, repurchases of our common stock of $1.9 billion and repayment of Senior Notes and other obligations of $368 million, partially offset by proceeds from the issuance of Convertible Senior Notes of $500 million.

Net cash used in financing activities was $800 million for fiscal 2015, which was primarily due to the repurchases of our common stock of $500 million and cash dividends paid of $413 million, partially offset by net proceeds from sales of common stock through employee stock benefit plans of $116 million.

Net cash used in financing activities of $1.7 billion for fiscal 2014 was primarily due to the repayment of our Convertible Senior Notes of $1.0 billion, repurchases of our common stock of $500 million, and cash dividends of paid of $418 million, partially offset by net proceeds from sales of common stock through employee stock benefit plans of $234 million.

Contractual obligations

The following is a schedule by years of our significant contractual obligations as of April 1, 2016:

	Payments Due by Fiscal Period				
	Total	2017	2018 - 2019	2020 - 2021	Thereafter
	(Dollars in millions)				
Senior Notes and Convertible Senior Notes [1]	$ 2,250	$ -	$ 600	$ 1,250	$ 400
Interest payments on Senior Notes and Convertible Senior Notes [1]	321	76	123	103	19
Purchase obligations [2]	329	256	71	2	-
Operating leases [3]	278	81	115	62	20
Total	$ 3,178	$ 413	$ 909	$ 1,417	$ 439

(1) Interest payments were calculated based on terms of the related Senior Notes and Convertible Senior Notes. For further information on the Senior Notes and Convertible Senior Notes, see Note 5 of the Notes to Consolidated Financial Statements in this annual report.

(2) These amounts are associated with agreements for purchases of goods or services generally including agreements that are enforceable and legally binding and that specify all significant terms, including fixed or minimum quantities to be purchased; fixed, minimum, or variable price provisions; and the approximate timing of the transaction. The table above also includes agreements to purchase goods or services that have cancellation provisions requiring little or no payment. The amounts under such contracts are included in the table above because management believes that cancellation of these contracts is unlikely and we expect to make future cash payments according to the contract terms or in similar amounts for similar materials.

(3) We have entered into various non-cancelable operating lease agreements that expire on various dates through fiscal 2026. The amounts in the table above exclude expected sublease income and include $8 million in exited or excess facility costs related to restructuring activities.

Due to the uncertainty with respect to the timing of future cash flows associated with our unrecognized tax benefits as of April 1, 2016 we are unable to make reasonably reliable estimates of the period of cash settlement with the respective taxing authorities. Therefore, $160 million in long-term income taxes payable has been excluded from the contractual obligations table. For further information, see Note 11 of the Notes to Consolidated Financial Statements in this annual report.

Indemnifications

In the ordinary course of business, we may provide indemnifications of varying scope and terms to customers, vendors, lessors, business partners, subsidiaries and other parties with respect to certain matters, including, but not limited to, losses arising out of our breach of agreements or representations and warranties made by us. In addition, our bylaws contain indemnification obligations to our directors, officers, employees and agents, and we have entered into indemnification agreements with our directors and certain of our officers to give such directors and officers additional contractual assurances regarding the scope of the indemnification set forth in our bylaws and to provide additional procedural protections. We maintain director and officer insurance, which may cover certain liabilities arising from our obligation to indemnify our directors and officers. It is not possible to determine the aggregate maximum potential loss under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. Such indemnification agreements might not be subject to maximum loss clauses. Historically, we have not incurred material costs as a result of obligations under these agreements and we have not accrued any liabilities related to such indemnification obligations in our Consolidated Financial Statements.

In connection with the sale of Veritas, we assigned several leases to Veritas Technologies LLC or its related subsidiaries. As a condition to consenting to the assignments, certain lessors required us to agree to indemnify the lessor under the applicable lease with respect to certain matters, including, but not limited to, losses arising out of Veritas Technologies LLC or its related subsidiaries' breach of payment obligations under the terms of the lease. As with our other indemnification obligations discussed above and in general, it is not possible to determine the aggregate maximum potential loss under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. As with our other indemnification obligations, such indemnification agreements might not be subject to maximum loss clauses and to date, generally under our real estate obligations, we have not incurred material costs as a result of such obligations under our leases and have not accrued any liabilities related to such indemnification obligations under our Consolidated Financial Statements.

We provide limited product warranties and the majority of our software license agreements contain provisions that indemnify licensees of our software from damages and costs resulting from claims alleging that our software infringes on the intellectual property rights of a third party. Historically, payments made under these provisions have been immaterial. We monitor the conditions that are subject to indemnification to identify if a loss has occurred.

Item 7A. *Quantitative and Qualitative Disclosures about Market Risk*

We are exposed to various market risks related to fluctuations in interest rates and foreign currency exchange rates. We may use derivative financial instruments to mitigate certain risks in accordance with our investment and foreign exchange policies. We do not use derivatives or other financial instruments for trading or speculative purposes.

Interest rate risk

As of April 1, 2016, we had $2.3 billion in principal amount of fixed-rate Senior Notes and Convertible Senior Notes outstanding, with a carrying amount of $2.2 billion and a fair value of $2.3 billion, which fair value was based on level 2 inputs. As of April 3, 2015, we had $2.1 billion in principal amount of fixed-rate Senior Notes outstanding, with a carrying amount of $2.1 billion and a fair value of $2.2 billion, which was based on level 2 inputs. We have performed sensitivity analysis as of April 1, 2016 and April 3, 2015 by using a modeling technique that measures the change in the fair values arising from a hypothetical 50 bps movement in the levels of market interest rates, with all other variables held constant. On April 1, 2016 and April 3, 2015, a hypothetical 50 bps increase or decrease in market interest rates would change the fair value of the fixed-rate Senior Notes and Convertible Senior Notes by a decrease of approximately $41 million and $39 million, respectively and an increase of approximately $42 million and $40 million, respectively. However, this hypothetical change in market interest rates would not impact the interest expense on the fixed-rate debt.

Foreign currency exchange rate risk

We conduct business in approximately 38 currencies through our worldwide operations and, as such, we are exposed to foreign currency risk. Our entities conduct their businesses in the primary local currency in which they operate, however, they may conduct business in other currencies. To the extend our entities hold monetary assets or liabilities, earn revenues or expend costs in currencies other than that entity's functional currency, they will be exposed to foreign exchange gains or losses and impacts to margins as a result. As part of our foreign currency risk mitigation strategy, we have entered into foreign exchange forward contracts with up to six months in duration to help mitigate foreign exchange risk, however we are not able to mitigate all of our foreign exchange risk. We have considered historical trends in exchange rates and determined that it is possible that adverse changes in exchange rates for any currency could be experienced. The estimated impacts of a ten percent appreciation or depreciation of foreign currency are as follows:

	April 1, 2016			April 3, 2015		
		Change in Fair Value Due to 10%			Change in Fair Value Due to 10%	
Foreign Exchange Forward Contract	Notional Amount	Appreciation	Depreciation	Notional Amount	Appreciation	Depreciation
	(Dollars in millions)					
Purchased	$ 693	$ 69	$ (69)	$ 102	$ 10	$ (10)
Sold	(198)	(19)	19	(195)	(19)	19
Total net outstanding contracts	$ 495	$ 50	$ (50)	$ (93)	$ (9)	$ 9

We do not use derivative financial instruments for speculative trading purposes, nor do we hedge our foreign currency exposure in a manner that entirely offsets the effects of the changes in foreign exchange rates.

Item 8. ***Financial Statements and Supplementary Data***

Annual financial statements

The Consolidated Financial Statements and related disclosures included in Part IV, Item 15 of this annual report are incorporated by reference into this Item 8.

Selected quarterly financial data

	Fiscal 2016				Fiscal 2015			
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
	(In millions, except per share data)							
Net revenues	$ 873	$ 909	$ 906	$ 912	$ 899	$ 970	$ 1,001	$ 1,086
Gross profit	726	759	746	754	723	793	825	888
Operating income	128	146	100	83	(49)	34	96	73
Income (loss) from continuing operations	(1,013)	114	53	25	55	(25)	32	47
Income from discontinued operations, net of income taxes	3,058	56	103	92	121	247	212	189
Net income	2,045	170	156	117	176	222	244	236
Income (loss) per share — basic:								
Continuing operations	$ (1.56)	$ 0.17	$ 0.08	$ 0.04	$ 0.08	$ (0.04)	$ 0.05	$ 0.07
Discontinued operations	$ 4.70	$ 0.08	$ 0.15	$ 0.13	$ 0.18	$ 0.36	$ 0.31	$ 0.27
Net income per share — basic	$ 3.15	$ 0.26	$ 0.23	$ 0.17	$ 0.26	$ 0.32	$ 0.35	$ 0.34
Income (loss) per share — diluted:								
Continuing operations	$ (1.56)	$ 0.17	$ 0.08	$ 0.04	$ 0.08	$ (0.04)	$ 0.05	$ 0.07
Discontinued operations	$ 4.70	$ 0.08	$ 0.15	$ 0.13	$ 0.17	$ 0.36	$ 0.30	$ 0.27
Net income per share — diluted	$ 3.15	$ 0.25	$ 0.23	$ 0.17	$ 0.25	$ 0.32	$ 0.35	$ 0.34

Note: Net income per share amounts may not add due to rounding.

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

a) Evaluation of Disclosure Controls and Procedures

The SEC defines the term "disclosure controls and procedures" to mean a company's controls and other procedures that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the SEC's rules and forms. "Disclosure controls and procedures" include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our disclosure controls and procedures are designed to provide reasonable assurance that such information is accumulated and communicated to our management. Our management (with the participation of our Chief Executive Officer and Chief Financial Officer) has conducted an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act). Based on such evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of the end of the period covered by this report.

b) Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) for Symantec. Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, has conducted an evaluation of the effectiveness of our internal control over financial reporting as of April 1, 2016, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

Our management has concluded that, as of April 1, 2016, our internal control over financial reporting was effective at the reasonable assurance level based on these criteria.

The Company's independent registered public accounting firm has issued an attestation report regarding its assessment of the Company's internal control over financial reporting as of April 1, 2016, which is included in Part IV, Item 15 of this annual report.

c) Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended April 1, 2016, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

d) Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. Accordingly, our disclosure controls and procedures provide reasonable assurance of achieving their objectives.

Item 9B. *Other Information*

None.

PART III

Item 10. ***Directors, Executive Officers and Corporate Governance***

The information required by this item will be included in an amendment to this annual report on Form 10-K or incorporated by reference from Symantec's definitive proxy statement to be filed pursuant to Regulation 14A.

Item 11. ***Executive Compensation***

The information required by this item will be included in an amendment to this annual report on Form 10-K or incorporated by reference from Symantec's definitive proxy statement to be filed pursuant to Regulation 14A.

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

The information required by this item will be included in an amendment to this annual report on Form 10-K or incorporated by reference from Symantec's definitive proxy statement to be filed pursuant to Regulation 14A.

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

The information required by this item will be included in an amendment to this annual report on Form 10-K or incorporated by reference from Symantec's definitive proxy statement to be filed pursuant to Regulation 14A.

Item 14. ***Principal Accounting Fees and Services***

The information required by this item will be included in an amendment to this annual report on Form 10-K or incorporated by reference from Symantec's definitive proxy statement to be filed pursuant to Regulation 14A.

PART IV

Item 15. *Exhibits, Financial Statement Schedules*

Upon written request, we will provide, without charge, a copy of this annual report, including the Consolidated Financial Statements and financial statement schedule. All requests should be sent to:

Symantec Corporation
Attn: Investor Relations
350 Ellis Street
Mountain View, California 94043
650-527-8000

The following documents are filed as part of this report:

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders
Symantec Corporation:

We have audited the accompanying consolidated balance sheets of Symantec Corporation and subsidiaries as of April 1, 2016 and April 3, 2015, and the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended April 1, 2016. We also have audited Symantec Corporation's internal control over financial reporting as of April 1, 2016, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Symantec Corporation's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A.b). Our responsibility is to express an opinion on these consolidated financial statements and an opinion on Symantec Corporation's internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the consolidated financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Symantec Corporation and subsidiaries as of April 1, 2016 and April 3, 2015, and the results of their operations and their cash flows for each of the years in the three-year period ended April 1, 2016, in conformity with U.S. generally accepted accounting principles. Also in our opinion, Symantec Corporation maintained, in all material respects, effective internal control over financial reporting as of April 1, 2016, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

As discussed in Note 1 to the consolidated financial statements, the Company has changed its method of the presentation of deferred income taxes as of April 1, 2016 due to the adoption of Accounting Standards Update 2015-17, Accounting for Income Taxes: Balance Sheet Classification of Deferred Taxes. Prior period amounts have not been reclassified.

/s/ KPMG LLP

Santa Clara, California
May 20, 2016

SYMANTEC CORPORATION

CONSOLIDATED BALANCE SHEETS

	April 1, 2016	April 3, 2015
	(In millions, except par value)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 5,983	$ 2,843
Short-term investments	42	1,017
Accounts receivable, net of allowance for doubtful accounts of $16 and $5, respectively	556	700
Deferred income taxes	-	152
Other current assets	378	295
Current assets of discontinued operations	-	415
Total current assets	6,959	5,422
Property and equipment, net	957	950
Intangible assets, net	443	525
Goodwill	3,148	3,146
Equity investments	157	10
Other long-term assets	103	70
Long-term assets of discontinued operations	-	3,110
Total assets	$ 11,767	$ 13,233
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 175	$ 169
Accrued compensation and benefits	219	232
Deferred revenue	2,279	2,427
Current portion of long-term debt	-	350
Income taxes payable	941	47
Other current liabilities	419	292
Current liabilities of discontinued operations	-	936
Total current liabilities	4,033	4,453
Long-term debt	2,207	1,746
Long-term deferred revenue	359	444
Long-term deferred tax liabilities	1,235	308
Long-term income taxes payable	160	134
Other long-term obligations	97	79
Long-term liabilities of discontinued operations	-	134
Total liabilities	8,091	7,298
Commitments and contingencies		
Stockholders' equity:		
Common stock and additional paid-in capital, $0.01 par value, 3,000 shares authorized; 612 and 898 shares issued; 612 and 684 shares outstanding, respectively	4,309	6,101
Accumulated other comprehensive income	22	104
Accumulated deficit	(655)	(270)
Total stockholders' equity	3,676	5,935
Total liabilities and stockholders' equity	$ 11,767	$ 13,233

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

SYMANTEC CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(In millions, except per share data)		
Net revenues	$ 3,600	$ 3,956	$ 4,183
Cost of revenues	615	727	791
Gross profit	2,985	3,229	3,392
Operating expenses:			
Sales and marketing	1,292	1,650	1,766
Research and development	748	812	722
General and administrative	295	362	420
Amortization of intangible assets	57	87	93
Restructuring, separation, and transition	136	164	247
Total operating expenses	2,528	3,075	3,248
Operating income	457	154	144
Interest income	10	11	11
Interest expense	(75)	(78)	(84)
Other income, net	-	14	36
Income from continuing operations before income taxes	392	101	107
Income tax expense (benefit)	1,213	(8)	16
Income (loss) from continuing operations	(821)	109	91
Income from discontinued operations, net of income taxes	3,309	769	807
Net income	$ 2,488	$ 878	$ 898
Income (loss) per share — basic:			
Continuing operations	$ (1.23)	$ 0.16	$ 0.13
Discontinued operations	$ 4.94	$ 1.12	$ 1.16
Net income per share — basic	$ 3.71	$ 1.27	$ 1.29
Income (loss) per share — diluted:			
Continuing operations	$ (1.23)	$ 0.16	$ 0.13
Discontinued operations	$ 4.94	$ 1.10	$ 1.15
Net income per share — diluted	$ 3.71	$ 1.26	$ 1.28
Weighted-average shares outstanding:			
Basic	670	689	696
Diluted	670	696	704
Cash dividends declared per common share	$ 4.60	$ 0.60	$ 0.60

Note: Net income per share amounts may not add due to rounding.

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

SYMANTEC CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions)		
Net income	$ 2,488	$ 878	$ 898
Other comprehensive (loss) income, net of taxes:			
Foreign currency translation adjustments:			
Translation adjustments	(6)	(89)	1
Reclassification adjustments for loss (gain) included in net income	1	(1)	4
Net foreign currency translation adjustments	(5)	(90)	5
Available-for-sale securities:			
Unrealized gain, net of taxes of $2, $0, and $1, respectively	4	-	1
Reclassification adjustments for realized gain included in net income, net of taxes of $0, $0, and $(10), respectively	-	-	(14)
Net increase (decrease) from available-for-sale securities	4	-	(13)
Other comprehensive loss, net of taxes	(1)	(90)	(8)
Comprehensive income	$ 2,487	$ 788	$ 890

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

SYMANTEC CORPORATION

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock and Additional Paid-In Capital		Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity
	Shares	Amount			
			(In millions)		
Balance as of March 29, 2013	698	$ 7,320	$ 202	$ (2,046)	$ 5,476
Net income	-	-	-	898	898
Other comprehensive loss	-	-	(8)	-	(8)
Common stock issued under employee stock plans	18	234	-	-	234
Repurchases of common stock	(21)	(500)	-	-	(500)
Tax payments related to restricted stock units	-	(45)	-	-	(45)
Dividends paid and accrued	-	(429)	-	-	(429)
Stock-based compensation	-	157	-	-	157
Income tax benefit from employee stock transactions	-	14	-	-	14
Balance as of March 28, 2014	695	6,751	194	(1,148)	5,797
Net income	-	-	-	878	878
Other comprehensive loss	-	-	(90)	-	(90)
Common stock issued under employee stock plans	10	116	-	-	116
Repurchases of common stock	(21)	(500)	-	-	(500)
Tax payments related to restricted stock units	-	(47)	-	-	(47)
Dividends paid and accrued	-	(428)	-	-	(428)
Stock-based compensation	-	198	-	-	198
Income tax benefit from employee stock transactions	-	11	-	-	11
Balance as of April 3, 2015	684	6,101	104	(270)	5,935
Net income	-	-	-	2,488	2,488
Other comprehensive loss	-	-	(1)	-	(1)
Common stock issued under employee stock plans	12	65	-	-	65
Repurchases of common stock	(84)	(1,868)	-	-	(1,868)
Tax payments related to restricted stock units	-	(68)	-	-	(68)
Sale of Veritas	-	-	(81)	-	(81)
Dividends paid and accrued	-	(212)	-	(2,873)	(3,085)
Equity component of convertible notes	-	29	-	-	29
Stock-based compensation	-	245	-	-	245
Income tax benefit from employee stock transactions	-	17	-	-	17
Balance as of April 1, 2016	612	$ 4,309	$ 22	$ (655)	$ 3,676

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

SYMANTEC CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions)		
OPERATING ACTIVITIES:			
Net income	$ 2,488	$ 878	$ 898
Income from discontinued operations, net of income taxes	(3,309)	(769)	(807)
Adjustments to reconcile income from continuing operations to net cash provided by operating activities:			
Depreciation	213	229	236
Amortization of intangible assets	86	122	131
Amortization of debt issuance costs and discounts	5	4	7
Stock-based compensation expense	161	131	105
Deferred income taxes	1,082	(29)	46
Excess income tax benefit from the exercise of stock options	(6)	(10)	(17)
Net gain from sale of short-term investments	-	-	(32)
Other	13	8	7
Net change in assets and liabilities, excluding effects of acquisitions:			
Accounts receivable, net	38	(35)	36
Accounts payable	(69)	(73)	(55)
Accrued compensation and benefits	(7)	7	(83)
Deferred revenue	20	(83)	(161)
Income taxes payable	693	(405)	(240)
Other assets	(3)	16	16
Other liabilities	51	26	21
Net cash provided by continuing operating activities	1,456	17	108
Net cash provided by (used in) discontinued operating activities	(660)	1,295	1,173
Net cash provided by operating activities	796	1,312	1,281
INVESTING ACTIVITIES:			
Purchases of property and equipment	(272)	(303)	(194)
Payments for acquisitions, net of cash acquired, and purchases of intangibles	(4)	(39)	(17)
Purchases of short-term investments	(378)	(1,758)	(492)
Proceeds from maturities of short-term investments	1,056	681	117
Proceeds from sales of short-term investments	299	343	69
Proceeds from divestiture of information management business, net of cash contributed and transaction costs	6,535	-	-
Net cash provided by (used in) continuing investing activities	7,236	(1,076)	(517)
Net cash used in discontinued investing activities	(63)	(78)	(66)
Net cash provided by (used in) investing activities	7,173	(1,154)	(583)
FINANCING ACTIVITIES:			
Repayments of debt and other obligations	(368)	(21)	(1,189)
Proceeds from issuance of Convertible Senior Notes	500	-	-
Proceeds from convertible note hedge	-	-	189
Net proceeds from sales of common stock under employee stock benefit plans	65	116	234
Excess income tax benefit from the exercise of stock options	6	10	17
Tax payments related to restricted stock units	(39)	(36)	(33)
Dividends and dividend equivalents paid	(3,030)	(413)	(418)
Repurchases of common stock	(1,868)	(500)	(500)
Proceeds from other financing, net	-	44	-
Net cash used in continuing financing activities	(4,734)	(800)	(1,700)
Net cash used in discontinued financing activities	(30)	(11)	(12)
Net cash used in financing activities	(4,764)	(811)	(1,712)
Effect of exchange rate fluctuations on cash and cash equivalents	(96)	(180)	36
Change in cash and cash equivalents	3,109	(833)	(978)
Beginning cash and cash equivalents	2,874	3,707	4,685
Ending cash and cash equivalents	5,983	2,874	3,707
Less: Cash and cash equivalents of discontinued operations	-	31	12
Cash and cash equivalents of continuing operations	$ 5,983	$ 2,843	$ 3,695
Equity investment in Veritas received as consideration	$ 149	$ -	$ -
Income taxes paid, net of refunds	$ 302	$ 353	$ 224
Interest expense paid	$ 70	$ 75	$ 79

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Note 1. Summary of Significant Accounting Policies

Business

Symantec Corporation ("we," "us," "our," and "the Company" refer to Symantec Corporation and all of its subsidiaries) is a global leader in security.

In August 2015, we entered into a definitive agreement to sell the assets of our information management business ("Veritas") to The Carlyle Group ("Carlyle"). On January 19, 2016, the Company and Carlyle amended the terms of the definitive agreement for Carlyle's acquisition of Veritas. The results of Veritas are presented as discontinued operations in our Consolidated Statements of Operations and thus have been excluded from continuing operations and segment results for all reported periods. Furthermore, Veritas' assets and liabilities were removed from our Consolidated Balance Sheet upon consummation of its sale on January 29, 2016, and have been classified as discontinued operations on our Consolidated Balance Sheet as of April 3, 2015. For additional information on the sale of Veritas and on our discontinued operations, see Note 3.

Principles of consolidation

The accompanying consolidated financial statements of Symantec Corporation and its wholly-owned subsidiaries are prepared in conformity with generally accepted accounting principles ("GAAP") in the United States ("U.S."). All significant intercompany accounts and transactions have been eliminated in consolidation.

Fiscal calendar

We have a 52/53-week fiscal year ending on the Friday closest to March 31. Our fiscal 2016 and 2014 were 52-week years ended April 1, 2016 and March 28, 2014, whereas our fiscal 2015 was a 53-week year ended April 3, 2015.

Use of estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Estimates are based upon historical factors, current circumstances and the experience and judgment of management. Management evaluates its assumptions and estimates on an ongoing basis and may engage outside subject matter experts to assist in its valuations. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include those related to the allocation of revenue recognized and deferred amounts, valuation of goodwill, intangible assets and long-lived assets, contingencies and litigation, and the recognition and measurement of current and deferred income taxes (including the measurement of uncertain tax positions).

Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated using the exchange rate on the balance sheet dates. Revenues and expenses are translated using monthly average exchange rates prevailing during the year. The translation adjustments resulting from this process are included as a component of accumulated other comprehensive income. Deferred tax assets and liabilities are established on the cumulative translation adjustment attributable to unremitted foreign earnings that are not intended to be indefinitely reinvested. In the event of liquidation of a foreign subsidiary, the cumulative translation adjustment attributable to that foreign subsidiary is reclassified from accumulated other comprehensive income and included in other income, net.

Revenue recognition

We market and distribute our software products both as stand-alone products and as integrated product suites. We recognize revenue when 1) persuasive evidence of an arrangement exists, 2) delivery has occurred or services have been rendered, 3) fees are fixed or determinable and 4) collectability is probable. If we determine that any one of the four criteria is not met, we will defer recognition of revenue until all the criteria are met.

We derive revenue primarily from sales of content, subscriptions, and maintenance and licenses. We present revenue net of sales taxes and any similar assessments.

Content, subscription, and maintenance revenue includes arrangements for software maintenance and technical support for our products, content and subscription services primarily related to our security products, revenue from arrangements where vendor-specific objective evidence ("VSOE") of the fair value of undelivered elements does not exist, arrangements for managed security services, and software as a service ("SaaS") offerings. These arrangements are generally offered to our customers over a specified period of time, and we recognize the related revenue ratably over the maintenance, subscription, or service period. We enter into perpetual software license agreements through direct sales to customers and indirect sales with distributors and resellers. The license agreements generally include product maintenance agreements, for which the related revenue is included with content, subscriptions, and maintenance and is deferred and recognized ratably over the period of the agreements.

Content, subscription, and maintenance revenue also includes professional services revenue, consisting primarily of the fees we earn related to consulting and educational services. We generally recognize revenue from professional services as the services are performed or upon written acceptance from customers, if applicable, assuming all other conditions for revenue recognition noted above have been met.

License revenue is derived primarily from the licensing of our various products and technology. We generally recognize license revenue upon delivery of the product, assuming all other conditions for revenue recognition noted above have been met. License revenue also includes appliance product revenue. We generally recognize appliance product revenue as each product is delivered, assuming all other conditions for revenue recognition noted above have been met.

For software arrangements that include multiple elements, including perpetual software licenses, maintenance, services, and packaged products with content updates and subscriptions, we allocate and defer revenue for the undelivered items based on VSOE of the fair value of the undelivered elements, and recognize the difference between the total arrangement fee and the amount deferred for the undelivered items as license revenue. VSOE of each element is based on historical evidence of our stand-alone sales of these elements to third parties or from the stated renewal rate for the undelivered elements. When VSOE does not exist for undelivered items, the entire arrangement fee is recognized ratably over the performance period. Our deferred revenue consists primarily of the unamortized balance of enterprise product maintenance, consumer product content updates, managed security services, subscriptions, and arrangements where VSOE does not exist for an undelivered element.

For arrangements that include both software and non-software elements, we allocate revenue to the software deliverables as a group and non-software deliverables based on their relative selling prices. In such circumstances, the accounting principles establish a hierarchy to determine the selling price used for allocating revenue to the deliverables as follows: (i) VSOE, (ii) third-party evidence of selling price ("TPE") and (iii) the best estimate of the selling price ("ESP"). Our appliance products, SaaS and certain other services are considered to be non-software elements in our arrangements.

When we are unable to establish a selling price using VSOE or TPE, we use ESP in the allocation of arrangement consideration. The objective of ESP is to determine the price at which we would transact a sale if the product or service were sold on a stand-alone basis. The determination of ESP is made through consultation with and formal approval by our management, taking into consideration the go-to-market strategy, pricing factors, and historical transactions.

Indirect channel sales

We sell consumer packaged software products through a multi-tiered distribution channel. For consumer products that include content updates, we recognize revenue ratably over the term of the subscription upon sell-through to end-users, as the subscription period commences on the date of sale to the end-user. For most other consumer products, we recognize packaged product revenue on distributor and reseller channel inventory that is not in excess of specified inventory levels in these channels. We offer the right of return of our products under various policies and programs with our distributors, resellers, and end-user customers. We estimate and record reserves for product returns as an offset to revenue or deferred revenue. We fully reserve for obsolete products in the distribution channel as an offset to deferred revenue for products with content updates and to revenue for all other products.

For security products, we generally recognize revenue from the licensing of software products through our indirect sales channel upon sell-through or with evidence of an end-user. For licensing of our software to original equipment manufacturers ("OEMs"), royalty revenue is recognized when the OEM reports the sale of the software products to an end-user, generally on a quarterly basis. In addition to license royalties, some OEMs pay an annual flat fee and/or support royalties for the right to sell maintenance and technical support to the end-user. We recognize revenue from OEM support royalties and fees ratably over the term of the support agreement.

We offer channel and end-user rebates for our products. Our estimated reserves for channel volume incentive rebates are based on distributors' and resellers' actual performance against the terms and conditions of volume incentive rebate programs, which are typically entered into quarterly. Our reserves for end-user rebates are estimated based on the terms and conditions of the promotional program, actual sales during the promotion, the amount of actual redemptions received, historical redemption trends by product and by type of promotional program, and the value of the rebate. We estimate and record reserves for channel and end-user rebates as an offset to revenue or deferred revenue. As of April 1, 2016 and April 3, 2015, we had reserves for rebates of $32 million and $30 million, respectively. For consumer products that include content updates, rebates are recorded as a ratable offset to revenue or deferred revenue over the term of the subscription.

Financial instruments

For assets and liabilities measured at fair value, such amounts are based on an expected exit price representing the amount that would be received on the sale of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability. The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis whereby inputs used in valuation techniques are assigned a hierarchical level.

The following methods were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash equivalents. We consider all highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents. Cash equivalents are carried at amounts that approximate fair value due to the short period of time to maturity.

Short-term investments. Short-term investments consist of investment and marketable equity securities that are classified as available-for-sale and recognized at fair value using Level 1 and Level 2 inputs, which are quoted using market prices, independent pricing vendors, or other sources, to determine the fair value. Unrealized gains and losses, net of tax, are included in accumulated other comprehensive income. We regularly review our investment portfolio to identify and evaluate investments that have indications of impairment. Factors considered in determining whether a loss is other-than-temporary include: the length of time and extent to which the fair value has been lower than the cost basis, the financial condition and near-term prospects of the investee, credit quality, likelihood of recovery, and our ability to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value.

Debt. Our debt includes senior unsecured notes, convertible senior notes, and a revolving credit facility. Our senior unsecured notes and convertible senior notes are recorded at cost based upon par value at issuance less discounts. The discount associated with our senior notes represents the amount by which the face value exceeds the fair value of the debt at the date of issuance. The discount and issuance costs are amortized using the effective interest rate method over the term of the debt as a non-cash charge to interest expense. Borrowings under our senior unsecured revolving credit facility ("credit facility"), if any, are recognized at cost plus accrued interest based upon stated interest rates.

Equity investments. We make equity investments in privately-held companies, which includes the B common shares we received as a portion of the net consideration in the sale of Veritas. These investments are accounted for under the cost method of accounting, as we hold less than 20% of the voting stock outstanding and do not exert significant influence over these companies. We assess the recoverability of these investments by reviewing various indicators of impairment. If indicators are present, a fair value measurement is made by performing a discounted cash flow analysis of the investment. If a decline in value is determined to be other-than-temporary, impairment would be recognized and included in other income, net.

Accounts receivable

Accounts receivable are recorded at the invoiced amount and are not interest bearing. We maintain an allowance for doubtful accounts to reserve for potentially uncollectible receivables. We review our accounts receivables by aging category to identify specific customers with known disputes or collectability issues. In addition, we maintain an allowance for all other receivables not included in the specific reserve by applying specific percentages of projected uncollectible receivables to the various aging categories. In determining these percentages, we use judgment based on our historical collection experience and current economic trends. We also offset deferred revenue against accounts receivable when channel inventories are in excess of specified levels and for transactions where collection of a receivable is not considered probable.

Property and equipment

Property, equipment, and leasehold improvements are stated at cost, net of accumulated depreciation. We capitalize costs incurred during the application development stage related to the development of internal use software and enterprise cloud computing services. We expense costs incurred related to the planning and post-implementation phases of development as incurred. Depreciation is provided on a straight-line basis over the estimated useful lives. Estimated useful lives for financial reporting purposes are as follows: buildings, 20 to 30 years; leasehold improvements, the lesser of the life of the improvement or the initial lease term; computer hardware and software, and office furniture and equipment, 3 to 5 years.

The following table summarizes property and equipment, net of accumulated depreciation by categories for the periods presented:

	April 1, 2016	April 3, 2015
	(Dollars in millions)	
Land	$ 73	$ 73
Computer hardware and software	987	922
Office furniture and equipment	92	88
Buildings	426	426
Leasehold improvements	310	249
Construction in progress	74	79
Gross property and equipment	1,962	1,837
Accumulated depreciation	(1,005)	(887)
Property and equipment, net	$ 957	$ 950

Depreciation expense was $213 million, $229 million, and $236 million in fiscal 2016, 2015, and 2014, respectively.

Business combinations

We use the acquisition method of accounting under the authoritative guidance on business combinations. Each acquired company's operating results are included in our Consolidated Financial Statements starting on the date of acquisition. The purchase price is equivalent to the fair value of consideration transferred. Tangible and identifiable intangible assets acquired and liabilities assumed as of the date of acquisition are recorded at their estimated fair values at acquisition date. Goodwill is recognized for the excess of purchase price over the net fair value of assets acquired and liabilities assumed.

Goodwill and intangible assets

Goodwill. Goodwill represents the excess of the purchase price of an acquisition over the net fair value of assets acquired and liabilities assumed. Goodwill is allocated to our reporting units expected to benefit from the business combination based on the relative fair value at the acquisition date. We review goodwill for impairment for each reporting unit on an annual basis during the fourth quarter of our fiscal year or more frequently if facts and circumstances warrant. Under the authoritative guidance we have the option to perform a qualitative assessment to determine whether further impairment testing is necessary. During the annual impairment reviews in fiscal 2015 and 2014, we performed the qualitative assessment and determined there were no indicators of significant risk of goodwill impairment. During the fourth quarter of fiscal 2016, we completed the divestiture of Veritas. See Note 3. As a result, we determined that we should perform a quantitative assessment related to the goodwill of our two remaining reporting units: Customer Security and Enterprise Security. Based on the guidance, we performed the first step of the quantitative assessment and concluded that the fair values of these two reporting units exceeded their respective carrying amounts. Based on this assessment, we concluded that for fiscal 2016, goodwill was not impaired.

Intangible assets. In connection with our acquisitions, we generally recognize assets for customer relationships, developed technology, finite-lived trade names, patents, and indefinite-lived trade names. Finite-lived intangible assets are carried at cost less accumulated amortization. Such amortization is provided on a straight-line basis over the estimated useful lives of the respective assets, generally from 1 to 11 years. Amortization for developed technology is recognized in cost of revenue. Amortization for customer relationships and certain trade names is recognized in operating expenses. Indefinite-lived intangible assets are not subject to amortization but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of indefinite-lived intangible assets is measured by the comparison of the carrying amount of the asset to the discounted future cash flows of the asset is expected to generate. If the carrying amount of the asset exceeds its discounted future cash flows, an impairment loss is recognized for the difference between the asset's carrying amount and fair value.

Restructuring, separation and transition

Restructuring actions generally include significant actions involving employee-related severance charges and contract termination costs. Employee-related severance charges are largely based upon substantive severance plans, while some charges result from mandated requirements in certain foreign jurisdictions. These charges are reflected in the period when both the actions are probable and the amounts are estimable. Separation and other related costs include advisory, consulting and other costs incurred in connection with the separation of Veritas. Contract termination costs for leased facilities primarily reflect costs that will continue to be incurred under the contract for its remaining term without economic benefit to the Company. These charges are reflected in the period when the facility ceases to be used. Costs of providing transition services to Veritas after January 29, 2016, the date of the sale, are recorded in continuing operations.

Income taxes

The provision for income taxes is computed using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carryforwards in each jurisdiction in which we operate. Deferred tax assets and liabilities are measured using the currently enacted tax rates that apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled. We record a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

We are required to compute our income taxes in each federal, state, and international jurisdiction in which we operate. This process requires that we estimate the current tax exposure as well as assess temporary differences between the accounting and tax treatment of assets and liabilities, including items such as accruals and allowances not currently deductible for tax purposes. The income tax effects of the differences we identify are classified as current or long-term deferred tax assets and liabilities in our Consolidated Balance Sheets as of April 3, 2015, and as long-term deferred tax assets and liabilities as of April 1, 2016, following the adoption of Accounting Standards Update ("ASU") No. 2015-17, Income Taxes. Our judgments, assumptions, and estimates relative to the current provision for income tax take into account current tax laws, our interpretation of current tax laws, and possible outcomes of current and future audits conducted by foreign and domestic tax authorities. Changes in tax laws or our interpretation of tax laws and the resolution of current and future tax audits could significantly impact the amounts provided for income taxes in our Consolidated Balance Sheets and Consolidated Statements of Operations. We must also assess the likelihood that deferred tax assets will be realized from future taxable income and, based on this assessment, establish a valuation allowance, if required. Our determination of our valuation allowance is based upon a number of assumptions, judgments, and estimates, including forecasted earnings, future taxable income, and the relative proportions of revenue and income before taxes in the various domestic and international jurisdictions in which we operate. To the extent we establish a valuation allowance or change the valuation allowance in a period, we reflect the change with a corresponding increase or decrease to our tax provision in our Consolidated Statements of Operations.

We apply the authoritative guidance on income taxes that prescribes a minimum recognition threshold that a tax position is required to meet before being recognized in the consolidated financial statements. It also provides guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition.

This guidance prescribes a two-step process to determine the amount of tax benefit to be recognized. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step requires us to estimate and measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. It is inherently difficult and subjective to estimate such amounts, as this requires us to determine the probability of various possible outcomes. We reevaluate these uncertain tax positions on a quarterly basis. This evaluation is based on factors including, but not limited to, changes in facts or circumstances, changes in tax law, effectively settled issues under audit, and new audit activity. Such a change in recognition or measurement would result in the recognition of a tax benefit or an additional charge to the tax provision in the period.

Stock-based compensation

Stock-based compensation expense is measured at the grant date based on the fair value of the award and is generally recognized on a straight-line basis over the requisite service period, which is generally the vesting period of the respective award. No compensation cost is ultimately recognized for awards for which employees do not render the requisite service and are forfeited. We estimate forfeitures based on historical experience. Our stock-based awards principally consist of restricted stock units ("RSUs"). The fair value of each RSU is equal to the market value of Symantec's common stock on the date of grant. The fair values of RSUs are not discounted by the dividend yield because the Company's RSUs include dividend-equivalent rights ("DERs"). As of April 1, 2016 and April 3, 2015, our total accrued DERs were $75 million and $20 million, respectively, which are included in other current liabilities and other long-term obligations on our Consolidated Balance Sheets.

Concentrations of credit risk

A significant portion of our revenue and net income is derived from international sales and independent agents and distributors. Fluctuations of the U.S. dollar against foreign currencies, changes in local regulatory or economic conditions, piracy, or nonperformance by independent agents or distributors could adversely affect operating results.

Financial instruments that potentially subject us to concentrations of credit risk consist principally of cash and cash equivalents, short-term investments, and trade accounts receivable. Our investment policy limits the amount of credit risk exposure to any one issuer and to any one country. We are exposed to credit risks in the event of default by the issuers to the extent of the amount recorded in our Consolidated Balance Sheets. The credit risk in our trade accounts receivable is substantially mitigated by our credit evaluation process, reasonably short collection terms, and the geographical dispersion of sales transactions. As of April 1, 2016, we had one distributor that accounted for 10% of our total accounts receivable. We maintain reserves for potential credit losses and such losses have been within management's expectations.

Advertising and other promotional costs

Advertising and other promotional costs are charged to operations as incurred and included in operating expenses. These costs totaled $211 million, $326 million, and $436 million for fiscal 2016, 2015, and 2014, respectively.

Contingencies

We evaluate contingent liabilities including threatened or pending litigation in accordance with the authoritative guidance on contingencies. We assess the likelihood of any adverse judgments or outcomes from potential claims or proceedings, as well as potential ranges of probable losses, when the outcomes of the claims or proceedings are probable and reasonably estimable. A determination of the amount of an accrual required, if any, for these contingencies is made after the analysis of each separate matter. Because of uncertainties related to these matters, we base our estimates on the information available at the time of our assessment. As additional information becomes available, we reassess the potential liability related to our pending claims and litigation and may revise our estimates. Any revisions in the estimates of potential liabilities could have a material impact on our operating results and financial position.

Sales Commissions

Sales commissions that are incremental and directly related to customer sales contracts in which revenue is deferred are accrued and capitalized upon execution of a non-cancelable customer contract, and subsequently expensed over the term of such contract in proportion to the related future revenue streams. For commission costs where revenue is recognized, the related commission costs are recorded in the period of revenue recognition. As of April 1, 2016 and April 3, 2015, we had total deferred commissions of $74 million and $73 million, respectively, which are included in other current assets and long-term other assets on our Consolidated Balance Sheets.

Recently adopted accounting guidance

In April 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-08, Presentation of Financial Statements and Property, Plant and Equipment, that provides new guidance related to reporting discontinued operations. This new standard raises the threshold for a disposal to qualify as a discontinued operation and requires new disclosures of both discontinued operations and certain other disposals that do not meet the definition of a discontinued operation. The standard became effective for the Company in the first quarter of fiscal 2016, and applied to the presentation and disclosure of the sale of Veritas, which closed in January 2016. For additional information about our reporting of discontinued operations, see Note 3.

In April 2015, the FASB issued ASU No. 2015-03, Interest – Imputation of Interest, which requires debt issuance costs to be presented as a direct deduction from the carrying amount of the related liability. We adopted the standard in the first quarter of fiscal 2016, and it did not have a material impact on our Consolidated Financial Statements.

In November 2015, the FASB issued ASU No. 2015-17, Income Taxes, which simplifies the presentation of deferred income taxes by requiring that all deferred income tax liabilities and assets be classified as long-term. The amendments in this ASU are effective for reporting periods beginning after December 15, 2016, with early adoption permitted. The standard was adopted by the Company in the fourth quarter of fiscal 2016 on a prospective basis, and it resulted in balance sheet reclassifications of current deferred income tax liabilities and assets to long-term on April 1, 2016.

Recent accounting guidance not yet adopted

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, that requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers and will replace most existing revenue recognition guidance in U.S. GAAP. The standard permits the use of either the retrospective or cumulative effect transition method. In August 2015, the FASB issued ASU No. 2015-14, Revenue from Contracts with Customers: Deferral of the Effective Date, which defers the effective date of the new revenue reporting standard by one year. The standard will be effective for the Company for the fiscal year beginning on March 31, 2018. We have not yet selected a transition method nor have we determined the effect of the standard on our Consolidated Financial Statements.

In January 2016, the FASB issued ASU No. 2016-01, Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities. The new guidance enhances the reporting model for financial instruments, which includes amendments to address aspects of recognition, measurement, presentation and disclosure. The update to the standard is effective for the Company for the fiscal year beginning March 31, 2018, with early adoption permitted under limited circumstances. The Company is currently evaluating the effect the standard will have on its Consolidated Financial Statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). The new standard requires lessees to recognize a right-of-use asset and a lease liability for all leases except those with a term of 12 months or less. The liability will be equal to the present value of lease payments. The asset will be based on the liability. The standard is effective for the Company for the fiscal year beginning March 30, 2019. Early adoption is permitted. Adoption of the standard will result in a gross up of our balance sheet for the right-of-use asset and the lease liability for operating leases. It is not expected that adoption of the standard will have a material impact to our operating results.

In March 2016, the FASB issued ASU No. 2016-08, Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net). The amendments finalize the guidance in the new revenue standard on assessing whether an entity is a principal or an agent in a revenue transaction. The conclusion impacts whether an entity reports revenue on a gross or net basis. The amendments have the same effective date as the new revenue standard, which for the Company is the fiscal year beginning March 31, 2018. The Company is currently evaluating the effect the standard will have on its Consolidated Financial Statements.

In March 2016, the FASB issued ASU No. 2016-09, Compensation — Stock Compensation (Topic 718): Improvements to Employee Share-Based Accounting. The amendments will require companies to recognize the income tax effects of awards in the income statement when the awards vest or are settled. The guidance requires companies to present excess tax benefits as an operating activity and cash paid to a taxing authority to satisfy statutory withholding as a financing activity on the statement of cash flows. The guidance will also allow entities to make an alternative policy election to account for forfeitures as they occur. The guidance is effective for the Company for the fiscal year beginning April 1, 2017. The Company is currently evaluating the effect the standard will have on its Consolidated Financial Statements.

In April 2016, the FASB issued ASU No. 2016-10, Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing. The update provides guidance on accounting for licenses of intellectual property (“IP”) and identifying performance obligations. The amendments clarify how an entity should evaluate its promise when granting a license of IP. They also clarify when a promised good or service is separately identifiable and allow entities to disregard items that are immaterial in the context of the contract. The amendments have the same effective date as the new revenue standard, which for the Company is the fiscal year beginning March 31, 2018. The Company is currently evaluating the effect the standard will have on its Consolidated Financial Statements.

In May 2016, the FASB issued ASU No. 2016-12, Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients. The update clarifies certain issues related to transition to the new revenue guidance, as well as, assessing collectability, recognition of noncash consideration and presentation of sales and other similar taxes in revenue transactions. The amendments have the same effective date as the new revenue standard, which for the Company is the fiscal year beginning March 31, 2018. The Company is currently evaluating the effect the standard will have on its Consolidated Financial Statements.

There was no other recently issued authoritative guidance that is expected to have a material impact to our Consolidated Financial Statements through the reporting date.

Note 2. Fair Value Measurements

For assets and liabilities measured at fair value, such amounts are based on an expected exit price representing the amount that would be received on the sale of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability. The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis whereby inputs, used in valuation techniques, are assigned a hierarchical level. The following are the hierarchical levels of inputs to measure fair value:

- Level 1: Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2: Observable inputs that reflect quoted prices for identical assets or liabilities in markets that are not active; quoted prices for similar assets or liabilities in active markets; inputs other than quoted prices that are observable for the assets or liabilities; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3: Unobservable inputs reflecting our own assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available.

Assets measured and recorded at fair value on a recurring basis

Cash equivalents. Cash equivalents consist primarily of money market funds with original maturities of three months or less at the time of purchase, and the carrying amount is a reasonable estimate of fair value.

Short-term investments. Short-term investments consist of investment and marketable equity securities with original maturities greater than three months. Investment securities are priced using inputs such as actual trade data, benchmark yields, broker/dealer quotes, and other similar data, which are obtained from quoted market prices, independent pricing vendors, or other sources, to determine the fair value of these assets. Marketable equity securities are recorded at fair value using quoted prices in active markets for identical assets.

The following table summarizes our assets measured at fair value on a recurring basis, by level, within the fair value hierarchy:

	April 1, 2016			April 3, 2015		
	Fair Value	**Cash and Cash Equivalents**	**Short-term Investments**	**Fair Value**	**Cash and Cash Equivalents**	**Short-term Investments**
			(Dollars in millions)			
Cash	$ 1,072	$ 1,072	$ -	$ 776	$ 776	$ -
Non-negotiable certificates of deposit	1	-	1	296	260	36
Level 1						
Money market	2,905	2,905	-	1,725	1,725	-
U.S. government securities	335	310	25	284	-	284
Marketable equity securities	11	-	11	5	-	5
	3,251	3,215	36	2,014	1,725	289
Level 2						
Corporate bonds	45	43	2	166	-	166
U.S. agency securities	526	523	3	68	-	68
Commercial paper	1,121	1,121	-	333	82	251
Negotiable certificates of deposit	9	9	-	184	-	184
International government securities	-	-	-	23	-	23
	1,701	1,696	5	774	82	692
Total	$ 6,025	$ 5,983	$ 42	$ 3,860	$ 2,843	$ 1,017

There were no transfers between fair value measurement levels during fiscal 2016.

Fair value of debt

As of April 1, 2016 and April 3, 2015, the total fair value of our current and long-term debt was $2.3 billion and $2.2 billion, respectively, based on Level 2 inputs. As of April 1, 2016, the fair value of the equity component of our 2.5% Convertible Notes was $29 million, based on Level 3 inputs.

Note 3. Discontinued Operations

In August 2015, we entered into a definitive agreement to sell the assets of Veritas to Carlyle and amended the terms on January 19, 2016. Based on the amended terms of the definitive agreement, we received net consideration of $6.6 billion in cash excluding transaction costs and 40 million B common shares of Veritas and Veritas assumed certain liabilities in connection with the acquisition. The transaction closed on January 29, 2016. The disposition resulted in a net gain of $3.0 billion, which is presented as part of income from discontinued operations, net of income taxes in the Consolidated Statements of Operations for fiscal 2016. See Note 6 for more information on severance, facilities and separation costs related to our fiscal 2015 plans to separate our security and information management businesses.

The results of Veritas are presented as discontinued operations in our Consolidated Statements of Operations and thus have been excluded from continuing operations and segment results for all reported periods. Furthermore, Veritas' assets and liabilities were removed from our Consolidated Balance Sheet upon consummation of the sale on January 29, 2016, and have been classified as discontinued operations on our Consolidated Balance Sheet as of April 3, 2015. The Company has two remaining reporting segments, Consumer Security and Enterprise Security. See Note 8 for more information on our operating segments.

In connection with the divestiture of Veritas, the Company and Veritas entered into Transition Service Agreements ("TSA") pursuant to which the Company provides Veritas certain limited services including financial support services, information technology services, and access to facilities, and Veritas provides the Company certain limited financial support services. The TSAs commenced with the close of the transaction and expire at various dates through fiscal 2019. During fiscal 2016, the Company recorded income of approximately $8 million for all services provided to Veritas, which is presented as part of other income, net in the Consolidated Statements of Operations.

The Company also has retained various customer relationships and contracts that were reported historically as a part of the Veritas business. Approximately $330 million related to these relationships and contracts have been reported as part of the Company's deferred revenues in the Consolidated Balance Sheets as of April 1, 2016, along with a $131 million asset representing the fair value of the service and maintenance rights the Company has under an agreement with Veritas. These balances will be amortized to discontinued operations through the remaining term of the underlying contracts.

The following table presents the aggregate carrying amounts of the classes of assets and liabilities of discontinued operations:

	April 3, 2015
	(Dollars in millions)
Assets:	
Cash and cash equivalents	$ 31
Accounts receivable, net	293
Other current assets	91
Property and equipment, net	255
Intangible assets, net	103
Goodwill	2,701
Equity investments	5
Other long-term assets	46
Total assets classified as discontinued operations	$ 3,525
Liabilities:	
Accounts payable	$ 44
Accrued compensation and benefits	166
Deferred revenue	682
Other current liabilities	44
Long-term deferred revenue	111
Other long-term obligations	23
Total liabilities classified as discontinued operations	$ 1,070

The following table presents information regarding certain components of income from discontinued operations, net of income taxes:

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions)		
Net revenues	$ 1,968	$ 2,552	$ 2,493
Cost of revenues	(334)	(426)	(358)
Operating expenses	(1,270)	(1,131)	(1,096)
Gain on sale of Veritas	4,060	-	-
Other income (expense), net	3	(3)	10
Income from discontinued operations before income taxes	4,427	992	1,049
Provision for income taxes	1,118	223	242
Income from discontinued operations, net of income taxes	$ 3,309	$ 769	$ 807

Note 4. Goodwill and Intangible Assets

During fiscal 2016, 2015, and 2014 we completed business acquisitions primarily to enhance our technology portfolio for aggregate cash consideration, net of cash acquired, of $4 million, $19 million, and $17 million, respectively. The results of operations related to these acquisitions have been included in our Consolidated Statements of Operations from the acquisition date. Pro forma results of operations have not been presented because the acquisitions were not material to our results of operations. Goodwill related to the business acquisitions is summarized in the following table.

Goodwill

The changes in the carrying amount of goodwill are as follows:

	Consumer Security	Enterprise Security	Total
	(Dollars in millions)		
Balance as of March 28, 2014	$ 1,233	$ 1,918	$3,151
Acquisitions	-	11	11
Translation adjustments	(3)	(13)	(16)
Balance as of April 3, 2015	1,230	1,916	3,146
Translation adjustments	1	1	2
Balance as of April 1, 2016	$ 1,231	$ 1,917	$3,148

Intangible assets, net

	April 1, 2016			April 3, 2015		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	(Dollars in millions)					
Customer relationships	$ 406	$ (320)	$ 86	$ 637	$ (498)	$ 139
Developed technology	144	(84)	60	200	(117)	83
Finite-lived trade names	2	(2)	-	21	(19)	2
Patents	21	(18)	3	21	(17)	4
Total finite-lived intangible assets	573	(424)	149	879	(651)	228
Indefinite-lived trade names	294	-	294	297	-	297
Total	$ 867	$ (424)	$ 443	$ 1,176	$ (651)	$ 525

Goodwill and intangible assets that were disposed of as a result of our sale of Veritas were included in assets classified as discontinued operations in our Consolidated Balance Sheets as of April 3, 2015, and accordingly, are excluded from the tables above.

As of April 1, 2016, future amortization expense related to intangible assets that have finite lives is as follows by fiscal year:

	April 1, 2016
	(Dollars in millions)
2017	$ 68
2018	51
2019	25
2020	5
Total	$ 149

Note 5. Debt

The following table summarizes components of our debt:

	April 1, 2016		April 3, 2015	
	Amount	Effective Interest Rate	Amount	Effective Interest Rate
	(Dollars in millions)			
2.75% Senior Notes due September 15, 2015	$ -	- %	$ 350	2.76 %
2.75% Senior Notes due June 15, 2017	600	2.79 %	600	2.79 %
4.20% Senior Notes due September 15, 2020	750	4.25 %	750	4.25 %
3.95% Senior Notes due June 15, 2022	400	4.05 %	400	4.05 %
2.50% Convertible Senior Notes due April 1, 2021	500	3.76 %	-	- %
Total principal amount	2,250		2,100	
Less: unamortized discount and issuance costs	(43)		(4)	
Total debt	2,207		2,096	
Less: current portion	-		(350)	
Total long-term portion	$ 2,207		$ 1,746	

The future maturities of debt by fiscal year are as follows:

	April 1, 2016
	(Dollars in millions)
2017	$ -
2018	600
2019	-
2020	-
2021	1,250
Thereafter	400
Total	$ 2,250

Senior Notes

In fiscal 2013, we issued $1.0 billion of Senior Notes consisting of the 3.95% Senior Notes due in 2022 and the 2.75% Senior Notes due in 2017. We received proceeds of $996 million, net of an issuance discount. We also incurred issuance costs of $6 million in fiscal 2013. In fiscal 2011, we issued $750 million of the 4.20% Senior Notes due in 2020.

Our Senior Notes are senior unsecured obligations that rank equally in right of payment with all of our existing and future unsecured, unsubordinated obligations and are redeemable by us at any time, subject to a "make-whole" premium. Interest on our Senior Notes is payable semiannually. Both the discount and issuance costs are being amortized as incremental interest expense over the respective terms of the Senior Notes. The principal balance of our 2.75% Senior Notes due September 15, 2015 matured and was settled by a cash payment of $350 million in the second quarter of fiscal 2016. Contractual interest expense totaled $68 million, $73 million, and $73 million in fiscal years 2016, 2015, and 2014, respectively.

Convertible Senior Notes

On March 4, 2016 (the "Issuance Date"), we issued $500 million of Convertible Senior Notes due in 2021 (the "Notes"). The Notes were issued at par and bear an annual interest rate of 2.50%, payable semiannually in arrears, beginning on October 1, 2016. Debt issuance costs of $6 million were recorded as a reduction to the

Notes on the Company's Consolidated Balance Sheets and are being amortized to interest expense over four years. The fair value of the equity component of the Notes recorded in additional paid-in capital was $29 million.

The Notes are convertible into cash, shares of the Company's common stock or a combination of cash and common stock at the Company's option, at any time prior to the maturity date at an initial conversion rate of 59.6341 per $1,000 principal amount of the Notes (which represents an initial conversion price of approximately $16.77 per share). The conversion rate is subject to customary anti-dilution adjustments. The Notes are senior unsecured obligations of the Company and rank equal in right of payment to all senior unsecured indebtedness of the Company. As of April 1, 2016, the conversion price of the Notes remained approximately $16.77.

Holders of the Notes have the right to redeem the Notes for 100% of the principal plus accrued interest on or after the fourth anniversary of the issuance date, or if a fundamental change or an event of default occurs. A fundamental change, as defined in the indenture governing the Notes, includes a sale of substantially all the Company's assets, a change of the control of the Company, or a plan for the Company's liquidation or dissolution. If holders of the Notes convert them in connection with a fundamental change, the Company may be required to provide a make whole premium in the form of an increased conversion rate, subject to a maximum amount, based on the effective date of the fundamental change as set forth in a table contained in the indenture governing the Notes. As long as the holders of the Notes own at least 4% of the Company's common stock on an as-converted basis, they are entitled to nominate one director to the Company's board of directors. As of April 1, 2016, the holders' percentage interest in the Company's common stock exceeded this threshold.

The Company may redeem all or part of the principal of the Notes, at its option, at a purchase price equal to the principal amount plus accrued interest on or after the fourth anniversary of the Issuance Date, if the closing trading price of the Company's common stock exceeds 150% of the then-current conversion price for 20 or more trading days in the 30 consecutive trading-day period preceding the Company's exercise of the redemption right (including the last three such trading days) and provided that the Company has on file with the Securities and Exchange Commission an effective shelf registration statement on Form S-3 for the Company's common stock. Upon conversion, the Company has the intent and the current ability to pay the holders the cash value of the applicable number of shares of the Company's common stock, up to the principal amount and accrued and paid interest of the Notes.

Revolving credit facility

In fiscal 2011, we entered into a $1.0 billion senior unsecured revolving credit facility, which was amended in fiscal 2013. The amendment extended the term of the credit facility to June 7, 2017 and revolving loans under the credit facility will bear interest, at our option, either at a rate equal to a) London InterBank Offered Rate plus a margin based on debt ratings, as defined in the credit facility agreement or b) the bank's base rate plus a margin based on debt ratings, as defined in the credit facility agreement. This revolving credit facility was further amended in March 2016 to amend the definition of EBITDA (earnings before interest, taxes, depreciation and amortization) to account for the sale of Veritas and related expenses and to amend our consolidated leverage ratio under the agreement. Under the terms of this credit facility, we must comply with certain financial and non-financial covenants, including a covenant to maintain a specified ratio of debt to EBITDA. As of April 1, 2016, and April 3, 2015, we were in compliance with the required covenants, and no amounts were outstanding.

In May 2016, we replaced our existing $1.0 billion senior unsecured revolving credit facility with a new $2.0 billion credit facility. See Note 13 for more information.

Note 6. Restructuring, Separation, and Transition

Our restructuring, separation, and transition costs and liabilities consist primarily of severance, facilities, separation, transition and other related costs. Severance costs generally include severance payments, outplacement services, health insurance coverage, and legal costs. Facilities costs generally include rent expense and lease termination costs, less estimated sublease income. Separation and other related costs include advisory, consulting and other costs incurred in connection with the separation of our information management business.

Transition and other related costs primarily consist of consulting charges associated with the implementation of new enterprise resource planning systems. Restructuring, separation, and transition costs are managed at the corporate level and are not allocated to our reportable segments. See Note 8 for information regarding the reconciliation of total segment operating income to total consolidated operating income.

Fiscal 2014 Plan

We initiated a restructuring plan in the fourth quarter of fiscal 2013 to reduce management and redundant personnel resulting in headcount reductions across the Company. As of April 1, 2016, the related costs for severance and benefits are substantially complete; however, we expect to incur immaterial adjustments to existing reserves in subsequent periods.

Fiscal 2015 Plan

In fiscal 2015, we announced plans to separate our security and information management businesses. In order to separate the businesses, we put a restructuring plan in place to properly align personnel, and have therefore incurred associated severance and facilities costs. We also incurred separation costs in the form of advisory, consulting and disentanglement expenses. These actions were substantially completed in the fourth quarter of fiscal 2016 with the sale of Veritas on January 29, 2016. However, we expect to incur immaterial adjustments to existing reserves in subsequent periods. See Note 3 for more information on the sale of Veritas. As of April 1, 2016, liabilities for excess facility obligations at several locations around the world are expected to be paid throughout the respective lease terms, the longest of which extends through fiscal 2022.

Restructuring, separation, and transition summary

We incurred $78 million in continuing operations transition and other related costs during fiscal 2016. In addition, the following table summarizes changes to our restructuring and separation liabilities, which remain with the Company in continuing operations and are included in accounts payable, other current liabilities, and other long-term obligations in our Consolidated Balance Sheets. A portion of the following restructuring and separation costs is included in income from discontinued operations, net of income taxes.

	April 3, 2015	Costs, Net of Adjustments	Cash Payments	April 1, 2016	Cumulative Incurred to Date
			(Dollars in millions)		
Fiscal 2014 Plan total	$ 4	$ -	$ (4)	$ -	$ 238
Fiscal 2015 Plan					
Severance costs	59	34	(88)	5	136
Separation costs	17	214	(215)	16	295
Other exit and disposal costs	6	18	(16)	8	25
Fiscal 2015 Plan total	82	266	(319)	29	$ 456
Restructuring and separation plans total	$ 86	266	$ (323)	$ 29	

Note 7. Commitments and Contingencies

Lease commitments

We lease certain of our facilities, equipment, and co-locations under operating leases that expire at various dates through fiscal 2026. We currently sublease some space under various operating leases that will expire on various dates through fiscal 2023. Some of our leases contain renewal options, escalation clauses, rent concessions, and leasehold improvement incentives. Rent expense under operating leases was $103 million, $113 million, and $106 million for fiscal 2016, 2015, and 2014, respectively.

The minimum future rentals on non-cancelable operating leases by fiscal year are as follows:

	April 1, 2016
	(Dollars in millions)
2017	$ 86
2018	66
2019	58
2020	37
2021	32
Thereafter	25
Total minimum future lease payments	304
Sublease income	(70)
Total minimum future lease payments, net	$ 234

Purchase obligations

We have purchase obligations that are associated with agreements for purchases of goods or services. Management believes that cancellation of these contracts is unlikely and we expect to make future cash payments according to the contract terms.

The following reflects unrecognized purchase obligations by fiscal year:

	April 1, 2016
	(Dollars in millions)
2017	$ 256
2018	21
2019	50
Thereafter	2
Total purchase obligations	$ 329

Indemnifications

In the ordinary course of business, we may provide indemnifications of varying scope and terms to customers, vendors, lessors, business partners, subsidiaries and other parties with respect to certain matters, including, but not limited to, losses arising out of our breach of agreements or representations and warranties made by us. In addition, our bylaws contain indemnification obligations to our directors, officers, employees and agents, and we have entered into indemnification agreements with our directors and certain of our officers to give such directors and officers additional contractual assurances regarding the scope of the indemnification set forth in our bylaws and to provide additional procedural protections. We maintain director and officer insurance, which may cover certain liabilities arising from our obligation to indemnify our directors and officers. It is not possible to determine the aggregate maximum potential loss under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. Such indemnification agreements might not be subject to maximum loss clauses. Historically, we have not incurred material costs as a result of obligations under these agreements and we have not accrued any liabilities related to such indemnification obligations in our Consolidated Financial Statements.

In connection with the sale of Veritas, we assigned several leases to Veritas Technologies LLC or its related subsidiaries. As a condition to consenting to the assignments, certain lessors required us to agree to indemnify the lessor under the applicable lease with respect to certain matters, including, but not limited to, losses arising out of Veritas Technologies LLC or its related subsidiaries' breach of payment obligations under the terms of the lease. As with our other indemnification obligations discussed above and in general, it is not possible to determine the aggregate maximum potential loss under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. As with our other indemnification obligations, such indemnification agreements might not be subject to maximum loss clauses and to date, generally under our real estate obligations, we have not incurred material costs as a result of such obligations under our leases and have not accrued any liabilities related to such indemnification obligations under our Consolidated Financial Statements.

We provide limited product warranties and the majority of our software license agreements contain provisions that indemnify licensees of our software from damages and costs resulting from claims alleging that our software infringes on the intellectual property rights of a third party. Historically, payments made under these provisions have been immaterial. We monitor the conditions that are subject to indemnification to identify if a loss has occurred.

Litigation contingencies

GSA

During the first quarter of fiscal 2013, we were advised by the Commercial Litigation Branch of the Department of Justice's Civil Division and the Civil Division of the U.S. Attorney's Office for the District of Columbia that the government is investigating our compliance with certain provisions of our U.S. General Services Administration ("GSA") Multiple Award Schedule Contract No. GS-35F-0240T effective January 24, 2007, including provisions relating to pricing, country of origin, accessibility, and the disclosure of commercial sales practices.

As reported on the GSA's publicly-available database, our total sales under the GSA Schedule contract were approximately $222 million from the period beginning January 2007 and ending September 2012. We have fully cooperated with the government throughout its investigation and in January 2014, representatives of the government indicated that their initial analysis of our actual damages exposure from direct government sales under the GSA schedule was approximately $145 million; since the initial meeting, the government's analysis of our potential damages exposure relating to direct sales has increased. The government has also indicated they are going to pursue claims for certain sales to New York, California, and Florida as well as sales to the federal government through reseller GSA Schedule contracts, which could significantly increase our potential damages exposure.

In 2012, a sealed civil lawsuit was filed against Symantec related to compliance with the GSA Schedule contract and contracts with California, Florida, and New York. On July 18, 2014, the Court-imposed seal expired, and the government intervened in the lawsuit. On September 16, 2014, the states of California and Florida intervened in the lawsuit, and the state of New York notified the Court that it would not intervene. On October 3, 2014, the Department of Justice filed an amended complaint, which did not state a specific damages amount. On October 17, 2014, California and Florida combined their claims with those of the Department of Justice and the relator on behalf of New York in an Omnibus Complaint; and a First Amended Omnibus Complaint was filed on October 8, 2015; the state claims also do not state specific damages amounts.

It is possible that the litigation could lead to claims or findings of violations of the False Claims Act, and could be material to our results of operations and cash flows for any period. Resolution of False Claims Act investigations can ultimately result in the payment of somewhere between one and three times the actual damages proven by the government, plus civil penalties in some cases, depending upon a number of factors. Our current estimate of the low end of the range of the probable estimated loss from this matter is $25 million, which we have accrued. This amount contemplates estimated losses from both the investigation of compliance with the terms of the GSA Schedule contract as well as possible violations of the False Claims Act. There is at least a reasonable possibility that a loss may have been incurred in excess of our accrual for this matter, however, we are currently unable to determine the high end of the range of estimated losses resulting from this matter.

IV

On December 8, 2010, Intellectual Ventures ("IV") sued Symantec for patent infringement in the U.S. District Court in Delaware. The complaint alleged infringement by various Symantec internet security products. On February 6, 2015, the jury issued a verdict and subsequent Court decisions invalidated some of the patents-in-suit, therefore leaving an $8 million damages verdict. Symantec is seeking to overturn that verdict. Symantec does not believe that it is probable that it has incurred a material loss and, as a result, has not made an accrual for this matter.

EDS & NDI

On January 24, 2011, a class action lawsuit was filed against the Company and its previous e-commerce vendor Digital River, Inc.; the lawsuit alleged violations of California's Unfair Competition Law, the California Legal Remedies Act and unjust enrichment related to prior sales of Extended Download Service ("EDS") and Norton Download Insurance ("NDI"). On March 31, 2014, the U.S. District Court for the District of Minnesota certified a class of all people who purchased these products between January 24, 2005 and March 10, 2011. In August 2015, the parties executed a settlement agreement pursuant to which the Company would pay the plaintiffs $30 million, which we accrued. On October 8, 2015, the Court granted preliminary approval of the settlement, which was subsequently paid by the Company into escrow. The Court granted final approval on April 22, 2016, and entered judgment in the case. Objectors to the settlement have filed notices of appeal to the Eight Circuit Court of Appeals, challenging the Court's approval of the settlement.

Other

We are involved in a number of other judicial and administrative proceedings that are incidental to our business. Although adverse decisions (or settlements) may occur in one or more of the cases, it is not possible to estimate the possible loss or losses from each of these cases. The final resolution of these lawsuits, individually or in the aggregate, is not expected to have a material adverse effect on our business, results of operations, financial condition or cash flows.

Note 8. Segment and Geographic Information

The Company operates in the following two reporting segments, which are the same as our operating segments:

- *Consumer Security:* Our Consumer Security segment focuses on making it simple for customers to be productive and protected at home and at work. Our Norton-branded services provide multi-layer security and identity protection on major desktop and mobile operating systems, to defend against increasingly complex online threats to individuals, families, and small businesses.
- *Enterprise Security:* Our Enterprise Security segment protects organizations so they can securely conduct business while leveraging new platforms and data. Our Enterprise Security segment includes our threat protection products, information protection products, cyber security services, and website security offerings, previously named trust services.

There were no intersegment sales for the periods presented. The historical information presented has been retrospectively adjusted to reflect the sale of Veritas.

The following table summarizes the operating results of our reporting segments:

	Consumer Security	Enterprise Security	Total Segments
	(Dollars in millions)		
Fiscal 2016			
Net revenues	$ 1,670	$ 1,930	$ 3,600
Operating income	924	102	1,026
Fiscal 2015			
Net revenues	$ 1,887	$ 2,069	$ 3,956
Operating income	982	293	1,275
Fiscal 2014			
Net revenues	$ 2,063	$ 2,135	$ 4,198
Operating income	928	349	1,277

Our operating segments are based upon the nature of our business and how our business is managed. During fiscal 2016, 2015, and 2014, our Chief Operating Decision Makers, comprised of our Chief Executive Officer and Chief Financial Officer, use operating segment financial information to evaluate the Company's performance and to assign resources. Except for goodwill, as disclosed in Note 4, our assets are not discretely identified by segment.

A significant portion of the segments' operating expenses and cost of revenues, to a lesser extent, arise from shared services and infrastructure that we have historically provided to the segments in order to realize economies of scale and to efficiently use resources. These expenses (collectively "corporate charges") include legal, accounting, real estate, information technology services, treasury, human resources, other corporate infrastructure expenses. Corporate charges were allocated to the segments, and the allocations were determined on a basis that we consider to be a reasonable reflection of the utilization of services provided to or benefits received by the segments. Corporate charges previously allocated to Veritas, but not classified within discontinued operations, were not reallocated to our other segments. These unallocated corporate charges also include a $15 million reduction of revenue during fiscal 2014 related to the GSA investigation. At the beginning of the third quarter of fiscal 2016, as Veritas became operationally separate, operating costs related to Veritas were attributed directly to Veritas which reduced our unallocated corporate charges to zero. These charges are presented below as a component of the reconciliation between the total segment operating income and the Company's income from continuing operations and are classified as unallocated corporate charges. In addition, we do not allocate stock-based compensation expense, amortization of intangible assets and restructuring, separation, and transition charges.

The following table provides a reconciliation of the total of the Company's reportable segments' operating income to the consolidated operating income from continuing operations:

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions)		
Total segment operating income	$ 1,026	$ 1,275	$ 1,277
Less reconciling items:			
Unallocated corporate charges	186	704	650
Stock-based compensation	161	131	105
Amortization of intangibles	86	122	131
Restructuring, separation, and transition	136	164	247
Total consolidated operating income from continuing operations	$ 457	$ 154	$ 144

Product revenue information

The following table summarizes net revenues by significant product categories:

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions)		
Consumer security	$ 1,670	$ 1,887	$ 2,063
Threat protection	1,014	1,136	1,197
Others[(1)]	916	933	938
Total product revenue[(2)]	$ 3,600	$ 3,956	$ 4,198

(1) No other product category was material to the respective totals.

(2) A $15 million reduction of revenue during fiscal 2014 related to a loss contingency is unallocated and excluded from total product revenue.

Geographical information

The following table represents net revenues amounts recognized for sales in the corresponding countries:

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions)		
U.S.	$ 1,897	$ 1,960	$ 2,049
Foreign countries[(1)]	1,703	1,996	2,134
Total net revenue	$ 3,600	$ 3,956	$ 4,183

(1) No individual country represented more than 10% of the respective totals.

The table below lists our property and equipment, net of accumulated depreciation, by geographic area for the periods presented. We do not identify or allocate our other assets by geographic area:

	April 1, 2016	April 3, 2015
	(Dollars in millions)	
U.S.	$ 809	$ 693
Foreign countries[(1)]	148	257
Total	$ 957	$ 950

(1) No individual country represented more than 10% of the respective totals.

Significant customers

In fiscal 2016, 2015 and 2014, no customers accounted for more than 10% of our total net revenues.

Note 9. Stockholders' Equity

Dividends

We declared and paid aggregate cash dividends by fiscal year as follows:

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions, except dividends per share)		
Dividends per share	$ 4.60	$ 0.60	$ 0.60
Total amount	$ 3,020	$ 413	$ 418

Fiscal 2016 included a special dividend of $4.00 per share that was declared and paid during the fourth quarter of fiscal 2016 and was recorded as a reduction of retained earnings. Our restricted stock and performance-based stock units have DERs entitling holders to dividend equivalents to be paid in the form of cash upon vesting, for each share of the underlying units.

On May 12, 2016, we declared a cash dividend of $0.075 per share of common stock to be paid on June 22, 2016 to all stockholders of record as of the close of business on June 8, 2016. All shares of common stock issued and outstanding, and unvested restricted stock and performance-based stock, as of the record date will be entitled to the dividend and dividend equivalents, respectively. Any future dividends and dividend equivalents will be subject to the approval of our Board of Directors.

Stock repurchases

Through our stock repurchase programs we have repurchased shares on a quarterly basis since the fourth quarter of fiscal 2004. Under the programs, shares are repurchased on the open market and through accelerated stock repurchase ("ASR") transactions. During the second quarter of fiscal 2016, our Board of Directors authorized a new $1.5 billion stock repurchase program which commenced immediately.

Repurchases on open market transactions

The following table summarizes our stock repurchases on open market transactions for the periods presented and excludes the impact of shares purchased under our ASR agreements (except for the remaining authorization amount):

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(In millions, except per share data)		
Total number of shares repurchased	17	21	21
Dollar amount of shares repurchased	$ 368	$ 500	$ 500
Average price paid per share	$ 21.69	$ 23.73	$ 23.87
Remaining authorization at end of period	$ 790	$ 1,158	$ 658

Accelerated Stock Repurchase agreements

In November 2015, we entered into an ASR agreement with a financial institution to repurchase an aggregate of $500 million of our common stock. During the third quarter of fiscal 2016, we made an upfront payment of $500 million to the financial institution pursuant to the ASR agreement, and received and retired an initial delivery of 19.9 million shares of our common stock. The ASR was completed on January 15, 2016, which, per the terms of the agreement, resulted in the Company receiving an additional 5.0 million shares of our common stock. The total shares received and retired under the terms of the ASR agreement were 24.9 million, with an average price paid per share of $20.08.

In March 2016, we entered into an ASR agreement with financial institutions to repurchase an aggregate of $1.0 billion of our common stock. During the fourth quarter of fiscal 2016, we made an upfront payment of $1.0 billion to the financial institutions pursuant to the ASR agreement, and received and retired an initial delivery of 42.4 million shares of our common stock. The total number of shares ultimately delivered, and therefore the average repurchase price paid per share, is determined at the end of the purchase period. The purchase period for the March 2016 ASR agreement will end in or before the third quarter of fiscal 2017.

The upfront payments for the November 2015 and March 2016 ASR agreements totaled $1.5 billion and are presented under the caption repurchases of common stock in our Consolidated Statements of Cash Flows.

Changes in accumulated other comprehensive income by component

Components of accumulated other comprehensive income, on a net of tax basis, were as follows:

	Foreign Currency Translation Adjustments	Unrealized Gain On Available-For-Sale Securities	Total
	(Dollars in millions)		
Balance as of April 3, 2015	$ 101	$ 3	$ 104
Sale of Veritas	(81)	—	(81)
Other comprehensive (loss) income before reclassifications	(6)	4	(2)
Amounts reclassified from accumulated other comprehensive income	1	—	1
Balance as of April 1, 2016	$ 15	$ 7	$ 22

In fiscal 2016, we reclassified $1 million of realized loss on foreign currency translation adjustments from accumulated other comprehensive income to other income, net in our Consolidated Statements of Operations.

Note 10. Stock-Based Compensation

Stock purchase plans

2008 Employee Stock Purchase Plan

We maintain the 2008 Employee Stock Purchase Plan, as amended ("ESPP") under which eligible employees may annually contribute up to 10% of their gross compensation, subject to certain limitations, to purchase shares of our common stock at 85% of its fair market value on the purchase date at the end of each purchase period, which is generally six months. As of April 1, 2016, 28 million shares have been issued under this plan and 42 million shares remained available for future issuance.

Stock award plans

2000 Director Equity Incentive Plan

Our stockholders approved the 2000 Director Equity Incentive Plan and subsequent amendments which reserved 200,000 shares of common stock for issuance thereunder. The purpose of this plan is to provide the members of the Board of Directors with an opportunity to receive common stock for all or a portion of the retainer payable to each director for serving as a member. Each director may elect any portion up to 100% of the retainer to be paid in the form of stock. As of April 1, 2016, a total of 137,000 shares have been issued under this plan and 63,000 shares remained available for future issuance.

2004 and 2013 Equity Incentive Plans

Under both the 2004 Equity Incentive Plan ("2004 Plan") and the 2013 Equity Incentive Plan ("2013 Plan") (collectively "the Equity Plans"), the Company has granted incentive and nonqualified stock options, stock appreciation rights, RSUs, restricted stock awards, and performance-based awards to employees, officers, directors, consultants, independent contractors, and advisors to us. These may also be granted to any parent, subsidiary, or affiliate of ours. The purpose of the Equity Plans has been to attract, retain, and motivate eligible persons whose present and potential contributions are important to our success by offering them an opportunity to participate in our future performance through equity awards. RSUs granted prior to November 2014 generally vest over a four-year period, whereas RSUs granted thereafter generally vest over a three-year period.

All RSUs and performance-based awards granted under the Equity Plans have DERs which entitle participants to the same dividend value per share as holders of Company's common stock. The DERs are to be paid in the form of cash upon vesting for each share of the underlying award, and are subject to the same terms and conditions as the underlying award.

Upon adoption, our stockholders approved and reserved 45 million shares of common stock for issuance under the 2013 Plan. As of April 1, 2016, 20 million shares remained available for future grant. We use RSUs as our primary equity awards and stock option activity is not material to our Consolidated Financial Statements.

Stock-based compensation expense

The following table sets forth the total stock-based compensation expense recognized in our Consolidated Statements of Operations.

	Year Ended		
	April 1, 2016	**April 3, 2015**	**March 28, 2014**
	(Dollars in millions)		
Cost of revenue	$ 10	$ 15	$ 10
Sales and marketing	53	46	35
Research and development	56	39	29
General and administrative	42	31	31
Total stock-based compensation expense from continuing operations	161	131	105
Tax benefit associated with stock-based compensation expense	(50)	(37)	(30)
Net stock-based compensation expense from continuing operations	111	94	75
Net stock-based compensation expense from discontinued operations	56	46	36
Net stock-based compensation expense	$ 167	$ 140	$ 111

Restricted stock units

	Number of Shares	**Weighted-Average Grant Date Fair Value**	**Weighted-Average Remaining Years**	**Aggregate Intrinsic Value**
	(In millions, except per share and years data)			
Outstanding at April 3, 2015	26	$ 22.23		
Granted	14	23.20		
Vested and released	(11)	21.73		
Forfeited	(12)	22.91		
Outstanding and unvested at April 1, 2016	17	$ 22.72	1.2	$ 306
Expected to vest at April 1, 2016	14		1.1	$ 256

The weighted-average grant date fair value per share of restricted stock granted during fiscal 2016, 2015, and 2014, including assumed restricted stock was $23.20, $22.66, and $23.90, respectively. The total fair value of restricted stock that vested and was released in fiscal 2016, 2015, and 2014 was $250 million, $133 million, and $147 million, respectively.

As of April 1, 2016, total unrecognized compensation cost adjusted for estimated forfeitures related restricted stock was $213 million, which is expected to be recognized over the remaining weighted-average vesting period of 1.9 years.

Performance-based restricted stock units

During fiscal 2016 we granted performance-based restricted stock units ("PRUs") to certain senior level employees under our 2013 Plan. As of April 1, 2016 there were 2 million PRUs outstanding, with a weighted-average grant date fair value of $27.10 per share. As of April 1, 2016, total unrecognized compensation cost related to the PRUs was approximately $16 million, which is expected to be recognized over the remaining weighted-average period of 1.5 years. During fiscal 2016, 2015 and 2014 the total number of PRUs and performance-contingent stock units ("PCSUs") released was 0.4 million, 1.0 million, and 0.5 million, respectively. No PCSUs were granted during fiscal 2016 and none remained unvested as of April 1, 2016.

Shares reserved

We reserved the following shares of authorized but unissued common stock:

	April 1, 2016
	(In millions)
Stock purchase plans	42
Stock award plans	39
Total	81

Note 11. Income Taxes

The components of the provision for income taxes recorded in continuing operations are as follows:

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions)		
Current:			
Federal	$ 69	$ 4	$ (18)
State	13	(18)	(10)
International	46	40	31
	128	26	3
Deferred:			
Federal	1,060	(38)	5
State	15	(4)	12
International	10	8	(4)
	1,085	(34)	13
Provision for income taxes	$ 1,213	$ (8)	$ 16

Pretax income from international operations was $125 million, $41 million, and $102 million for fiscal 2016, 2015, and 2014, respectively.

The difference between our effective income tax and the federal statutory income tax is as follows:

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions)		
Federal statutory tax	$ 138	$ 35	$ 38
Foreign earnings not considered indefinitely reinvested, net	1,065	(8)	2
State taxes, net of federal benefit	9	(13)	1
Foreign earnings taxed at less than the federal rate	12	34	8
Domestic production activities deduction	(5)	(1)	-
Federal research and development credit	(9)	(8)	(4)
Valuation allowance (decrease) increase	10	1	(3)
Nondeductible separation costs	1	2	-
Change in uncertain tax positions	(4)	(57)	(19)
Other, net	(4)	7	(7)
Provision for income taxes	$ 1,213	$ (8)	$ 16

The principal components of deferred tax assets are as follows:

	Year Ended	
	April 1, 2016	April 3, 2015
	(Dollars in millions)	
Deferred tax assets:		
Tax credit carryforwards	$ 53	$ 31
Net operating loss carryforwards of acquired companies	34	57
Other accruals and reserves not currently tax deductible	112	173
Deferred revenue	89	74
Loss on investments not currently tax deductible	14	16
State income taxes	8	14
Stock-based compensation	39	45
Other	9	-
Gross deferred tax assets	358	410
Valuation allowance	(50)	(60)
Deferred tax assets, net of valuation allowance	$ 308	$ 350
Deferred tax liabilities:		
Property and equipment	$ (106)	$ (88)
Goodwill	(50)	(54)
Intangible assets	(11)	(24)
Unremitted earnings of foreign subsidiaries	(1,327)	(273)
Prepaids and deferred expenses	(17)	(42)
Total deferred tax liabilities	(1,511)	(481)
Net deferred tax assets (liabilities)	$(1,203)	$ (131)

The valuation allowance provided against our deferred tax assets as of April 1, 2016 is mainly attributable to net operating loss and tax credit carryforwards of acquired companies, state tax credits, and net operating losses in foreign jurisdictions. The valuation allowance decreased by a net of $10 million in fiscal 2016 due to changes in corresponding deferred tax assets primarily related to state tax credit carryforwards.

As of April 1, 2016, we have U.S. federal net operating losses attributable to various acquired companies of approximately $47 million, which, if not used, will expire between fiscal 2018 and 2032. These net operating loss carryforwards are subject to an annual limitation under Internal Revenue Code §382, but are expected to be fully realized. Furthermore, we have U.S. state net operating loss and credit carryforwards attributable to various acquired companies of approximately $131 million and $20 million, respectively. If not used, our U.S. state net operating losses will expire between fiscal 2017 and 2033 and the majority of our U.S. state credit carryforwards can be carried forward indefinitely. In addition, we have foreign net operating loss carryforwards attributable to various acquired foreign companies of approximately $48 million net of valuation allowances, the majority of which, under current applicable foreign tax law, can be carried forward indefinitely.

In assessing the ability to realize our deferred tax assets, we considered whether it is more likely than not that some portion or all the deferred tax assets will not be realized. We considered the following: we have historical cumulative book income, as measured by the current and prior two years; we have strong, consistent taxpaying history; we have substantial U.S. federal income tax carryback potential; and we have substantial amounts of scheduled future reversals of taxable temporary differences from our deferred tax liabilities. We have concluded that this positive evidence outweighs the negative evidence and, thus, that the deferred tax assets as of April 1, 2016 are realizable on a "more likely than not" basis.

As of April 1, 2016, no provision has been made for federal or state income taxes on $3.8 billion of cumulative unremitted earnings of certain of our foreign subsidiaries since we plan to indefinitely reinvest these earnings. As of April 1, 2016, the unrecognized deferred tax liability for these earnings was approximately $1.1 billion.

The aggregate changes in the balance of gross unrecognized tax benefits were as follows:

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(Dollars in millions)		
Balance at beginning of year	$ 193	$ 282	$ 412
Settlements with tax authorities	(25)	(150)	(122)
Lapse of statute of limitations	(15)	(13)	(11)
Decrease due to divestiture	(7)	-	-
Increase related to prior period tax positions	4	147	27
Decrease related to prior period tax positions	(7)	(96)	(50)
Increase related to current year tax positions	54	23	26
Net increase (decrease)	4	(89)	(130)
Balance at end of year	$ 197	$ 193	$ 282

There was a change of $4 million in gross unrecognized tax benefits during the fiscal year as disclosed above. This gross liability does not include offsetting tax benefits associated with the correlative effects of potential transfer pricing adjustments, interest deductions, and state income taxes.

Of the total unrecognized tax benefits at April 1, 2016, $203 million, if recognized, would favorably affect the Company's effective tax rate, while a $5 million offsetting impact would affect the cumulative translation adjustments. However, one or more of these unrecognized tax benefits could be subject to a valuation allowance if and when recognized in a future period, which could impact the timing of any related effective tax rate benefit.

At April 1, 2016, before any tax benefits, we had $12 million of accrued interest and penalties on unrecognized tax benefits. Interest included in our provision for income taxes was a benefit of approximately $8 million, offset by accruals of $3 million for the year ended April 1, 2016. If the accrued interest and penalties do not ultimately become payable, amounts accrued will be reduced in the period that such determination is made, and reflected as a reduction of the overall income tax provision.

We file income tax returns in the U.S. on a federal basis and in many U.S. state and foreign jurisdictions. Our most significant tax jurisdictions are the U.S., Ireland, and Singapore. Our tax filings remain subject to examination by applicable tax authorities for a certain length of time following the tax year to which those filings relate. Our fiscal years 2014 through 2016 remain subject to examination by the Internal Revenue Service ("IRS") for U.S. federal tax purposes. Our fiscal years prior to 2014 have been settled and closed with the IRS. Our 2012 through 2016 fiscal years remain subject to examination by the appropriate governmental agencies for Irish tax purposes, and our 2011 through 2016 fiscal years remain subject to examination by the appropriate governmental agencies for Singapore tax purposes. Other significant jurisdictions include California, Japan, the UK, India and Australia. We are under examination by the California Franchise Tax Board for the Symantec California income taxes for the 2009 through 2013 tax years, the Indian income tax authorities for fiscal years 2004 through 2014, and the Australian income tax authorities for fiscal years 2011 through 2014.

On September 3, 2013, we settled and effectively settled matters with the IRS for the Symantec 2005 through 2008 fiscal years. The result of the settlements, effective settlements, and re-measurements resulted in a reduction in the balance of our gross unrecognized tax benefits in fiscal year 2014 of $122 million.

On March 18, 2015, we settled and effectively settled matters with the IRS for the Symantec 2009 through 2013 fiscal years. The settlement and effective settlement resulted in a benefit to tax expense in fiscal year 2015 of $59 million. Additionally, the Company settled transfer price related matters of $158 million, a portion of which was accounted for against deferred tax liabilities on unremitted foreign earnings. The Company has paid in $155 million to cover the final tax and interest liability on the settlement.

The timing of the resolution of income tax examinations is highly uncertain, and the amounts ultimately paid, if any, upon resolution of the issues raised by the taxing authorities may differ materially from the amounts accrued for each year. Although potential resolution of uncertain tax positions involve multiple tax periods and jurisdictions, it is reasonably possible that the gross unrecognized tax benefits related to these audits could decrease (whether by payment, release, or a combination of both) in the next 12 months by $7 million. Depending on the nature of the settlement or expiration of statutes of limitations, we estimate $6 million could affect our income tax provision and therefore benefit the resulting effective tax rate.

We continue to monitor the progress of ongoing income tax controversies and the impact, if any, of the expected tolling of the statute of limitations in various taxing jurisdictions.

Note 12. Earnings Per Share

Basic and diluted earnings per share are computed on the basis of the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share also include the incremental effect of dilutive potential common shares outstanding during the period using the treasury stock method. Dilutive potential common shares include the dilutive effect of shares underlying outstanding stock options, restricted stock, ESPP and Convertible Senior Notes.

The components of earnings per share are as follows:

	Year Ended		
	April 1, 2016	April 3, 2015	March 28, 2014
	(In millions, except per share data)		
Income (loss) from continuing operations	$ (821)	$ 109	$ 91
Income from discontinued operations, net of tax	3,309	769	807
Net income	$ 2,488	$ 878	$ 898
Income (loss) per share — basic:			
Continuing operations	$ (1.23)	$ 0.16	$ 0.13
Discontinued operations	$ 4.94	$ 1.12	$ 1.16
Net income per share	$ 3.71	$ 1.27	$ 1.29
Income (loss) per share — diluted:			
Continuing operations	$ (1.23)	$ 0.16	$ 0.13
Discontinued operations	$ 4.94	$ 1.10	$ 1.15
Net income per share	$ 3.71	$ 1.26	$ 1.28
Weighted-average outstanding shares — basic	670	689	696
Dilutive potential shares from stock-based compensation	-	7	8
Weighted-average shares outstanding — diluted	670	696	704
Anti-dilutive potential shares	20	1	5

Net income per share amounts may not add due to rounding.

Note 13. Subsequent Events

In May 2016, the Board of Directors approved a fiscal 2017 restructuring plan to reduce complexity by means of long-term structural improvements. These actions are expected to be completed in fiscal 2018. We expect to incur total costs between $230 million and $280 million.

In May 2016, we replaced our existing $1.0 billion senior unsecured revolving credit facility (“Old Credit Facility”) with a new $2.0 billion credit facility (“New Credit Facility”). The New Credit Facility is comprised of a $1.0 billion senior unsecured revolving credit facility (“New Revolver”) along with a $1.0 billion term loan (“Term Loan”). The New Revolver matures in five years, however, the Term Loan is pre-payable and has no required amortization payments until the final maturity in three years. Under the terms of the New Credit Facility, we must comply with certain financial and non-financial covenants, including a covenant to maintain a specified ratio of debt to EBITDA (earnings before interest, taxes, depreciation and amortization), as well as an interest coverage ratio.

On April 28, 2016, Symantec announced that Michael A. Brown would be stepping down as President and Chief Executive Officer (“CEO”) of Symantec. Mr. Brown will continue to serve as CEO and on the Board of Directors until a successor has been appointed. The Board of Directors has begun the search for the Company’s next CEO. To facilitate a continued focus on the Company’s strategic priorities throughout the CEO search and transition, the Board of Directors has created an Office of the President composed of: Ajei S. Gopal, Interim President and Chief Operating Officer; Thomas J. Seifert, Symantec’s Executive Vice President and Chief Financial Officer; and Scott C. Taylor, Symantec’s Executive Vice President, General Counsel and Secretary. The Office of the President is expected to remain in place until a new CEO has joined the Company.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Mountain View, State of California, on the 20th day of May 2016.

SYMANTEC CORPORATION

By: /s/ Michael A. Brown

Michael A. Brown
Chief Executive Officer and Director

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Michael A. Brown, Thomas J. Seifert and Scott C. Taylor, and each or any of them, his attorneys-in-fact, each with the power of substitution, for him in any and all capacities to sign any and all amendments to this report on Form 10-K and any other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that such attorneys-in-fact, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof. This Power of Attorney may be signed in several counterparts.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated below.

Signature	Title	Date
/s/ Michael A. Brown Michael A. Brown	Chief Executive Officer and Director (Principal Executive Officer)	May 20, 2016
/s/ Thomas J. Seifert Thomas J. Seifert	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	May 20, 2016
/s/ Mark S. Garfield Mark S. Garfield	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	May 20, 2016
/s/ Daniel H. Schulman Daniel H. Schulman	Chairman of the Board	May 20, 2016
/s/ Frank E. Dangeard Frank E. Dangeard	Director	May 20, 2016
/s/ Kenneth Y. Hao Kenneth Y. Hao	Director	May 20, 2016
/s/ Geraldine B. Laybourne Geraldine B. Laybourne	Director	May 20, 2016
/s/ David L. Mahoney David L. Mahoney	Director	May 20, 2016
/s/ Robert S. Miller Robert S. Miller	Director	May 20, 2016
/s/ Anita M. Sands Anita M. Sands	Director	May 20, 2016
/s/ V. Paul Unruh V. Paul Unruh	Director	May 20, 2016
/s/ Suzanne M. Vautrinot Suzanne M. Vautrinot	Director	May 20, 2016

Schedule II

SYMANTEC CORPORATION

VALUATION AND QUALIFYING ACCOUNTS

All financial statement schedules have been omitted, since the required information is not applicable or is not present in material amounts, and/or changes to such amounts are immaterial to require submission of the schedule, or because the information required is included in the Consolidated Financial Statements and notes thereto included in this Form 10-K.

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
2.01(§)	Purchase Agreement dated as of August 11, 2015, by and between Symantec Corporation and Havasu Holdings Ltd.	8-K	000-17781	2.01	8/13/2015	
2.02	Amendment, dated January 19, 2016, to the Purchase Agreement dated as of August 11, 2015, by and between Symantec Corporation and Veritas Holdings Ltd.	8-K	000-17781	2.01	1/20/2016	
3.01	Amended and Restated Certificate of Incorporation of Symantec Corporation	S-8	333-119872	4.01	10/21/2004	
3.02	Certificate of Amendment of Amended and Restated Certificate of Incorporation of Symantec Corporation	S-8	333-126403	4.03	7/6/2005	
3.03	Certificate of Amendment to Amended and Restated Certificate of Incorporation of Symantec Corporation	10-Q	000-17781	3.01	8/5/2009	
3.04	Certificate of Designations of Series A Junior Preferred Stock of Symantec Corporation dated June 25, 2015	8-K	000-17781	3.01	6/26/2015	
3.05	Bylaws, as amended, of Symantec Corporation	8-K	000-17781	3.01	5/7/2012	
4.01	Form of Common Stock Certificate	S-3ASR	333-139230	4.07	12/11/2006	
4.02	Credit Agreement, dated as of May 10, 2016, among Symantec Corporation, the lenders party thereto (the “Lenders”), Wells Fargo Bank,					X

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed Herewith
	National Association, as Administrative Agent, Bank of America, N.A., Citibank, N.A., and JPMorgan Chase Bank, N.A., as Co-Syndication Agents, Barclays Bank, PLC, HSBC Bank USA, National Association, Mizuho Bank, Ltd., Morgan Stanley Senior Funding, Inc., Sumitomo Mitsui Banking Corporation, and The Bank of Tokyo-Mitsubishi UFJ, Ltd. as Co-Documentation Agents, and Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith, Incorporated, Citigroup Global Markets Inc., and JP Morgan Chase Bank, N.A., as Joint Lead Arrangers and Joint Bookrunners					
4.03	Indenture, dated September 16, 2010, between Symantec Corporation and Wells Fargo Bank, National Association, as trustee	8-K	000-17781	4.01	9/16/2010	
4.04	Form of Global Note for Symantec's 4.200% Senior Note due 2020 (contained in Exhibit No. 4.02 of Form 8-K)	8-K	000-17781	4.04	9/16/2010	
4.05	Form of Global Note for Symantec's 2.750% Senior Notes due 2017 (contained in Exhibit No. 4.02 of Form 8-K)	8-K	000-17781	4.03	6/14/2012	
4.06	Form of Global Note for Symantec's 3.950% Senior Notes due 2022 (contained in Exhibit No. 4.02 of Form 8-K)	8-K	000-17781	4.04	6/14/2012	
4.07	Indenture, dated as of March 4, 2016, by and between Symantec Corporation and Wells Fargo Bank, National Association, as trustee (including the form of 2.500% Convertible Senior Notes Due 2021)	8-K	000-17781	10.02	3/7/2016	
10.01(*)	Form of Indemnification Agreement for Officers and Directors, as amended (form for agreements entered into prior to January 17, 2006)	S-1	33-28655	10.17	6/21/1989	

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed Herewith
10.02(*)	Form of Indemnification Agreement for Officers, Directors and Key Employees (form for agreements entered into between January 17, 2006 and March 6, 2016)	8-K	000-17781	10.01	1/23/2006	
10.03(*)	Form of Indemnification Agreement for Officers, Directors and Key Employees, as amended (form for agreements entered into after March 6, 2016)	8-K	000-17781	10.03	3/7/2016	
10.04(*)	Symantec Corporation 1996 Equity Incentive Plan, as amended, including form of Stock Option Agreement and form of Restricted Stock Purchase Agreement	10-K	000-17781	10.05	6/9/2006	
10.05(*)	Symantec Corporation Deferred Compensation Plan, restated and amended January 1, 2010, as adopted December 15, 2009	10-K	000-17781	10.05	5/24/2010	
10.06(*)	Brightmail Inc. 1998 Stock Option Plan, including form of Stock Option Agreement and form of Notice of Assumption	10-K	000-17781	10.08	6/9/2006	
10.07(*)	Symantec Corporation 2000 Director Equity Incentive Plan, as amended	10-Q	000-17781	10.01	11/1/2011	
10.08(*)	Altiris, Inc. 2002 Stock Plan	S-8	333-141986	99.03	4/10/2007	
10.09(*)	Form of Stock Option Agreement under the Altiris, Inc. 2002 Stock Plan	S-8	333-141986	99.04	4/10/2007	
10.10(*)	Vontu, Inc. 2002 Stock Option/Stock Issuance Plan, as amended					X
10.11(*)	Form of Vontu, Inc. Stock Option Agreement	S-8	333-148107	99.03	12/17/2007	
10.12(*)	Veritas Software Corporation 2003 Stock Incentive Plan, as amended and restated, including form of Stock Option Agreement, form of Stock Option Agreement for Executives and Senior VPs and form of Notice of Stock Option Assumption	10-K	000-17781	10.15	6/9/2006	
10.13(*)	Symantec Corporation 2004 Equity Incentive Plan, as amended, including Stock Option Grant — Terms and					X

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed Herewith
	Conditions, form of RSU Award Agreement, form of RSU Award Agreement for Non-Employee Directors and form of PRU Award Agreement					
10.14(*)	Clearwell Systems, Inc. 2005 Stock Plan, as amended					X
10.15(*)	Form of Clearwell Systems, Inc. Stock Option Agreement	S-8	333-175783	99.02	7/26/2011	
10.16(*)	Symantec Corporation 2008 Employee Stock Purchase Plan, as amended	10-Q	000-17781	10.01	2/4/2016	
10.17(*)	Symantec Corporation 2013 Equity Incentive Plan, as amended, including form of Stock Option Grant — Terms and Conditions and form of RSU Awards Agreement					X
10.18(*)	Form of Symantec Corporation Performance Based Restricted Stock Unit Award Agreement under 2013 Equity Incentive Plan	10-Q	000-17781	10.03	8/12/2015	
10.19(*)	Symantec Senior Executive Incentive Plan, as amended and restated	8-K	000-17781	10.03	10/25/2013	
10.20(*)	Symantec Corporation Executive Retention Plan, as amended and restated	10-K	000-17781	10.18	5/22/2015	
10.21(*)	Symantec Corporation Executive Severance Plan	10-K	000-17781	10.19	5/22/2015	
10.22(*)	Employment Offer Letter, dated January 15, 2014, between Symantec Corporation and Thomas J. Seifert	8-K	000-17781	10.01	3/3/2014	
10.23(*)	Amendment to Employment Offer Letter, dated April 30, 2014, between Symantec Corporation and Thomas J. Seifert	10-Q	000-17781	10.01	8/8/2014	
10.24(*)	Employment Offer Letter, dated February 3, 2014, between Symantec Corporation and Mark Garfield	8-K	000-17781	10.01	3/10/2014	
10.25(*)	Executive Employment Agreement, dated September 24, 2014, by and between Symantec Corporation and Michael A. Brown	8-K	000-17781	10.01	9/26/2014	

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Exhibit	Filing Date	Filed Herewith
10.26(*)	Amended Executive Employment Agreement, dated April 28, 2016, by and between Symantec Corporation and Michael A. Brown					X
10.27(*)	Employment Offer Letter, dated April 27, 2016, between Symantec Corporation and Ajei Gopal					X
10.28(*)	FY16 Executive Annual Incentive Plan -Senior Vice President and Executive Vice President	10-Q	000-17781	10.02	8/12/2015	
10.29(*)	FY16 Executive Annual Incentive Plan — President and Chief Executive Officer	10-Q	000-17781	10.01	8/12/2015	
10.30	Assignment of Copyright and Other Intellectual Property Rights, by and between Peter Norton and Peter Norton Computing, Inc., dated August 31, 1990	S-4	33-35385	10.37	6/13/1990	
10.31†	Environmental Indemnity Agreement, dated April 23, 1999, between Veritas and Fairchild Semiconductor Corporation, included as Exhibit C to that certain Agreement of Purchase and Sale, dated March 29, 1999, between Veritas and Fairchild Semiconductor of California	S-1/A	333-83777	10.27 Exhibit C	8/6/1999	
10.32	Amendment, dated June 20, 2007, to the Amended and Restated Agreement Respecting Certain Rights of Publicity dated as of August 31, 1990, by and between Peter Norton and Symantec Corporation	10-Q	000-17781	10.01	8/7/2007	
10.33	Amendment, effective December 6, 2010, to the Trademark License Agreement, dated August 9, 2010, by and between VeriSign, Inc. and Symantec Corporation	10-Q	000-17781	10.01	2/2/2011	
10.34	Master Confirmation — Accelerated Stock Buyback, dated as of November 9, 2015, between Symantec Corporation and Barclays Bank PLC	8-K	000-17781	10.01	11/10/2015	
10.35	Master Confirmation — Accelerated Stock Buyback, dated as of March 21, 2016, between Symantec Corporation and Wells Fargo Bank, National Association					X

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.36	Master Confirmation — Accelerated Stock Buyback, dated as of March 21, 2016, between Symantec Corporation and Citibank, N.A.					X
10.37	Master Confirmation — Accelerated Stock Buyback, dated as of March 21, 2016, between Symantec Corporation and Merrill Lynch International, Acting through its agent, Merrill Lynch, Pierce, Fenner & Smith Incorporated					X
10.38	Investment Agreement, dated as of February 3, 2016, by and among Symantec Corporation and Silver Lake Partners IV Cayman (AIV II), L.P.	8-K	000-17781	10.01	2/9/2016	
10.39	First Amendment to Investment Agreement, dated as of March 2, 2016, by and among Symantec Corporation and Silver Lake Partners IV Cayman (AIV II), L.P.	8-K	000-17781	10.01	3/7/2016	
21.01	Subsidiaries of Symantec Corporation					X
23.01	Consent of Independent Registered Public Accounting Firm					X
24.01	Power of Attorney (see Signature page to this annual report)					X
31.01	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.02	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.01(††)	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.02(††)	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Schema Linkbase Document					X
101.CAL	XBRL Taxonomy Calculation Linkbase Document					X

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
101.LAB	XBRL Taxonomy Labels Linkbase Document					X
101.PRE	XBRL Taxonomy Presentation Linkbase Document					X
101.DEF	XBRL Taxonomy Definition Linkbase Document					X

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* Indicates a management contract, compensatory plan or arrangement.

§ The exhibits and schedules to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally copies of any such exhibits and schedules to the SEC upon request.

† Filed by Veritas Software Corporation.

†† This exhibit is being furnished, rather than filed, and shall not be deemed incorporated by reference into any filing, in accordance with Item 601 of Regulation S-K.

2016 Corporate Information

BOARD OF DIRECTORS

Daniel H. Schulman
Chairman of the Board, Symantec
President and CEO, PayPal Holdings, Inc.

Gregory S. Clark
Chief Executive Officer, Symantec

Frank E. Dangeard
Managing Partner, Harcourt

Kenneth Y. Hao
Managing Partner and Managing Director, Silver Lake Partners

David W. Humphrey
Managing Director, Bain Capital

Geraldine B. Laybourne
Chairman of the Board, Katapult Studio

David L. Mahoney
Former Co-Chief Executive Officer McKesson HBOC, Inc. and Chief Executive Officer, iMcKesson LLC

Robert S. Miller
President and CEO, International Automotive Components Group

Anita M. Sands
Former Group Managing Director, Head of Change Leadership at UBS Wealth Management Americas

V. Paul Unruh
Former Chief Financial Officer and Vice Chairman Bechtel Group, Inc.

Suzanne M. Vautrinot
President, Kilovolt Consulting Inc.

EXECUTIVE MANAGEMENT

Gregory S. Clark
Chief Executive Officer

Michael D. Fey
President and
Chief Operating Officer

Amy L. Cappellanti-Wolf
Senior Vice President and Chief Human Resources Officer

Roxane Divol
Senior Vice President and General Manager, Website Security

Matt Mackenzie
Chief of Staff

Nicholas R. Noviello
Executive Vice President, Chief Integration Officer

Francis C. Rosch
Executive Vice President and General Manager, Norton Business Unit

Thomas J. Seifert
Executive Vice President and Chief Financial Officer

Hugh Thompson
Chief Technology Officer

Scott C. Taylor
Executive Vice President, General Counsel and Secretary

ANNUAL MEETING

The Annual Meeting will be held on Tuesday, November 1, 2016 at 9:00 a.m. PT at:
350 Ellis Street
Mountain View, CA 94043
(650) 527-8000
investor.symantec.com

Stock Exchange Listing
Symantec's common stock is traded on the NASDAQ exchange under the Symbol "SYMC."

Transfer Agent
Computershare
P.O. Box 30170
College Station, TX 77842-3170
investor.symantec.com
(877) 282-1168 or
(781) 575-2879

Investor Relations
Investor inquiries may be directed to:
Jonathan Doros
Investor Relations
350 Ellis Street
Mountain View, CA 94043
(650) 527-5523
Jonathan_Doros@symantec.com
investor.symantec.com

Annual Report on Form 10-K
A copy of Symantec's Form 10-K, including exhibits, for the period ended April 1, 2016, as filed with the Securities and Exchange Commission, is available without charge upon request or can be accessed at:
investor.symantec.com

Independent Auditors
KPMG LLP
Mission Towers I, Suite 100
3975 Freedom Circle Drive
Santa Clara, CA 9

350 Ellis Street
Mountain View, CA 94043
Tel: (650) 527-8000

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