



# **Symantec To Acquire VeriSign's Identity and Authentication Business**

**May 19, 2010**



# Forward-Looking Statements

- This presentation contains forward-looking statements within the meaning of U.S. federal securities laws, including expectations regarding the closing of Symantec's acquisition of VeriSign's identity and authentication business and the integration of their products and technologies into Symantec's products and solutions, that involve known and unknown risks and uncertainties that may cause actual results to differ materially from those expressed or implied in this presentation. Such risks include, among others, satisfaction of closing conditions to the transaction, our ability to successfully integrate the acquired businesses and technologies, and customer demand for the technologies and integrated product offerings. Actual results may differ materially from those contained in the forward-looking statements contained in this presentation. Additional information concerning these and other risk factors is contained in the Risk Factors section of Symantec's Form 10-K for the year ended April 3, 2009. Symantec assumes no obligation to update any forward-looking statement contained in this presentation.

# What Are We Announcing Today?

- Symantec to acquire VeriSign's identity and authentication business
  - Server authentication services composed of secure sockets layer (SSL) & trust services
  - User authentication services composed of hosted public key infrastructure (PKI), and VeriSign identity protection (VIP).
  - Purchase price includes majority equity stake (54%) of publicly-traded Japanese subsidiary
  - Revenue of \$408 million for LTM ending March 31, 2010 <sup>(1)</sup>
- Aggregate purchase price of \$1.28 billion
  - Funded with cash from Symantec's balance sheet to utilize approx. \$300-\$400m of offshore cash
- Operations
  - Acquired business with approx. 900 employees to join Enterprise Security Group led by Francis deSouza
  - Products and services to be sold through both Symantec and VeriSign channels
  - Shared services provided by VeriSign under transition services agreement (TSA)
- Transaction expected to be 9 cents dilutive to non-GAAP EPS during FY11 due to purchase price write down of deferred revenue. Will become accretive in Q2FY12.
- Expected to close by end of September quarter pending regulatory approval

(1) Japanese subsidiary (TSE: 3722) generated \$81M of revenue. Revenue ex-Japanese subsidiary is \$327M. Including the 54% of revenue from Japanese subsidiary results in \$371M of revenue.

# Why VeriSign's Identity and Authentication business?

1. Trust and identity are key to the future of securing and managing information
  - VeriSign is the leading provider of digital authentication services, enabling trusted interactions within and across businesses, consumers, applications and processes
  - With identity security, Symantec solutions can enable information access control, enhanced data security and better enforcement of compliance policies
2. Strengthens Symantec's cloud initiatives
  - Benefit from strong VeriSign brand which is highly-relevant to enterprises and consumers
  - Infrastructure can securely process more than 2 billion certificate checks per day
  - VeriSign's strong brand, emerging trust services business and Symantec's leading high-capacity web scanning capabilities combine to drive growth
  - Hosted PKI offerings complement the capabilities of our recent PGP acquisition
  - VIP user authentication service complements our Norton Identity Safe capabilities
  - Combine with Data Loss Prevention and Data Insight technology to ensure only authorized users have access to specific information
3. New cross-sell opportunities and go-to-market advantages to increase average deal value
  - Sell products to protect the server (e.g., Critical System Protection) to customers who purchase SSL to secure transactions
  - Add SSL to suites, such as Symantec Protection Suite for Servers managed by Symantec Protection Center
  - Sell VeriSign user authentication into Symantec install base utilizing reach of Symantec sales force
  - Utilize VeriSign's high volume web store to expand reach into small business segment

# Market Leading Position

## Technology Leadership

- Offers the highest and broadest standards of authentication
- Robust management console, creating highly sticky relationship with enterprises

## Market Leadership

- 4 million SSL certificates issued to date
- Secures more than 1 million web servers

## Attractive Customer Base

- Displayed on over 90,000 Web sites
- 2+ billion certificate status checks per day

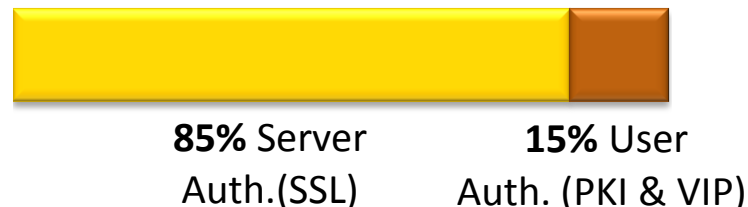
## Brand Strength

- As high as 250 million impressions in one day of the VeriSign checkmark
- VeriSign seal has driven as much as 36% sales uplift for online retailers

# Identity & Authentication Business At A Glance

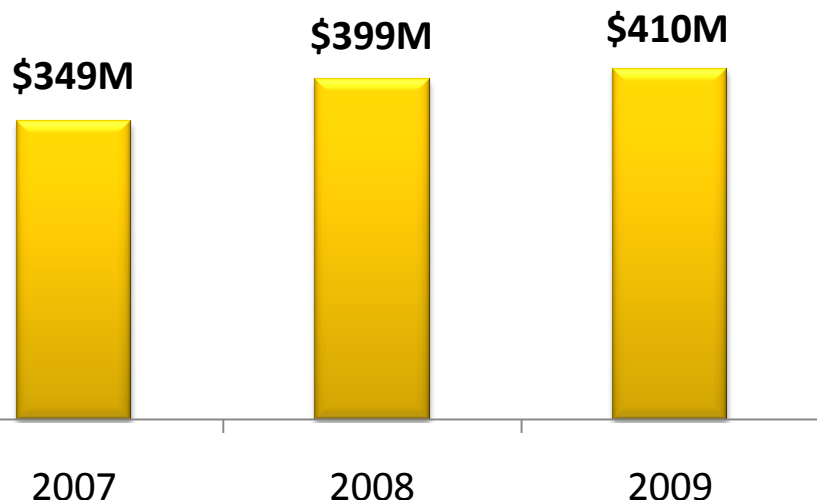
- Strong renewal rates drive cash flow generation and operating margins
- Approximately 60% of authentication business generated in the US

## CY09 Authentication Revenue Segments



## Historical Authentication Revenue

*CY07 to CY09: 8.5% CAGR*



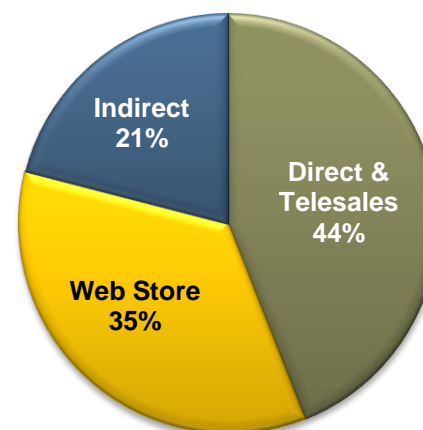
Product	Description
SSL Authentication (VeriSign, Thawte, GeoTrust brands)	Encrypts and authenticates information for secure online transactions. Leader in secure sockets layer authentication market.
Trust Services	Scans site and identifies as safe to browse. Target beyond eCommerce sites. Launched in Feb 2010.
PKI	Issues certificates to create a trusted ecosystem across users and networks. Hosted service.
VIP	Verifies identity via two-factor authentication to permit secure online transactions. Multiple credential choices.

Note: Revenue segment percentages do not include majority-owned Japan entity

# Sales and Go-To-Market Capabilities

- Global, multi-tiered channel strategy addresses SSL needs of large enterprises to small businesses
  - Enterprise sales force composed of strategic account managers as well as telesales
  - Direct sales to end-users on the web
  - 10,000 partners
- SSL business has multi-brand strategy
  - Target distinct customer segments through premium VeriSign, and value Thawte and Geotrust brands
- Hosted PKI and VIP web offerings primarily utilize a direct model

## CY09 Identity & Authentication Go-To-Market Mix



# Bringing Premium Brands Together

- The acquisition creates a unique opportunity to redefine and strengthen our brand
  - Symantec to begin transition of brand post close
  - Shared use of VeriSign name during transition period
  - Symantec will retain exclusive rights to graphic identity (the “check mark”)



# VeriSign & Symantec: Providing Trust For People And Information



People



Trusted Transaction



Information

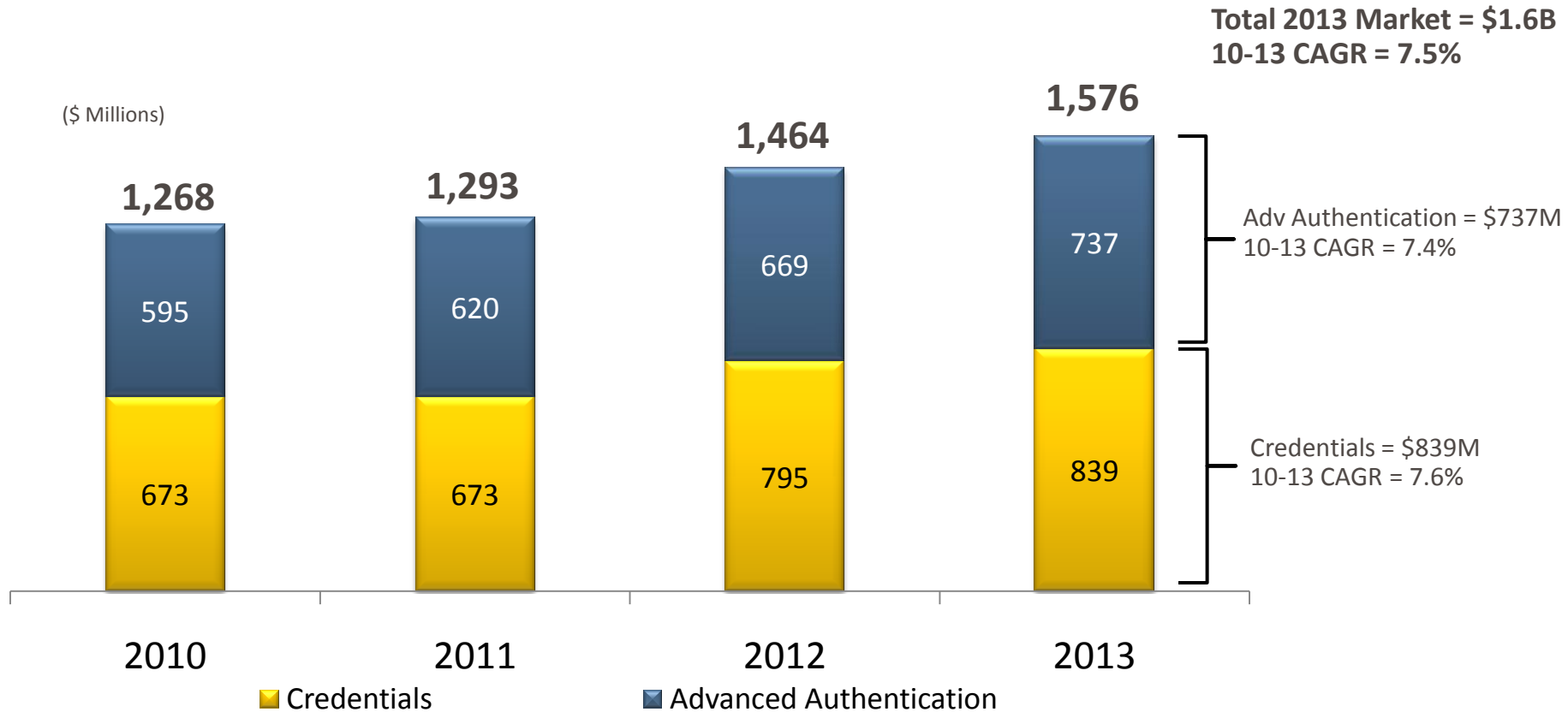
# VeriSign & Symantec: Creating A Convenient And Secure Experience



**Symantec provides trust across endpoints, data centers and the cloud.  
Authentication technology protects information in motion across these environments.**

# Market Expansion: Addressable Market Opportunity

- Symantec gains entry into identity market



Note: "Advanced Authentication (or server authentication) includes SSL. "Credentials" (or user authentication) includes personal portable security device (PPSD) and software licensing and authentication tokens (SLAT).

## Summary:

# Everything Revolves Around People and Information

- Creates the most trusted brand for protecting information and identities online.
- Adds market leading identity security services that are critical for providing individuals and businesses with secure access to their information from any device, across any application, at any time.
- Complementary technologies provide the most comprehensive security for information when it is at rest, in motion, or in use.
- Offers compelling cross-selling opportunities into combined customer base.
- Expands Symantec's addressable security market opportunity.



# Thank you

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