



JULY 27, 2021

FISCAL 2022 Q1 EARNINGS

Forward-Looking Statements

This supplemental information contains statements which may be considered forward-looking within the meaning of the U.S. federal securities laws. In some cases, you can identify these forward-looking statements by the use of terms such as “expect,” “will,” “continue,” or similar expressions, and variations or negatives of these words, but the absence of these words does not mean that a statement is not forward-looking. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including, but not limited to: the statements under “Q2 Fiscal 2022 Non-GAAP Guidance,” including expectations relating to second quarter non-GAAP revenue growth and non-GAAP EPS; any other statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. These statements are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from results expressed or implied in this supplemental information. Such risk factors include, but are not limited to, those related to: the current and future impact of the COVID-19 pandemic on the Company’s business and industry; retention of executive leadership team members; difficulties in improving sales and product development during leadership transitions; difficulties in executing the operating model for the consumer cyber safety business; lower than anticipated returns from the Company’s investments in direct customer acquisition; the impact of acquisitions and our ability to achieve expected synergies or attendant cost savings; difficulties and delays in reducing run rate expenses and monetizing underutilized assets; general business and economic conditions; matters arising out of our completed Audit Committee investigation and the ongoing U.S. Securities and Exchange Commission investigation; fluctuations and volatility in NortonLifeLock’s stock price; the ability of NortonLifeLock to successfully execute strategic plans; the ability to maintain customer and partner relationships; the ability of NortonLifeLock to achieve its cost and operating efficiency goals; the anticipated growth of certain market segments; NortonLifeLock’s sales and business strategy; fluctuations in tax rates and foreign currency exchange rates; the potential for corporate tax increases under the Biden Administration; the timing and market acceptance of new product releases and upgrades; and the successful development of new products and the degree to which these products gain market acceptance. Additional information concerning these and other risk factors is contained in the Risk Factors sections of NortonLifeLock’s most recent reports on Form 10-K and Form 10-Q. NortonLifeLock assumes no obligation, and does not intend, to update these forward-looking statements as a result of future events or developments.

— Our vision is to
protect and empower
people to live their
digital lives safely

Fiscal 2022 Q1

Total Users

~80M

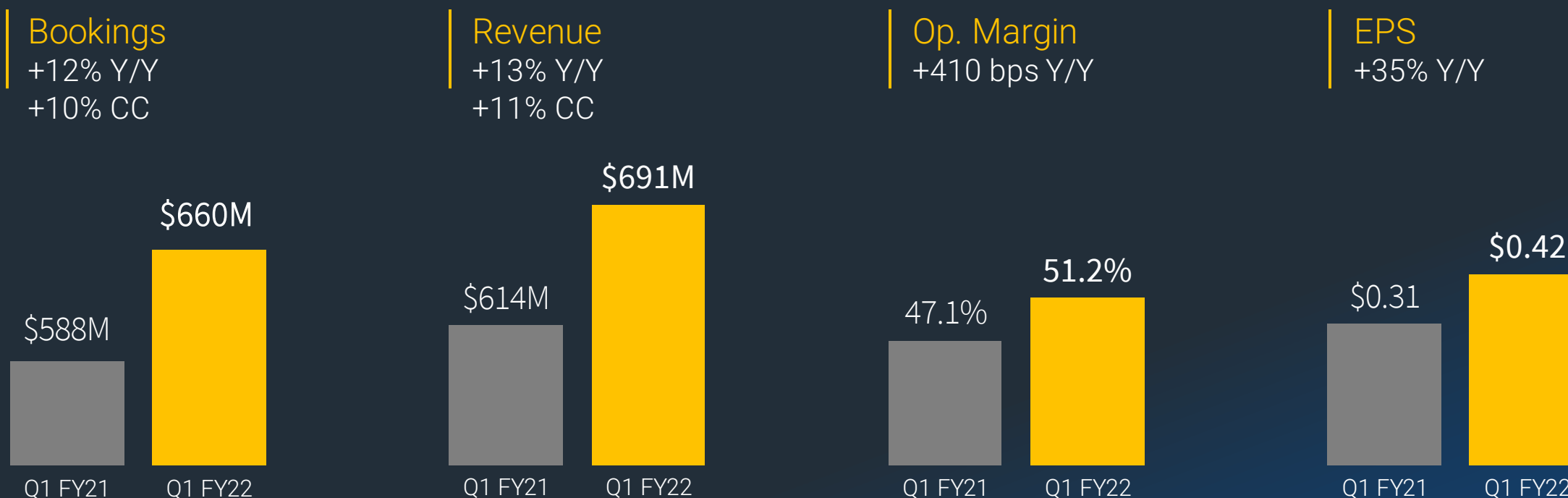
Direct Customers

23M+



Q1 Non-GAAP Business Highlights

- Solid start to fiscal year 2022, with double digit Y/Y growth in Revenue +13% and Bookings +12%
- Strong profitability and continued EPS expansion, up 35% Y/Y
- 7th consecutive quarter of growing direct customer count: +150K Q/Q, +2.6M Y/Y



Note: All numbers presented are non-GAAP unless otherwise indicated. Amounts may not add due to rounding. See appendix for reconciliation of financial measures from GAAP to non-GAAP.

A photograph of a family celebrating a birthday. A man, a woman, and a young girl are all wearing party hats. The man is in the background, smiling. The woman is in the foreground, leaning over the girl and smiling. The girl is sitting at a table, looking at a laptop screen and smiling. There is a birthday cake with candles on the table. The text "What's New" is overlaid on the image.

What's New



New Optimizer for Gamers

Unveiled Game Optimizer

New feature on Norton 360 for Gamers

- Maximizes gaming performance while strengthening security
- Freeing PCs from power-hungry programs running into the background that tie up system resources

For more product information and other terms and conditions, visit nortonlifelock.com.
Features may differ depending on your chosen plan. Screens modified for demonstration purposes.

Norton Crypto Launch

New Feature Enables a Safe and Easy Way to Mine Cryptocurrency

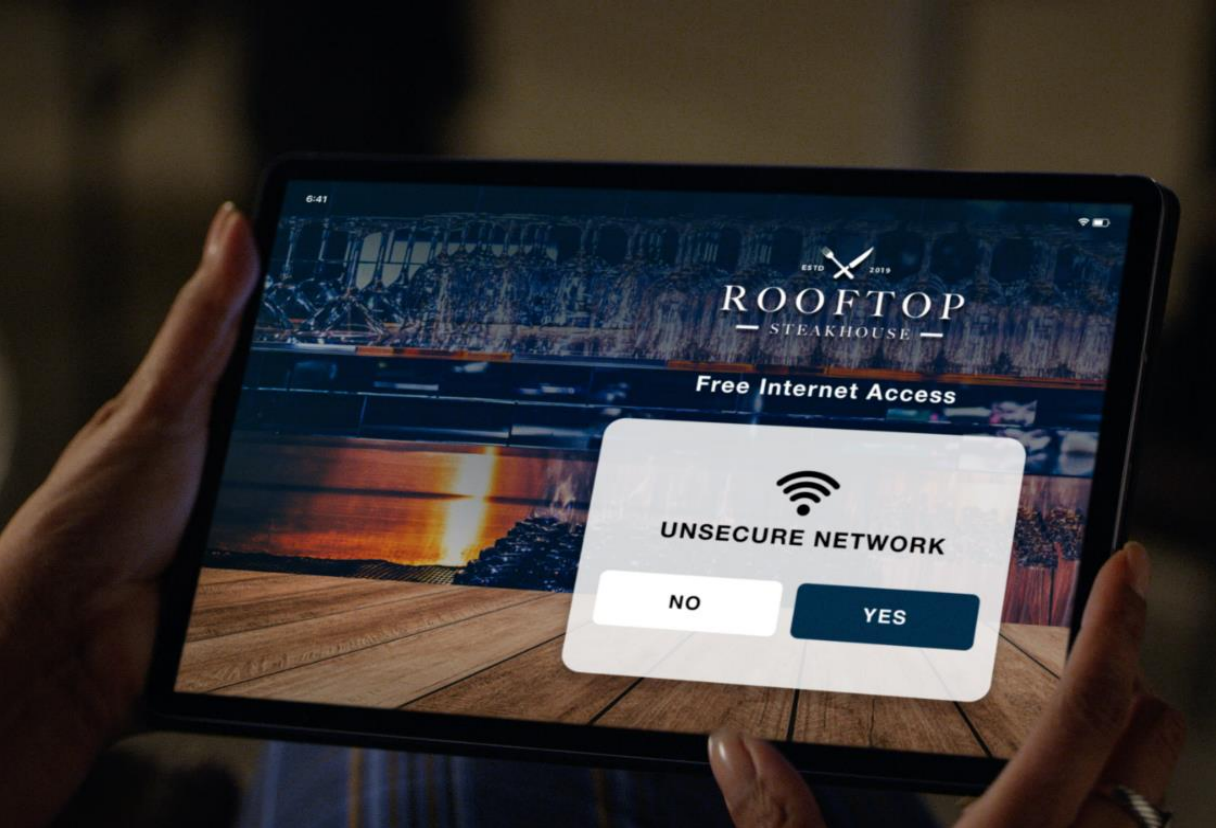
Norton Crypto delivers a secure, reliable way for consumers to mine for Ethereum, without having to make trade-offs that could compromise their cyber security.

Once cryptocurrency has been earned, customers can track and transfer earnings into their Norton Crypto Wallet, which is stored in the cloud so it cannot be lost due to hard drive failure.

NortonLifeLock is the first Cyber Safety company to provide such a feature to help ensure our customers have a safe and easy way to mine crypto.



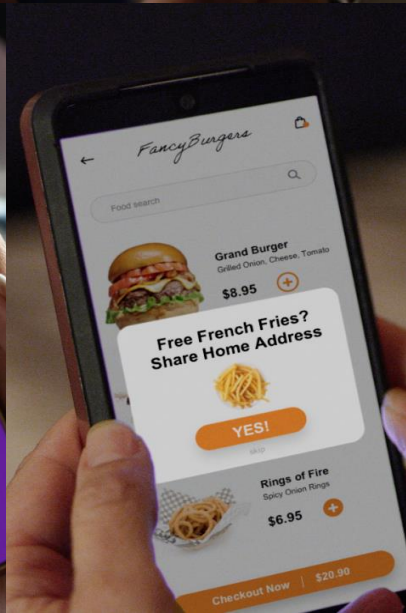
For more product information and other terms and conditions, visit nortonlifelock.com. Features may differ depending on your chosen plan. Screens modified for demonstration purposes.



Norton Secure VPN Adds New Features

Industry-leading Norton Secure VPN adds new features to help keep sensitive information private and help consumers take control of their personal information more effectively

- Safe Connections / Compromised Network Detection
- Kill Switch
- Split Tunneling



For more product information and other terms and conditions, visit nortonlifelock.com. Features may differ depending on your chosen plan. Screens modified for demonstration purposes.

Norton Labs Released Consumer Cyber Safety Pulse Report

First quarterly report tapping into NortonLifeLock's breadth of threat telemetry to reveal top cybersecurity trends

Ransomware, Stalkerware, Illicit Coinmining, Gaming Threats and Phishing Scams on the Rise

Trends This Year

BY THE NUMBERS



919 million

Total threats blocked.



7 million+

Threats blocked on average every day.



49.6 million

Phishing attempts blocked.



46.3 million

File-based malware blocked.



686,000

Mobile-malware files blocked.



536,137

Ransomware detections blocked.

*All numbers here based on the last 100 days.



NortonLifeLock Named to 100 Best Corporate Citizens of 2021

NortonLifeLock named to the 100 Best Corporate Citizens ranking, recognized for its outstanding environmental, social and governance (ESG) transparency and performance among the 1,000 largest U.S. public companies.

NortonLifeLock recognized for the second consecutive year in its commitment to corporate responsibility.



Financial Results



Q1 Results Reflect Continued Growth Momentum

Non-GAAP P&L Dollars in millions, except per share amounts	Q1 FY21	Q4 FY21	Q1 FY22	As Reported Y/Y
Revenue	\$614	\$677	\$691	13%
Gross Profit	535	589	599	12%
Gross Margin	87.1%	87.0%	86.7%	(40) bps
Operating Expenses	246	247	245	--
% of Revenue	40.1%	36.5%	35.5%	(460) bps
Operating Income	\$289	\$342	\$354	22%
Operating Margin	47.1%	50.5%	51.2%	410 bps
Plus: OI&E (Expense)	(41)	(34)	(28)	nm
Less: Tax Provision	60	74	78	30%
Effective Tax Rate	24%	24%	24%	--
Net Income	\$188	\$234	\$248	32%
EPS (from Cont. Ops)	\$0.31	\$0.40	\$0.42	35%
Diluted Share Count	614	587	591	(4%)

\$691M

51.2%

\$0.42

REVENUE

Up 13% Y/Y in USD, 11% Y/Y in CC

Broad based strength across products and regions. Strong growth in international and partner, including the benefit of Avira.

OPERATING MARGIN

Up 410 bps Y/Y

Driving core business above 50% margin. G&A efficiencies re-deployed towards marketing and top of the funnel growth.

EPS

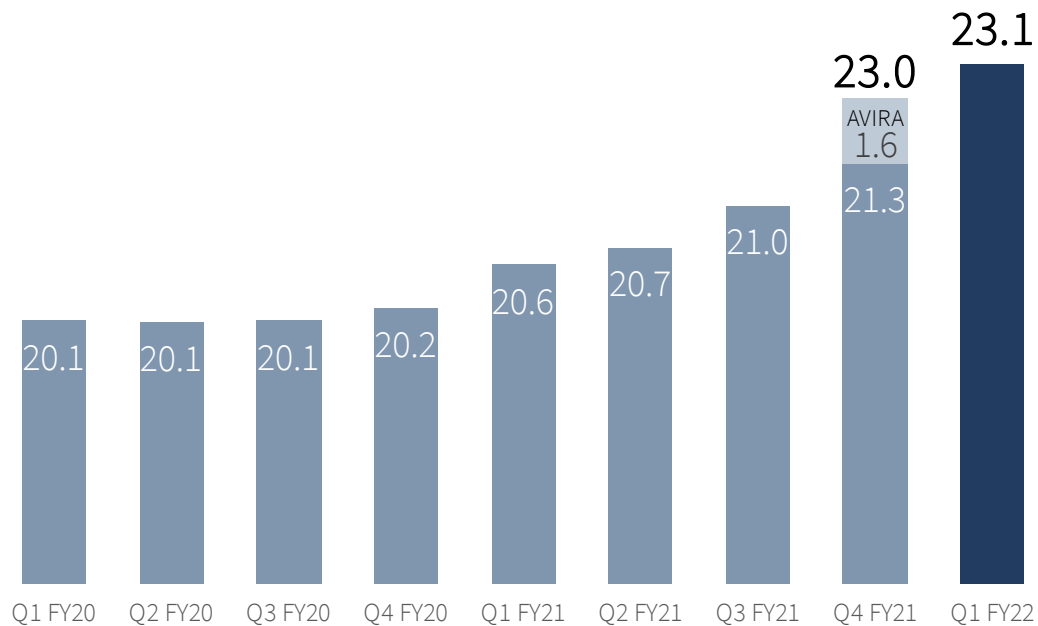
Up \$0.11 Y/Y and up 35% Y/Y

Note: All numbers presented are non-GAAP unless otherwise indicated.
 -Other Expense primarily consists of net interest expense.
 See appendix for reconciliation of financial measures from GAAP to non-GAAP.

7th Consecutive Quarter of Net Customer Adds

Direct Customer Count
Ending customer count, millions

Q/Q **+150K**
Y/Y **+2.6M**



Note: Amounts may not add due to rounding.
(1) Direct ARPU based on average customer count for the period.
(2) Includes Avira starting in Q4 FY21 (~\$4.50 ARPU).

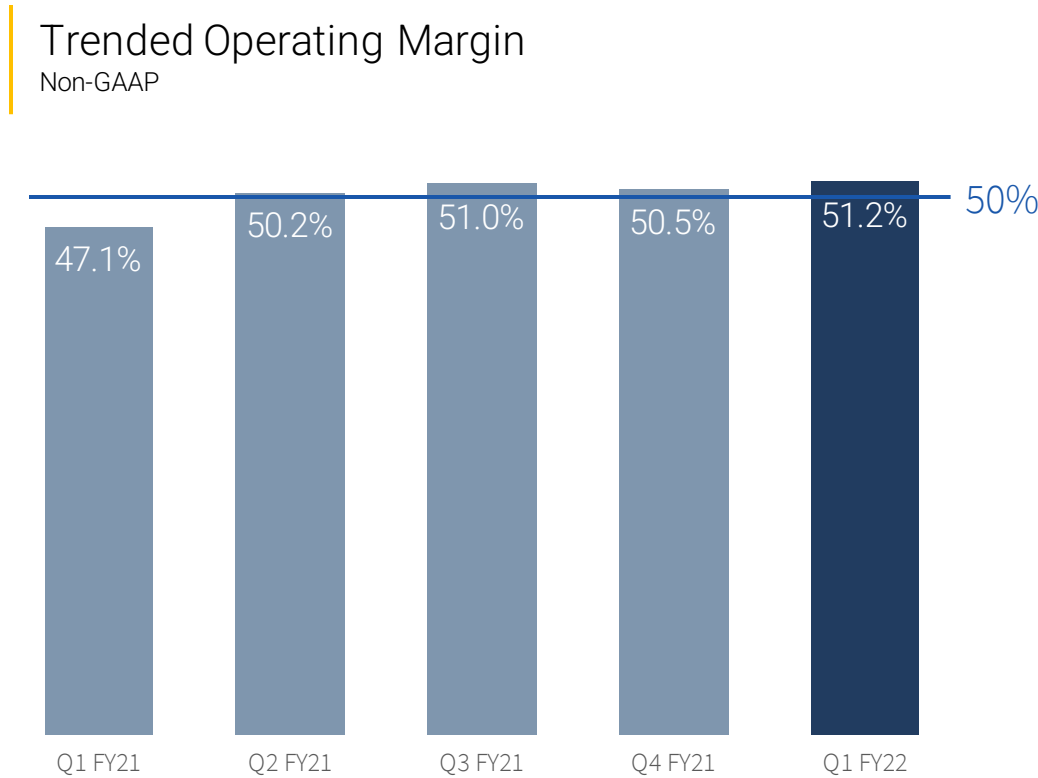
Consumer Metrics

Dollars in millions, except ARPU in dollars (Non-GAAP)

	Q1 FY21	Q4 FY21	Q1 FY22	Growth Y/Y	Growth Q/Q
Revenue	\$614	\$677	\$691	13%	2%
Direct Customer Revenue	\$552	\$602	\$611	11%	1%
Avg. Direct Customers (mil)	20.4	22.8	23.0	13%	1%
Direct ARPU ^{1,2}	\$9.03	\$8.80	\$8.84	(2%)	Stable
Partner Revenue	\$62	\$75	\$80	29%	7%

$$\begin{aligned}
 \text{Q1 Revenue} &= \left(\text{Avg. Direct Customer Count} \times \text{Direct ARPU}^1 \right) + \text{Partner (indirect) Revenue} \\
 \$691\text{M} &= \left(23.0\text{M} \times \$8.84/\text{mo.} \right) + \$80\text{M}
 \end{aligned}$$

Drove business above 50% margin



51.2%
Q1 FY22

Operating Margin

Up 410 bps Y/Y

Continued efficiency in G&A re-deployed to fund growth.

% of revenue:

87% Gross Margin

22% Sales & Marketing

9% Research & Development

<5% G&A

Note: All numbers presented are non-GAAP unless otherwise indicated. See appendix also for reconciliation of financial measures from GAAP to non-GAAP.

Healthy Balance Sheet With Strong Cash Flow

Key Balance Sheet, Cash Flow & Other Metrics

Dollars in millions

Balance Sheet

	Q1 FY21	Q4 FY21	Q1 FY22
Cash, Cash Equivalents and STI	\$1,131	\$951	\$1,245
Contract Liabilities ¹	\$1,058	\$1,265	\$1,231
Debt (Principal)	\$3,625	\$3,620	\$3,876

Cash Flow and Other Metrics

	Q1 FY21	Q4 FY21	Q1 FY22
Cash Flow from Operations	\$170	\$356	\$258
Capital Expenditures	\$1	\$1	\$1
Free Cash Flow	\$169	\$355	\$257
Headcount ²	2,467	2,809	2,698

Note: All numbers presented are non-GAAP unless otherwise indicated.

(1) Excludes contract liabilities of discontinued operations.

(2) Based on full-time equivalent, excluding interns and non-working headcount covered under statutory labor laws (notified but not yet off books).

See appendix also for reconciliation of financial measures from GAAP to non-GAAP.

\$1.2B+

Cash on hand

Strong total liquidity position

Includes retirement of \$250M in 2.50% convertible notes for \$362M in cash, net of cash dividends and interest expense (closed in May 2021)

Does not include cash proceeds from sale of Mountain View property (closed in mid-July 2021)

Current leverage levels

Gross debt leverage 2.8x

Net debt leverage 1.9x

\$257M

Free cash flow

Operating at \$1B+ free cash flow on an annual basis

\$74M

Regular Dividends

Paid regular quarterly dividend of \$0.125 per common share to shareholders

Q2 Fiscal 2022 Non-GAAP Guidance

REVENUE
\$690M - \$700M

10-12% growth Y/Y

Assumes stable currency rates Q/Q

EPS
\$0.41 - \$0.43

Reaffirm Full Year Fiscal 2022 Non-GAAP Guidance

(First shared in May 2021)

REVENUE GROWTH

8% - 10%+

EPS

\$1.65 - \$1.75

Appendix



Trended Non-GAAP Quarterly Results

Non-GAAP P&L (Continuing Operations) <small>Dollars in millions, except per share amounts</small>	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22
Total Revenue	\$614	\$626	\$639	\$677	\$2,556	\$691
Gross Profit	535	544	558	589	2,226	599
Gross Margin	87.1%	86.9%	87.3%	87.0%	87.1%	86.7%
Sales & Marketing	142	137	136	144	559	150
Research & Development	59	56	62	63	240	62
General & Administrative	45	37	34	40	156	33
Operating Expenses	246	230	232	247	955	245
% of Revenue	40.1%	36.7%	36.3%	36.5%	37.4%	35.5%
Operating Income	\$289	\$314	\$326	\$342	\$1,271	\$354
Operating Margin	47.1%	50.2%	51.0%	50.5%	49.7%	51.2%
Interest Expense	(37)	(35)	(30)	(33)	(135)	(30)
Other Income (Expense)	(4)	3	5	(1)	3	2
Income before Income Taxes	\$248	\$282	\$301	\$308	\$1,139	\$326
Provision for Income Tax	60	67	72	74	273	78
Net Income	\$188	\$215	\$229	\$234	\$866	\$248
EPS (from ContOps)	\$0.31	\$0.36	\$0.38	\$0.40	\$1.44	\$0.42
Diluted Share Count	614	600	597	587	600	591
Depreciation	21	14	4	6	45	4
Reported EBITDA	\$310	\$328	\$330	\$348	\$1,316	\$358

Note: All numbers presented are non-GAAP unless otherwise indicated.

Reconciliation of GAAP to Non-GAAP Gross Profit

GAAP to Non-GAAP Gross Profit Dollars in millions	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22
GAAP Results of Operation						
Net revenues	\$614	\$626	\$639	\$672	\$2,551	\$686
Cost of revenues	86	90	87	99	\$362	102
Gross profit (GAAP)	528	536	552	573	2,189	584
Non-GAAP Adjustments						
Net revenues						
Contract liabilities fair value adjustments	-	-	-	5	5	5
Cost of revenues						
Stock-based compensation	-	1	-	-	1	-
Amortization of intangible assets	7	7	6	11	31	10
Total gross profit adjustment	7	8	6	16	37	15
Non-GAAP Results of Operation						
Net revenues	614	626	639	677	2,556	691
Cost of revenues	79	82	81	88	330	92
Gross profit (Non-GAAP)	\$535	\$544	\$558	\$589	\$2,226	\$599

Reconciliation of GAAP to Non-GAAP Operating Income

GAAP to Non-GAAP Operating Income Dollars in millions	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22
GAAP Results of Operation						
Gross profit	\$528	\$536	\$552	\$573	\$2,189	\$584
Sales and marketing	145	143	140	148	576	156
Research and development	65	63	71	68	267	68
General and administrative	53	68	42	52	215	45
Amortization of intangible assets	18	18	18	20	74	21
Restructuring and other costs	127	14	1	19	161	7
Total operating expenses	408	306	272	307	1,293	297
Operating income (GAAP)	120	230	280	266	896	287
Non-GAAP Adjustments						
Stock-based compensation	18	18	21	13	70	20
Amortization of intangible assets	18	18	18	20	74	21
Restructuring and other costs	127	14	1	19	161	7
Acquisition and litigation costs	-	-	1	3	4	1
Litigation settlement charges	-	25	-	4	29	3
Other	(1)	1	(1)	1	-	-
Total operating expense adjustment	162	76	40	60	338	52
Non-GAAP Results of Operation						
Gross profit	535	544	558	589	2,226	599
Sales and marketing	142	137	136	144	559	150
Research and development	59	56	62	63	240	62
General and administrative	45	37	34	40	156	33
Total operating expenses	246	230	232	247	955	245
Operating income (Non-GAAP)	\$289	\$314	\$326	\$342	\$1,271	\$354

Reconciliation of GAAP to Non-GAAP Net Income

GAAP to Non-GAAP Net Income Dollars in millions	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22
GAAP Results of Operation						
Operating income	\$120	\$230	\$280	\$266	\$896	\$287
Interest expense	(40)	(37)	(32)	(35)	(144)	(32)
Other income (expense), net	19	38	5	58	120	(3)
Income from continuing operations before income taxes	99	231	253	289	872	252
Income tax expense (benefit)	(50)	65	80	81	176	71
Income from continuing operations	149	166	173	208	696	181
Income (loss) from discontinued operations	(31)	(102)	5	(14)	(142)	-
Net income (GAAP)	118	64	178	194	554	181
Non-GAAP Adjustments						
Stock-based compensation	(1)	-	-	-	(1)	-
Non-cash interest expense	3	2	2	2	9	2
Loss (gain) on extinguishment of debt	(20)	-	-	-	(20)	5
Gain on sale of properties	-	(35)	-	(63)	(98)	-
Other	(2)	-	-	4	2	-
Total adjustments to GAAP income from continuing operations before incomes taxes	149	51	48	19	267	74
Income tax effect of non-GAAP adjustments	(110)	(2)	8	7	(97)	(7)
Total income (loss) adjustment to continuing operations, net of taxes	39	49	56	26	170	67
(Income) loss adjustment for discontinued operations	31	102	(5)	14	142	-
Total net income adjustment	70	151	51	40	312	67
Non-GAAP Results of Operation						
Operating income	289	314	326	342	1,271	354
Interest expense	(37)	(35)	(30)	(33)	(135)	(30)
Other income (expense), net	(4)	3	5	(1)	3	2
Income before income taxes	248	282	301	308	1,139	326
Provision for income taxes	60	67	72	74	273	78
Net income (Non-GAAP)	\$188	\$215	\$229	\$234	\$866	\$248

Q1 GAAP to Non-GAAP Reconciliation

Bridge from GAAP to Non-GAAP EPS and Net Income from Cont. Ops

Dollars in millions, except per share amounts

Q1 FY22

	EPS	Net Income
GAAP EPS / Net Income	\$0.31	\$181
GAAP EPS / Net Income from Disc. Ops	-	-
GAAP EPS / Net Income from Cont. Ops	\$0.31	\$181
Current liabilities fair value adjustment	0.01	\$5
Stock Based Compensation	0.03	20
Amortization of Intangible Assets	0.05	31
Restructuring and Other Costs	0.01	7
Other ⁽¹⁾	0.02	11
Adjustment to GAAP Provision for Income Taxes	(0.01)	(7)
Total Adjustments	\$0.11	\$67
Non-GAAP EPS / Net Income from Cont. Ops	\$0.42	\$248

(1) Other includes non-cash interest expense, loss (gain) on extinguishment of debt and other minor reconciling items.

Note: Totals may not add due to rounding.

Trended Contract Liabilities, Bookings, and Reported Billings

Contract Liabilities, Bookings, and Reported Billings <small>Dollars in millions</small>	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22
Contract Liabilities	\$1,058	\$1,074	\$1,135	\$1,265	\$1,265	\$1,231
<i>Y/Y Growth</i>	5%	6%	8%	18%	18%	16%
Bookings	\$588	\$636	\$682	\$765	\$2,671	\$660
<i>Y/Y Growth (USD) ⁽¹⁾</i>	6%	5%	8%	16%	9%	12%
<i>Y/Y Growth (CC) ⁽¹⁾</i>	7%	4%	6%	13%	8%	10%
GAAP Revenues	\$614	\$626	\$639	\$672	\$2,551	\$686
Change in Contract Liabilities	(18)	16	61	130	189	(34)
Other Contract Liabilities Adjustment ⁽²⁾	-	-	-	(54)	(54)	-
Reported Billings	\$596	\$642	\$700	\$748	\$2,686	\$652
<i>Y/Y Growth ⁽¹⁾</i>	9%	7%	10%	17%	11%	9%

Note: All numbers presented are non-GAAP unless otherwise indicated.

(1) Normalized to exclude approximately \$44 million of bookings from the extra week in Q1FY20 and impact from ID Analytics solutions (IDA), which was divested in January FY20.

(2) Certain adjustments to contract liabilities needed to be made in order to normalize for billings performance. Q4 FY21 adjusts for \$54M of acquired contract liabilities from the Avira acquisition.

Trended Share Count

Diluted Share Count <small>Shares in millions</small>	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22
Basic Share Count Weighted Average	590	592	593	582	589	580
Dilutive Potentially Issuable Shares:						
From Employee Equity Awards	4	3	1	2	3	4
From Convertible Debt	20	5	3	4	8	7
Diluted Share Count	614	600	597	587	600	591
Average Share Price	\$20.43	\$21.67	\$20.18	\$20.97		\$25.03

Trended Stock Based Compensation

Stock-Based Compensation Dollars in millions	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22
Cost of revenues	\$ -	\$1	\$ -	\$ -	\$1	\$ -
Sales and marketing	4	5	5	4	18	5
Research and development	6	7	8	5	26	6
General and administrative	8	6	7	5	26	9
Restructuring and other costs	7	1	1	1	10	-
Other income (expense), net	(1)	-	-	-	(1)	-
Total stock-based compensation from continuing operations	24	20	21	15	80	20
Discontinued operation	1	-	-	-	1	-
Total stock-based compensation expense	\$25	\$20	\$21	\$15	\$81	\$20

Trended EBITDA (Non-GAAP)

Reported EBITDA (Non-GAAP) ⁽¹⁾ Dollars in millions	Q1 FY21	Q2 FY21	Q3 FY21	Q4 FY21	FY21	Q1 FY22
Net income	\$118	\$64	\$178	\$194	\$ 554	\$181
Adjustments:						
(Income) loss from discontinued operations	31	102	(5)	14	142	-
Net interest expense	38	36	32	34	140	32
Income tax expense (benefit)	(50)	65	80	81	176	71
Depreciation and amortization	46	39	28	37	150	36
EBITDA (Non-GAAP)	183	306	313	360	1,162	320
Adjustments to EBITDA:						
Contract liabilities fair value adjustment	-	-	-	5	5	5
Stock-based compensation	17	19	21	13	70	20
Restructuring and other costs	127	14	1	19	161	7
Acquisition and integration costs	-	-	1	3	4	1
Litigation settlement charges	-	25	-	4	29	3
Loss (gain) on extinguishment of debt	(20)	-	-	-	(20)	5
Gain on sale of properties	-	(35)	-	(63)	(98)	-
Other cost of revenues and operating expense	(1)	1	(1)	1	-	(1)
Other non-operating expense (income), net ⁽²⁾	4	(2)	(5)	6	3	(2)
Reported EBITDA (Non-GAAP)	\$310	\$328	\$330	\$348	\$1,316	\$358

(1) Amounts may not add due to rounding.

(2) Other non-operating expense, net is equal to total non-operating expense, net excluding net interest expense, loss (gain) on extinguishment of debt, and gain on sale of properties.

Reported EBITDA and Adjusted Debt Covenant EBITDA (Non-GAAP)

Reported EBITDA and Adjusted Debt Covenant EBITDA (Non-GAAP)⁽¹⁾

Dollars in millions

LTM⁽³⁾

Net income	\$617
Adjustments:	
(Income) loss from discontinued operations	111
Net interest expense	134
Income tax expense (benefit)	297
Depreciation and amortization	140
EBITDA (Non-GAAP)	\$1,299
Adjustments to EBITDA:	
Contract liabilities fair value adjustment	10
Stock-based compensation	73
Restructuring and other costs	41
Acquisition and integration costs	5
Litigation settlement charges	32
Loss (gain) on extinguishment of debt	5
Gain on sale of properties	(98)
Other cost of revenues and operating expense	0
Other non-operating expense (income), net ⁽²⁾	(3)
Reported EBITDA (Non-GAAP)	\$1,364
Adjustments to Reported EBITDA:	
Other non-operating expense (income), net ⁽²⁾	3
Debt covenant specified unrealized cost savings ⁽⁴⁾	5
Adjusted Debt Covenant EBITDA (Non-GAAP)	\$1,372

(1) Amounts may not add due to rounding.

(2) Other non-operating expense, net is equal to total non-operating expense, net excluding net interest expense, loss (gain) on extinguishment of debt, and gain on sale of properties.

(3) LTM denotes results for the latest twelve fiscal month period.

(4) Debt covenant specified unrealized cost savings includes unrealized cost savings (including costs to achieve such savings) related to transitions arising from acquisitions, divestitures, or specified other restructuring initiatives to be completed within a specified time frame.

Use of GAAP and Non-GAAP Financial Information

To assist our readers understand our past financial performance and our projected future results, we supplement the financial results that we provide in accordance with generally accepted accounting principles, or GAAP, with non-GAAP financial measures. The method we use to produce non-GAAP measures is not computed according to GAAP and may differ from the methods used by other companies. Non-GAAP financial measures are supplemental, should not be considered a substitute for financial information presented in accordance with GAAP and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. 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. Our management team uses these non-GAAP financial measures in assessing our operating results, as well as when planning, forecasting and analyzing future periods. We believe that these non-GAAP financial measures also facilitate comparisons of our performance to prior periods 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. Readers are encouraged to review the reconciliation of our non-GAAP financial measures to the comparable GAAP results in this appendix, along with other financial information, which can be found in NortonLifeLock's Fiscal 2022 Q1 Earnings Press Release on the investor relations page of our website at investor.nortonlifelock.com.

Explanation of Non-GAAP Measures and Other Items

Bookings: Bookings are defined as customer orders received that are expected to generate net revenues in the future. We present the operational metric of bookings because it reflects customers' demand for our products and services and to assist readers in analyzing our performance in future periods.

Reported billings: We define reported billings as total revenue plus the change in adjusted contract liabilities. The change in contract liabilities excludes the change related to discontinued operations that does not amortize to revenue from continuing operations. There are several limitations related to the use of reported billings versus revenue calculated in accordance with GAAP. First, reported billings include amounts that have not yet been recognized as revenue. Second, our calculation of reported billings may be different from other companies in our industry, some of which may not use reported billings, may calculate reported billings differently, may have different reported billing frequencies, or may use other financial measures to evaluate their performance, all of which could reduce the usefulness of reported billings as a comparative measure. We compensate for these limitations by providing specific information regarding GAAP revenue and evaluating reported billings together with revenue calculated in accordance with GAAP.

Direct customer count: Direct customers are defined as active paid users of our consumer solutions who have a direct billing relationship with us at the end of the reported period. We exclude users on free trials and users who have indirectly purchased our product or services through partners unless such users convert or renew their subscription directly with us. Average direct customer count presents the average of the total number of direct customers at the beginning and end of the fiscal quarter.

Direct average revenues per user (ARPU): ARPU is calculated as estimated direct customer revenues for the period divided by the average direct customer count for the same period, expressed as a monthly figure. We monitor ARPU because it helps us understand the rate at which we are monetizing our consumer customer base.

Free cash flow: Free cash flow is defined as cash flows from operating activities less purchases of property and equipment. Free cash flow is not a measure of financial condition under GAAP and does not reflect our future contractual commitments and the total increase or decrease of our cash balance for a given period, and thus should not be considered as an alternative to cash flows from operating activities or as a measure of liquidity.

UK Takeover Code: Profit Forecast disclosures

UK Takeover Code

On July 14, 2021, NortonLifeLock announced that it is in advanced discussions with the board of Avast plc (“**Avast**”) regarding a possible combination of NortonLifeLock and Avast (the “**Possible Combination**”). The Possible Combination would be governed by the UK’s City Code on Takeovers and Mergers (the “**UK Takeover Code**”). In accordance with the rules of the UK Takeover Code, NortonLifeLock is required to publish certain confirmations in connection with the information set out in this presentation. These confirmations are set out below.

NortonLifeLock Profit Forecast

Each of the following statements regarding NortonLifeLock’s earnings per share (“**EPS**”) in this presentation (together, the “**NortonLifeLock Profit Forecast**”) constitutes an ordinary course profit forecast for the purposes of Rule 28.1(a) and Note 2(b) on Rule 28.1 of the UK Takeover Code:

- “Q2 Fiscal 2022 Non-GAAP Guidance ... EPS \$0.41 – 0.43” (slide 16)
- “Reaffirm Full Year Fiscal 2022 Non-GAAP Guidance ... EPS \$1.65 – 1.75” (slide 17)

References to “GAAP” in the NortonLifeLock Profit Forecast are to U.S. GAAP, being the accounting policies applied in the preparation of NortonLifeLock’s annual results for the year ended April 2, 2021.

Basis of preparation

The NortonLifeLock Profit Forecast has been prepared on a basis consistent with NortonLifeLock’s accounting policies, as summarized on slide 29.

Assumptions

The NortonLifeLock Profit Forecast is based on the assumptions listed below.

Factors outside the influence or control of the NortonLifeLock Directors

- There will be no material changes to existing prevailing macroeconomic or political conditions in the markets and regions in which NortonLifeLock operates.
- There will be no material changes to the conditions of the markets and regions in which NortonLifeLock operates or in relation to customer demand or the behavior of competitors in those markets and regions.
- The interest, inflation and tax rates in the markets and regions in which NortonLifeLock operates will remain materially unchanged from the prevailing rates.
- There will be no material adverse events that will have a significant impact on NortonLifeLock’s financial performance.
- There will be no material adverse events that will have a significant impact on the timing and market acceptance of new product releases and upgrades by NortonLifeLock.
- There will be no business disruptions that materially affect NortonLifeLock or its key customers, including natural disasters, acts of terrorism, cyber-attack and/or technological issues or supply chain disruptions.
- There will be no material changes to foreign exchange rates that will have a significant impact on NortonLifeLock’s revenue or cost base.

UK Takeover Code: Profit Forecast disclosures (Cont'd)

Factors outside the influence or control of the NortonLifeLock Directors (Cont'd)

- There will be no material changes in legislation or regulatory requirements impacting on NortonLifeLock's operations or its accounting policies.
- There will be no material litigation in relation to any of NortonLifeLock's operations.
- The Possible Combination, if it were to occur, would not result in any material changes to NortonLifeLock's obligations to customers.
- The Possible Combination, if it were to occur, would not have any material impact on NortonLifeLock's ability to negotiate new business.

Factors within the influence and control of the NortonLifeLock Directors

- There will be no material change to the present executive management of NortonLifeLock.
- There will be no material change in the operational strategy of NortonLifeLock.
- There will be no material adverse change in NortonLifeLock's ability to maintain customer and partner relationships.
- There will be no material acquisitions or disposals.
- There will be no material strategic investments over and above those currently planned.
- There will be no material change in the dividend or capital policies of NortonLifeLock.
- There will be no unexpected technical or network issues with products or processes.

NortonLifeLock Directors' confirmation

With the consent of Avast, the Panel on Takeovers and Mergers has granted a dispensation from the UK Takeover Code requirement for NortonLifeLock's reporting accountants and financial advisers to prepare reports in respect of the NortonLifeLock Profit Forecast.

The NortonLifeLock Directors have considered the NortonLifeLock Profit Forecast and confirm that it has been properly compiled on the basis of the assumptions set out above and that the basis of the accounting used is consistent with NortonLifeLock's accounting policies.

No profit forecasts or estimates

The NortonLifeLock Profit Forecast is a profit forecast for the purposes of Rule 28 of the UK Takeover Code.

Other than in respect of the NortonLifeLock Profit Forecast, no statement in this presentation is intended as, or is to be construed as, a profit forecast or estimate for any period and no statement in this presentation should be interpreted to mean that earnings or earnings per ordinary share for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per ordinary share.

For the purposes of Rule 28 of the UK Takeover Code, the NortonLifeLock Profit Forecast contained in this presentation is the responsibility of NortonLifeLock and the NortonLifeLock Directors.

