ALTIRIS INC
Form DEFA14A
January 29, 2007

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨   Preliminary Proxy Statement

¨   **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

¨   Definitive Proxy Statement

¨   Definitive Additional Materials

x   Soliciting Material Pursuant to §240.14a-12

Altiris, Inc.

(Name of Registrant as Specified in its Charter)

Payment of Filing Fee (Check the appropriate box):

1

x   No fee required.

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2

Filed by Altiris, Inc.

Pursuant to Rule 14a-12 of

the Securities Exchange Act of 1934

Subject Company: Altiris, Inc.

Commission File No.: 000-49793

The following presentation materials were used by officers of Altiris, Inc. and Symantec Corporation during a conference call with analysts and investors on January 29, 2007

Symantec To Acquire Altiris

2
Forward Looking Statements

This presentation contains forward-looking statements regarding the financial and business results of Symantec and Altiris, including statements of expectations regarding consummation of the merger, projected growth for computing devices, benefits to Symantec from combining the Altiris

and Symantec businesses
and
cost savings opportunities for the combined company. Such forward-looking
statements involve known and unknown risks, uncertainties and other factors that
may cause each company s actual results, levels of activity, performance or
achievements to differ materially from results expressed in or implied by this
presentation, including, among others: whether the companies can
successfully
develop new products and the degree to which these gain market acceptance;
the sustainability of recent growth rates, particularly in consumer products; the
anticipation of the growth of certain market segments; the positioning of the
companies
products in those segments; the competitive environment in the
software industry; general market conditions; acquisition-related risks, particularly
risks relating to integrating the two companies; fluctuations in
currency exchange
rates; and changes to operating systems and product strategy by vendors of
operating systems.

Additional information concerning these and other risk factors is contained in the
Risk Factors sections of Symantec s Form 10-K for the year ended March 31,
2006, and in its Form 10-Q for the quarter ended September 29, 2006, and of
Altiris s
Form 10-K for the year ended December 31, 2005 and its Form 10-Q for
the quarter ended September 30, 2006, each filed with the Securities and
Exchange Commission.

We assume no obligation to update any forward-looking information contained in
this presentation.

3
GAAP to Non-GAAP Reconciliation

In addition to reporting financial results in accordance with generally
accepted
accounting
principles,

or
GAAP,
Symantec
and
Altiris
report
non-GAAP financial results.

Investors are encouraged to review the reconciliation of these non-GAAP financial measures to the comparable GAAP results, which can be found in the exhibits at the end of this presentation and on the investor relations websites of Symantec and Altiris.

Symantec s non-GAAP information excludes amortization of all acquisition-related intangibles, restructuring charges and certain stock-based compensation expenses. In addition, Symantec s combined non-GAAP financial results include the historical results for Symantec and Veritas for comparative fiscal periods, deferred revenue that has been eliminated from Symantec s GAAP results as part of the purchase accounting for the acquisition of Veritas, and adjustments related to the fair value of the assets acquired and liabilities assumed as part of the acquisition, and exclude certain non-GAAP expenses, net of tax.

Altiris
non-GAAP information excludes amortization of acquired core technology, amortization of intangible assets, restructuring charges and stock-based compensation expenses, net of tax.

4
Strategic Rationale

Leverages core competitive strengths

The most secure endpoint is a well-managed endpoint

A shared focus on the endpoint (desktops, laptops, servers, converged devices)

Complementary channels

Targets same IT buyer

Strengthens SME presence

Respective OEM partnerships with HP and Dell are complementary

Capitalizes on future technology trends

Virtualization, Intel vPro, mobile devices, Software-as-a-service

5
Endpoint
Security and
Compliance
Endpoint
Management
The Most Secure Endpoint

Is A Well-Managed Endpoint

6
Why Is The Endpoint
Important To Symantec?
Protecting
Infrastructure
Protecting
Information

Protecting
Interactions
The endpoint is a critical component of IT
infrastructure; virtualization and mobile device
growth will increase endpoint proliferation
The endpoint is a main point of
vulnerability and data leakage
The endpoint is the
primary portal to the
enterprise
Type of Interaction and Communication

7
Number Of Endpoints
Are Proliferating
15
10
5
300

200
100
Desktops
Laptops
Servers
Mobile
Devices
In millions
In millions
In millions
CAGR = 9.9%
CAGR = 11.5%
CAGR = 29.1%
2005
2006
2007
2008
2009
2010
300
200
100
400
2005
2006
2007
2008
2009
2010
2005
2006
2007
2008
2009
2010

Source: IDC, Worldwide Virtual Machine Software 2006 2010 Forecast, September 2006, Doc #203213, IDC, Worldwide Co
Forecast Update: December 2006, Doc #204830, IDC, Worldwide Handheld Device 2006 2010 Forecast Update: December 2
Mobile Phone 2006 2010 Forecast Update: July 2006, Doc #202769

8
Symantec and Altiris:
A Total Endpoint Solution

Best-in-class endpoint management suite

Leverages core competitive strengths of Symantec (security

and compliance) and Altiris (discover, remediate and manage)

Limited direct competition from centralized systems vendors
Identify
Analyze threats
Identify exposure
Prioritize risks
Protect
Update signatures
Issues patches
Block attacks
Repair
Disinfect
Deploy updates
Backup / recover
Enforce
Scan endpoints
Quarantine endpoints
Track compliance

9
Protect
Repair
Enforce
Identify
Real World Example:
A New Threat Is Discovered

Identify
Analyze threats
Identify exposure
Prioritize risks

Vulnerable endpoints identified

Symantec DeepSight provides visibility

Altiris CMDB identifies exposure

Potential configuration conflicts analyzed
Vulnerable endpoints

10
The Threat Is Contained
Protect
Repair
Enforce
Identify
Protect

Update signatures
Issues patches
Block attacks

Signatures and patches delivered

Symantec signatures updated

Patches applied via Altiris infrastructure

Ongoing protection from multiple attack
vectors

11
Endpoint Is Immunized
Protect
Repair
Enforce
Identify
Repair

Disinfect
Deploy updates
Backup / recover

Disinfection and software updates

Symantec Client Security   disinfects
endpoints

Altiris delivers critical updates

Virtualization simplifies deployment

CMDB updated

12
Policy Enforcement
Keeps The Network Safe
Protect
Repair
Enforce
Identify

Enforce
Scan endpoints
Quarantine endpoints
Track compliance

New policy is enforced

Symantec Control Compliance Suite and
Symantec endpoint compliance technology

Altiris
Task Manager asset and workflow
management

Vulnerable machines are quarantined

Network is kept safe

13
Procurement
Deployment
Production
Retirement
Asset
Discovery

License
Management
Deployment /
Configuration
Packaging
And QA
Software
Distribution
Security and
Compliance
Patch
Management
Backup /
Recovery
Asset
Tracking
Problem
Resolution
Software
Updates
Strong Product Fit
Altiris
Workflow and CMDB
(Service & Asset Management Suite)
Applications
Virtualization
Operating
System
CPU (Intel vPro)
Client Management
(Client Management Suite)
Service/Help Desk
(Service Desk Solution)
Server Management
(Server Management Suite)
Virtualization
(SVS and
virtual systems management)
Endpoint Security
(Antivirus, Client Security)
Compliance Management
(Control Compliance Suite /
endpoint compliance technology)
Backup and Recovery
(Backup Exec)
Archiving
(Enterprise Vault)
Endpoint
Symantec
Migration

Securing and Managing the Endpoint

14
Distribution Synergies

Targets same IT buyers

Security and IT administration functions are converging

Strengthens Symantec s SME focus

Complementary channel strengths

Additional products through the Symantec channel worldwide

Synergistic OEM relationships

Additional account penetration through direct sales

15
Capitalizes On Future
Technology Trends

Virtual desktop environments

Virtual systems proliferation

Altiris enables management of virtual desktops

Altiris
SVS revolutionizes desktop application management

Virtualized applications streamline operations and reduce support
costs

Mobile endpoints

Mobile device proliferation

Mobile devices need to be managed

Software-as-a-service

Altiris products are   service-enabled
for on-premise or on-
demand delivery

16
The Endpoint is the
New Perimeter
Common CMDB and Management Infrastructure
Data Center
Endpoints
Mobile

Laptops
Thick Client
Desktops
Virtual
Desktops
Mobile
Devices
Applications
Data and
Storage
Pervasive
Network

17
Deal Structure

$33 per share, or approx. $830 million, net of cash
acquired

100% cash financed from current sources of liquidity

The transaction is expected to close during the second
calendar quarter of 2007

This transaction is expected to be accretive to
Symantec s FY08 operating plan
Financial
Terms

Altiris stockholder approval

Regulatory and other customary approvals
Conditions

New business unit led by Greg Butterfield, CEO of Altiris
Operational
Structure

18
Trailing Twelve Month
Income Statement
(a)
(a)
Symantec
trailing

twelve
month
results
(TTM)
ended
December
31,
2006.
Altiris
TTM
results
ended
September
30,
2006.
(*)
These are non-GAAP results. Both companies provide GAAP as well as non-GAAP results. Please see the appendix for GAAP
reconciliation for each company.
$25* M
$1,033* M
Net Income
15.3*%
27.5*%
Operating Margin
$33* M
$1,425* M
Operating Income
79.3%
83.7*%
Gross Margin
$170 M
$4,336* M
Gross Profit
$215 M
$5,180* M
Revenue

19
Identified Cost Savings

G&A cost savings

Public company costs

Facilities consolidation

Duplicative systems

R&D cost savings

Rationalize product offerings

Common development efforts

Distribution synergies

Leverage Symantec s global presence

20
Balance Sheet
(a)
(a)
Symantec
results
are

as
of
December
31,
2006.
Altiris
results
are
as
of
September
30,
2006.
(*)
These are non-GAAP results. Symantec provides GAAP as well as non-GAAP results. Please see the appendix for GAAP to
reconciliation of deferred revenue.
965
17,396
Headcount
76
51
DSOs
$2 M
$2,100 M
Debt
$61 M
$2,489* M
Deferred Revenue
$177 M
$2,978 M
Cash and Short-Term
Investments

21
Trailing Twelve Month
Cash Flow Statement
(a)
(a)
Symantec
trailing

twelve
month
results
(TTM)
ended
September
30,
2006.
Altiris
TTM
results
ended
September
30,
2006.
$4 M
$304 M
Capital Expenditures
$31 M
$1,621 M
Cash Flow From Operations
$10 M
$105 M
Stock Compensation
$15 M
$775 M
Depreciation & Amortization

Symantec
Altiris
22
Symantec Corporation
Summary

The most secure endpoint is a well-managed endpoint

Symantec and Altiris
leverage respective competitive
strengths