Symantec to cut jobs, start dividend

The Associated Press

MOUNTAIN VIEW, Calif. (AP) — Computer security and data storage company Symantec Corp. said Wednesday that it plans to cut executive and middle management jobs by the end of June to make itself "more flexible and able to adapt quicker to the needs of customers."

Symantec spokesman Cris Paden said the company is not saying how many jobs are being cut at this time. The company expects severance payments of about $275 million in the current fiscal year, which ends in March.

Earlier Wednesday, the company also reported net income of $212 million, or 30 cents per share, for the fiscal third quarter that ended on Dec. 28. That's down from $240 million, or 32 cents per share, in the same period a year earlier.

Adjusted earnings were 45 cents per share in the latest quarter.

Revenue was $1.79 billion, up 4 percent from $1.72 billion a year earlier.

Analysts, on average, were expecting adjusted earnings of 38 cents per share on revenue of $1.74 billion, according to a poll by FactSet.

Symantec also initiated a quarterly cash dividend, the first in the company's history. The dividend targets a 2.5 percent yield based on its closing price of $20.86 on Tuesday. And it said its board has authorized a plan to repurchase $1 billion of its shares beginning in fiscal 2014, on March 30.

Shares climbed 9 cents to $21.55 in after-hours trading after closing up 60 cents, or 2.9 percent at $21.46. The stock hit a 52-week high of $21.82 earlier in the day.

Source URL (retrieved on *09/17/2014 - 4:16am*):
http://www.ecnmag.com/news/2013/01/symantec-cut-jobs-start-dividend