



3Com Reports Fourth-Quarter and Full-Year Results for Fiscal 2009

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3Com Corporation (Nasdaq: COMS) today reported financial results for its fiscal 2009 fourth quarter and full fiscal year 2009, which ended May 29, 2009. Revenue in the quarter was \$295.1 million, compared to revenue of \$321.3 million in the corresponding period in fiscal 2008, an 8.2 percent decrease.

Net income in the quarter was \$20.2 million, or \$0.05 per diluted share, compared with a net loss of \$166.7 million, or \$(0.41) per share, in the fourth quarter of fiscal year 2008. Fiscal year 2008 fourth quarter results included a \$158.0 million goodwill impairment charge. On a non-GAAP basis, net income for the fourth quarter of fiscal year 2009 was \$37.2 million, or \$0.10 per diluted share, compared with net income of \$35.6 million, or \$0.09 per diluted share, for the fourth quarter of fiscal year 2008.

Revenue for the full fiscal year 2009 was \$1,317.0 million, compared with \$1,294.9 million in the prior year, a 1.7 percent increase. Fiscal year 2009 net income, on a GAAP basis, was \$114.7 million, or \$0.29 per diluted share, compared with a net loss of \$228.8 million, or \$(0.57) per share, for the prior fiscal year. On a non-GAAP basis, net income for fiscal year 2009 was \$176.7 million, or \$0.45 per diluted share, compared with net income of \$94.9 million, or \$0.23 per diluted share, for fiscal year 2008.

3Com generated \$84.1 million in cash from operations in the fourth quarter and \$280.5 million for the year. 3Com's cash and short-term investment balance at May 29, 2009, was \$644.2 million.

I am very pleased with 3Com's performance in the fourth quarter as well as the full fiscal year 2009, said Bob Mao, 3Com's chief executive officer. We had a very good year, delivering on all three of our key goals: revenue growth, operating margin improvement and positive cash generation from operations. We have a clear, articulated strategy that we are successfully implementing.

To tune in to managements Webcast discussing the companys financial results and business outlook, visit 3Com's Investor Relations Web site (www.3com.com/investor) in the Earnings Webcast section. The replay will be available for the next three weeks.

Additional financial information is available on the Investor Relations section of our Web site.

Safe Harbor

This news release contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including forward-looking statements regarding our business objectives and goals. These statements are neither promises nor guarantees, but involve risks and uncertainties that could cause actual results to differ materially from those set forth in the forward-looking statements, including, without limitation, risks relating to: our ability to grow profitably, expand outside of China, maintain and expand in China, improve expense controls while making investments to grow and other risks detailed in the Companys filings with the SEC, including those discussed in the Companys quarterly report filed with the SEC on Form 10-Q for the quarter ended February 27, 2009.

3Com Corporation does not intend, and disclaims any obligation, to update any forward-looking information contained in this release or with respect to the announcements described herein.

The non-GAAP measures used by the Company exclude restructuring, amortization, stock-based compensation expense and, if applicable in the relevant period, unusual items, such as those items detailed in the tables attached to this press release. The required reconciliations and other disclosures for all non-GAAP measures used by the Company are set forth later in this press release, in the Current Report on Form 8-K furnished to the SEC on the date hereof and/or in the investor relations section of our Web site, www.3com.com.

References to the financial information included in this news release reflect rounded numbers and should be considered approximate values.

About 3Com

3Com Corporation is a \$1.3 billion global enterprise networking solutions provider that sets a new price/performance standard for customers. 3Com has three global brands H3C, 3Com, and TippingPoint that offer high-performance networking and security solutions to enterprises large and small. The H3C enterprise networking portfolio is a market leader in China and includes products that span from the data center to the edge of the network, while TippingPoint network-based intrusion prevention systems and network access control solutions deliver in-depth, no-compromise application, infrastructure and performance protection.

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