

Deferred tax assets	12,317	13,144
Total current assets	218,472	166,151
Deferred tax assets	30,848	33,463
Property and equipment, net	6,093	6,262
Other assets	968	1,091
Total assets	\$ 256,381	\$ 206,987
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 1,440	\$ 1,798
Accrued liabilities	20,736	18,407
Deferred revenue	74,662	61,356
Total current liabilities	96,838	81,561
Deferred revenue, less current portion	8,425	7,760
Other liabilities	7,308	6,377
Total stockholders' equity	143,810	111,289
Total liabilities and stockholders' equity	\$ 256,381	\$ 206,987

Table III

CommVault Systems, Inc.

Consolidated Statements of Cash Flows

(In thousands)

(Unaudited)

	Nine Months Ended	
	December 31, 2009	December 31, 2008
Cash flows from operating activities		
Net income	\$ 12,593	\$ 12,089
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,745	2,796
Noncash stock-based compensation	11,406	8,135
Excess tax benefits from stock-based compensation	(2,669)	(589)
Deferred income taxes	2,792	2,931
Changes in operating assets and liabilities:		
Accounts receivable	(5,062)	(679)
Prepaid expenses and other current assets	(1,981)	(1,230)
Other assets	195	(504)
Accounts payable	(445)	115
Accrued liabilities	4,735	2,669
Deferred revenue	10,225	10,502
Other liabilities	542	407
Net cash provided by operating activities	35,076	36,642
Cash flows from investing activities		
Purchase of short term investments	(4,293)	--
Purchase of property and equipment	(2,351)	(3,413)
Net cash used in investing activities	(6,644)	(3,413)
Cash flows from financing activities		
Repurchase of common stock	--	(25,229)
Proceeds from the exercise of stock options	6,000	2,450
Excess tax benefits from stock-based compensation	2,669	589
Net cash provided by (used in) financing activities	8,669	(22,190)
Effects of exchange rate - changes in cash	2,044	(1,869)
Net increase in cash and cash equivalents	39,145	9,170
Cash and cash equivalents at beginning of period	105,205	91,661
Cash and cash equivalents at end of period	\$ 144,350	\$ 100,831

Table IV

CommVault Systems, Inc.

Reconciliation of GAAP to Non-GAAP Financial Measures

(In thousands, except per share data)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
Non-GAAP financial measures and reconciliation:				
GAAP income from operations	\$ 9,123	\$ 6,145	\$ 21,717	\$ 18,365
Noncash stock-based compensation (1)	3,516	2,874	11,406	8,135
FICA expense on stock option exercises and vesting on restricted stock awards (2)	116	51	293	183
Non-GAAP income from operations	\$ 12,755	\$ 9,070	\$ 33,416	\$ 26,683
GAAP net income	\$ 5,440	\$ 3,883	\$ 12,269	\$ 12,089
Noncash stock-based compensation (1)	3,516	2,874	11,406	8,135
FICA expense on stock option exercises and vesting on restricted stock awards (2)	116	51	293	183
Non-GAAP provision for income taxes adjustment (3)	(358)	(255)	(1,423)	(706)
Non-GAAP net income	\$ 8,714	\$ 6,553	\$ 22,869	\$ 19,701
Diluted weighted average shares outstanding	45,485	43,068	44,670	44,184
Non-GAAP diluted net income per share	\$ 0.19	\$ 0.15	\$ 0.51	\$ 0.45

Footnotes - Adjustments

(1) Represents noncash stock-based compensation charges associated with stock options and restricted stock units granted as follows:

	Three Months Ended		Nine Months Ended	
	December 31, 2009	December 31, 2008	December 31, 2009	December 31, 2008
Cost of services revenue	\$ 104	\$ 69	\$ 350	\$ 195
Sales and marketing	1,554	1,371	5,170	3,770
Research and development	533	454	1,765	1,230
General and administrative	1,325	980	4,121	2,940
Stock-based compensation expense	\$ 3,516	\$ 2,874	\$ 11,406	\$ 8,135

(2) Represents additional FICA expenses incurred by CommVault when employees exercise in the money stock options or vest in restricted stock awards.

(3) The provision for income taxes is adjusted to reflect CommVault's estimated non-GAAP effective tax rate of approximately 32% in fiscal 2010 and 30% in fiscal 2009.

SOURCE: CommVault

CommVault
Investor Relations:
Michael Picariello, 732-728-5380
ir@commvault.com