

**F5 Networks, Inc.**  
**Consolidated Statements of Operations**  
(in thousands, except per share data)

	Three months ended		Six months ended	
	March 31,		March 31,	
	2000	1999	2000	1999
	(unaudited)			
Net revenues:				
Products.....	\$18,532	\$ 3,146	\$ 34,814	\$ 5,428
Services.....	5,072	616	7,963	1,029
Total net revenue.....	<u>23,604</u>	<u>3,762</u>	<u>42,777</u>	<u>6,457</u>
Cost of net revenues:				
Products.....	5,053	825	9,677	1,449
Services.....	1,792	384	2,851	580
Total cost of net revenues.....	<u>6,845</u>	<u>1,209</u>	<u>12,528</u>	<u>2,029</u>
Gross profit.....	<u>16,759</u>	<u>2,553</u>	<u>30,249</u>	<u>4,428</u>
Operating expenses:				
Sales and marketing.....	8,452	2,887	14,194	5,103
Research and development.....	2,761	1,324	4,986	2,345
General and administrative.....	1,748	666	3,226	1,191
Amortization of unearned compensation.....	470	670	1,013	1,038
Total operating expenses.....	<u>13,431</u>	<u>5,547</u>	<u>23,419</u>	<u>9,677</u>
Income (loss) from operations	3,328	(2,994)	6,830	(5,249)
Interest income, net.....	818	31	1,559	89
Net income (loss).....	<u>\$ 4,146</u>	<u>\$ (2,963)</u>	<u>\$ 8,389</u>	<u>\$ (5,160)</u>
Net income (loss) per share – basic.....	\$ 0.20	\$ (0.45)	\$ 0.40	\$ (0.82)
Weighted average shares – basic.....	<u>21,198</u>	<u>6,555</u>	<u>20,811</u>	<u>6,297</u>
Net income (loss) per share – diluted.....	\$ 0.18	\$ (0.45)	\$ 0.36	\$ (0.82)
Weighted average shares – diluted.....	<u>23,105</u>	<u>6,555</u>	<u>23,092</u>	<u>6,297</u>