

F5 Networks, Inc.
Condensed Consolidated Statements of
Operations

(unaudited, in thousands, except per share amounts)

	Three months ended	
	December 31,	
	2000	1999
Net revenues:		
Products.....	\$17,733	\$ 16,282
Services.....	7,000	2,891
Total net revenues.....	<u>24,733</u>	<u>19,173</u>
Cost of net revenues:		
Products.....	8,086	4,624
Services.....	3,584	1,059
Total cost of net revenues.....	<u>11,670</u>	<u>5,683</u>
Gross profit.....	<u>13,063</u>	<u>13,490</u>
Operating expenses:		
Sales and marketing.....	13,529	5,742
Research and development.....	4,945	2,225
General and administrative.....	4,746	1,478
Restructuring charges.....	1,071	
Amortization of unearned compensation.....	576	543
Total operating expenses.....	<u>24,867</u>	<u>9,988</u>
Income (loss) from operations.....	(11,804)	3,502
Other income (expense), net.....	437	741
Income (loss) before income taxes.....	<u>(11,367)</u>	<u>4,243</u>
Income tax benefit.....	(2,437)	
Net income (loss).....	<u>\$ (8,930)</u>	<u>\$ 4,243</u>
Net income (loss) per share - basic.....	<u>\$ (0.41)</u>	<u>\$ 0.21</u>
Weighted average shares - basic.....	<u>21,677</u>	<u>20,427</u>
Net income (loss) per share - diluted.....	<u>\$ (0.41)</u>	<u>\$ 0.18</u>
Weighted average shares - diluted.....	<u>21,677</u>	<u>23,061</u>