

F5 Networks, Inc.
Condensed Consolidated Balance Sheets
(in thousands)

| | <u>Mar. 31,</u> <u>2004</u> | <u>Sept. 30,</u> <u>2003</u> |
|--|--------------------------------|---------------------------------|
| | (unaudited) | |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents..... | \$ 22,162 | \$ 10,351 |
| Short-term investments..... | 108,656 | 34,527 |
| Accounts receivable, net of allowances of \$3,736 and \$3,049..... | 19,158 | 19,325 |
| Inventories..... | 1,905 | 762 |
| Other current assets..... | 5,275 | 4,779 |
| Total current assets..... | <u>157,156</u> | <u>69,744</u> |
| Restricted cash..... | 6,183 | 6,000 |
| Property and equipment, net..... | 10,272 | 10,079 |
| Long-term investments..... | 96,450 | 34,132 |
| Goodwill..... | 24,188 | 24,188 |
| Other assets, net..... | 3,727 | 4,030 |
| Total assets..... | <u>\$ 297,976</u> | <u>\$ 148,173</u> |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Accounts payable..... | \$ 5,397 | \$ 3,714 |
| Accrued liabilities..... | 13,678 | 13,148 |
| Deferred revenue..... | 24,502 | 19,147 |
| Total current liabilities..... | <u>43,577</u> | <u>36,009</u> |
| Other long-term liabilities..... | 1,744 | 1,584 |
| Deferred tax liability..... | 454 | 151 |
| Total long-term liabilities..... | <u>2,198</u> | <u>1,735</u> |
| Commitments and Contingencies: | | |
| Shareholders' equity: | | |
| Preferred stock, no par value; 10,000 shares authorized, no shares outstanding..... | -- | -- |
| Common stock, no par value; 100,000 shares authorized 34,168 and 27,403 shares issued and outstanding..... | 273,263 | 141,709 |
| Unearned compensation..... | -- | (10) |
| Accumulated other comprehensive income..... | 647 | 195 |
| Accumulated deficit..... | (21,709) | (31,465) |
| Total shareholders' equity..... | <u>252,201</u> | <u>110,429</u> |
| Total liabilities and shareholders' equity..... | <u>\$ 297,976</u> | <u>\$ 148,173</u> |