

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

	Three months ended		Six months ended	
	Mar. 31,		Mar. 31,	
	2004	2003	2004	2003
<b>Net revenues:</b>				
Products.....	\$29,720	\$20,338	\$56,096	\$39,839
Services.....	10,927	7,679	20,632	15,234
Total net revenues.....	<u>40,647</u>	<u>28,017</u>	<u>76,728</u>	<u>55,073</u>
<b>Cost of net revenues:</b>				
Products.....	6,799	4,203	12,648	8,260
Services.....	2,626	2,275	5,088	4,436
Total cost of net revenues.....	<u>9,425</u>	<u>6,478</u>	<u>17,736</u>	<u>12,696</u>
Gross profit.....	<u>31,222</u>	<u>21,539</u>	<u>58,992</u>	<u>42,377</u>
<b>Operating expenses:</b>				
Sales and marketing.....	15,920	13,061	30,874	25,820
Research and development.....	5,900	4,886	11,344	9,281
General and administrative.....	3,855	2,900	7,202	6,250
Amortization of unearned compensation.....	-	5	10	71
Total operating expenses.....	<u>25,675</u>	<u>20,852</u>	<u>49,430</u>	<u>41,422</u>
Income from operations.....	5,547	687	9,562	955
Other income, net.....	808	312	992	774
Income before income taxes.....	<u>6,355</u>	<u>999</u>	<u>10,554</u>	<u>1,729</u>
Provision for income taxes.....	400	184	798	394
Net income.....	<u>\$5,955</u>	<u>\$815</u>	<u>\$9,756</u>	<u>\$1,335</u>
Net income per share - basic.....	<u>\$0.18</u>	<u>\$0.03</u>	<u>\$0.31</u>	<u>\$0.05</u>
Weighted average shares ? basic.....	<u>33,768</u>	<u>26,164</u>	<u>31,953</u>	<u>26,022</u>
Net income per share - diluted.....	<u>\$0.16</u>	<u>\$0.03</u>	<u>\$0.28</u>	<u>\$0.05</u>
Weighted average shares ? diluted.....	<u>36,946</u>	<u>27,494</u>	<u>35,074</u>	<u>27,230</u>