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

Products		Three months ended September 30, 2006	Twelve months ended September 30, 2006
Products \$86,320 \$304,875 \$91,717 \$10,141 \$111,717 \$394,045 \$111,717 \$394,045 \$111,717 \$394,045 \$111,717 \$394,045 \$111,717 \$394,045 \$121,716 \$36,151 \$124,534 \$10,151 \$124,534 \$10,151 \$124,534 \$10,151 \$124,534 \$10,151 \$124,534 \$10,151 \$10,066 \$124,534 \$10,151 \$10,066 \$124,534 \$10,151 \$10,066 \$124,534 \$10,151 \$10,066 \$10,000 \$10	Netrevenues		
Services. 25,397 89,171 Total. 111,717 394,049 Cost of net revenues (1) 17,718 63,619 Products. 1,7065 24,534 Total. 24,781 88,155 Gross Profit. 86,936 305,896 Operating expenses (1) 35,087 127,478 Sales and marketing. 35,087 127,478 Research and development. 13,900 49,171 General and administrative. 14,389 39,109 Total. 63,376 215,758 Income from operations. 23,560 90,138 Other income, net. 5,825 17,431 Income before income taxes. 29,385 107,568 Provision for income taxes (1) 11,633 41,564 Net income per share- basic. \$0.44 \$1.6 Weighted average shares - basic. \$0.44 \$1.6 Weighted average shares - diluted. \$0.43 \$1.5 Not-GAAP Financial Measures \$0.45 18,324 Net income excluding stock		\$86,320	\$304,878
Total 111,717 394,049 Cost of net revenues (1) 17,716 63,619 Products 1,065 24,531 Services 7,065 24,531 Total 24,781 88,153 Gross Profit 86,936 305,896 Operating expenses (1) 35,087 127,478 Sales and marketing 35,087 127,478 Research and development 13,900 49,171 General and administrative 14,389 39,109 Total 63,376 215,758 Income from operations 23,560 90,138 Other income, net 5,825 17,431 Income before income taxes 29,385 107,568 Provision for income taxes 29,385 107,568 Provision for income taxes 317,752 \$66,005 Net income per share - basic \$0.44 \$1.6 Weighted average shares - diluted \$0.43 \$1.5 Weighted average shares - diluted \$17,752 \$66,005 Net income excluding stock-based com			
Products 17,716 63,618 Services 7,065 24,534 Total 24,781 88,153 Gross Profit 86,936 305,896 Operating expenses (1) 35,087 127,478 Research and development 13,900 49,171 General and administrative 14,389 39,109 Total 63,376 215,758 Income from operations 23,560 90,138 Other income, net 5,825 17,431 Income before income taxes 29,385 107,568 Provision for income taxes (1) 11,633 41,564 Net income per share - basic \$0.44 \$1.6 Weighted average shares - basic 40,724 40,138 Weighted average shares - diluted \$0.43 \$1.5 Not income per share - diluted \$0.43 \$1.5 Weighted average shares - diluted \$0.45 41,645 Net income excluding stock-based compensation (non-GAAP) - diluted \$0.58 \$2.0 Net income per share excluding stock-based compensation (non-GAAP) - diluted </td <td></td> <td></td> <td>394,049</td>			394,049
Bervices 7,055 24,534 Total 24,781 88,153 Gross Profit 86,936 305,896 Operating expenses (1) 35,087 127,476 Research and development 13,900 49,177 General and administrative 14,389 39,109 Total 63,376 215,758 Income from operations 23,560 90,138 Other income, net 5,825 17,431 Income before income taxes 29,385 107,568 Provision for income taxes (1) 11,633 41,564 Net Income \$17,752 \$66,005 Net Income per share - basic \$0.44 \$1.6 Weighted average shares - basic \$0.44 \$1.6 Weighted average shares - diluted \$0.43 \$1.5 Non-GAAP Financial Measures \$17,752 \$66,005 Not income as reported \$17,752 \$66,005 Stock based compensation expense, net of tax 6,245 18,324 Net income per share excluding stock-based compensation (non-GAAP) - diluted \$0.58 <td>Cost of net revenues (1)</td> <td></td> <td></td>	Cost of net revenues (1)		
Total 24,781 88,153 Gross Profit 86,936 305,886 Operating expenses (1) 35,087 127,478 Sales and marketing 35,087 127,478 Research and development 13,900 49,171 General and administrative 14,389 39,109 Total 63,376 215,758 Income from operations 23,560 90,138 Income from operations 29,385 17,431 Income before income taxes 29,385 107,569 Provision for income taxes (1) 11,633 41,564 Net income \$17,752 \$66,005 Net income per share - basic \$0.44 \$1.6 Weighted average shares - diluted \$0.43 \$1.5 Weighted average shares - diluted \$17,752 \$66,005 Stock-based compensation expense, net of tax 6,245 18,324 Net income excluding stock-based compensation (non-GAAP) \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted \$0.58 \$2.0 <td< td=""><td>Products</td><td>17,716</td><td>63,619</td></td<>	Products	17,716	63,619
Gross Profit. 86,936 305,896 Operating expenses (1) 35,097 127,478 Research and development. 13,900 49,177 General and administrative. 14,389 39,108 Total. 63,376 215,756 Income from operations. 23,560 90,138 Other income, net. 5,825 177,431 Income before income taxes. 29,395 107,556 Provision for income taxes (1) 11,633 41,564 Net Income \$17,752 \$66,005 Net income per share - basic. \$0.44 \$1.6 Weighted average shares - basic. 40,724 40,138 Net income per share - diluted. \$0.43 \$1.5 Weighted average shares - diluted. \$17,752 \$66,005 Non-GAAP Financial Measures \$17,752 \$66,005 Net income as reported. \$17,752 \$66,005 Slock-based compensation expense, net of tax. 6,245 18,324 Net income per share excluding stock-based compensation (non-GAAP) - diluted. \$0.58 \$2.0	Services	7,065	24,534
Deprating expenses (1) Sales and marketing	Total	24,781	88,153
Sales and marketing. 35,087 127,478 Research and development. 13,900 49,171 General and administrative. 14,389 39,109 Total. 63,376 215,758 Income from operations. 23,560 90,138 Other income, net. 5,825 17,431 Income before income taxes. 29,385 107,569 Provision for income taxes (1). 11,633 41,564 Net income. \$17,752 \$66,005 Net income per share - basic. \$0.44 \$1.6 Weighted average shares - basic. 40,724 40,138 Weighted average shares - diluted. \$0.43 \$1.5 Weighted average shares - diluted. \$17,752 \$66,005 Not income as reported. \$17,752 \$66,005 Not income excluding stock-based compensation expense, net of tax. 6,245 18,324 Net income per share excluding stock-based compensation (non-GAAP) - diluted. \$0.58 \$2.0 Weighted average shares - diluted. \$0.58 \$2.0 Weighted average shares - diluted. \$0.58	Gross Profit	86,936	305,896
Research and development. 13,900 49,171 General and administrative. 14,389 39,109 Total. 63,376 215,766 Income from operations. 23,560 90,138 Income before income, net. 5,825 17,431 Income before income taxes. 29,385 107,569 Provision for income taxes (1). 11,633 41,564 Net Income. \$17,752 \$66,005 Net income per share - basic. \$0.44 \$1.6 Weighted average shares - basic. 40,724 40,139 Net income per share - diluted. \$0.43 \$1.5 Weighted average shares - diluted. \$17,752 \$66,005 Stock-based compensation expense, net of tax. 6,245 18,324 Net income excluding stock-based compensation (non-GAAP). \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted. \$0.58 \$2.0 Weighted average shares - diluted. \$0.58 \$2.0 Weighted average shares - diluted. \$0.58 \$2.0 Weighted average shares - diluted. <td></td> <td></td> <td></td>			
General and administrative			
Total 63,376 215,758 Income from operations 23,560 90,138 Other income, net 5,825 17,431 Income before income taxes 29,385 107,589 Provision for income taxes (1) 11,633 41,564 Net income \$17,752 \$66,005 Net income per share - basic \$0.44 \$1.6 Weighted average shares - basic 40,724 40,138 Net income per share - diluted \$0.43 \$1.5 Weighted average shares - diluted \$17,752 \$66,005 Non-GAAP Financial Measures \$17,752 \$66,005 Net income as reported \$17,752 \$66,005 Stock-based compensation expense, net of tax 6,245 18,324 Net income excluding stock-based compensation (non-GAAP) \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted \$0.58 \$2.0 Weighted average shares - diluted 41,645 41,510 (1) Includes stock-based compensation as follows: \$576 \$1,659 Cost of net revenues \$5			
Discome from operations			
Other income, net. 5,825 17,431 Income before income taxes. 29,385 107,598 Provision for income taxes (1). 11,633 41,584 Net Income. \$17,752 \$66,005 Net income per share - basic. \$0.44 \$1.6 Weighted average shares - basic. 40,724 40,139 Net income per share - diluted. \$0.43 \$1.5 Weighted average shares - diluted. \$17,752 \$66,005 Non-GAAP Financial Measures \$17,752 \$66,005 Stock-based compensation expense, net of tax. 6,245 18,324 Net income excluding stock-based compensation (non-GAAP). \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted. \$0.58 \$2.0 Weighted average shares - diluted. \$1,645 \$41,645 \$41,510 (1) Includes stock-based compensation as follows: \$2,344 \$4,645 \$41,645 \$41,645 \$41,645 \$41,645 \$41,645 \$41,645 \$41,645 \$41,645 \$41,645 \$41,645 \$41,645 \$41,645 \$41,645 \$	Total	63,376	215,758
Income before income taxes			90,138
Provision for income taxes (1). 11,633 41,564 Net Income. \$17,752 \$66,005 Net income per share - basic. \$0.44 \$1.6 Weighted average shares - basic. 40,724 40,139 Net income per share - diluted. \$0.43 \$1.5 Weighted average shares - diluted. 41,645 41,510 Non-GAAP Financial Measures *** *** Net income as reported. \$17,752 \$66,005 Stock-based compensation expense, net of tax. 6,245 18,324 Net income excluding stock-based compensation (non-GAAP). \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted. \$0.58 \$2.0 Weighted average shares - diluted. 41,645 41,510 (1) Includes stock-based compensation as follows: \$576 \$1,659 Sales and marketing. 3,488 10,066 Sales and marketing. 3,488 10,066 Research and development. 2,344 6,943 General and administrative. 1,815 6,150 Tax effect of stock base		5,825	17,431
Net Income \$17,752 \$66,005 Net income per share - basic \$0.44 \$1.6 Weighted average shares - basic 40,724 40,138 Net income per share - diluted \$0.43 \$1.5 Weighted average shares - diluted 41,645 41,510 Non-GAAP Financial Measures \$17,752 \$66,005 Stock-based compensation expense, net of tax 6,245 18,324 Net income excluding stock-based compensation (non-GAAP) \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted \$0.58 \$2.0 Weighted average shares - diluted 41,645 41,510 (1) Includes stock-based compensation as follows: Cost of net revenues \$576 \$1,659 Sales and marketing 3,488 10,066 Research and development 2,344 6,943 General and administrative 1,815 6,150 Tax effect of stock based compensation (1,978) (6,494			
Net income per share - basic. \$0.44 \$1.6 Weighted average shares - basic. 40,724 40,139 Net income per share - diluted. \$0.43 \$1.5 Weighted average shares - diluted. 41,645 41,510 Non-GAAP Financial Measures \$17,752 \$66,005 Stock-based compensation expense, net of tax. 6,245 18,324 Net income excluding stock-based compensation (non-GAAP). \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted. \$0.58 \$2.0 Weighted average shares - diluted. 41,645 41,510 (1) Includes stock-based compensation as follows: \$576 \$1,659 Sales and marketing. 3,488 10,066 Research and development. 2,344 6,943 General and administrative. 1,815 6,150 Tax effect of stock based compensation. (1,978) (6,494			
Weighted average shares - basic 40,724 40,138 Net income per share - diluted \$0.43 \$1.5 Weighted average shares - diluted 41,645 41,510 Non-GAAP Financial Measures \$17,752 \$66,005 Stock-based compensation expense, net of tax 6,245 18,324 Net income excluding stock-based compensation (non-GAAP) \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted \$0.58 \$2.0 Weighted average shares - diluted 41,645 41,510 (1) Includes stock-based compensation as follows:	Net Income	\$17,752	\$66,005
Weighted average shares - basic. 40,724 40,139 Net income per share - diluted. \$0.43 \$1.50 Weighted average shares - diluted. 41,645 41,510 Non-GAAP Financial Measures \$17,752 \$66,005 Stock-based compensation expense, net of tax. 6,245 18,324 Net income excluding stock-based compensation (non-GAAP). \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted. \$0.58 \$2.0 Weighted average shares - diluted. 41,645 41,510 (1) Includes stock-based compensation as follows: Cost of net revenues. \$576 \$1,659 Sales and marketing. 3,488 10,066 Research and development. 2,344 6,943 General and administrative. 1,815 6,150 Tax effect of stock based compensation. (1,978) (6,494	Net income per share - basic	\$0.44	\$1.64
Weighted average shares - diluted 41,645 41,510 Non-GAAP Financial Measures \$17,752 \$66,005 Stock-based compensation expense, net of tax 6,245 18,324 Net income excluding stock-based compensation (non-GAAP) \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted \$0.58 \$2.0 Weighted average shares - diluted 41,645 41,510 (1) Includes stock-based compensation as follows:		42 YO TO SECURE	40,139
Weighted average shares - diluted 41,645 41,510 Non-GAAP Financial Measures \$17,752 \$66,005 Stock-based compensation expense, net of tax 6,245 18,324 Net income excluding stock-based compensation (non-GAAP) \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted \$0.58 \$2.0 Weighted average shares - diluted 41,645 41,510 (1) Includes stock-based compensation as follows:	NIA to a constant of the state of	\$0.43	\$1.59
Non-GAAP Financial Measures Net income as reported. \$17,752 \$66,005 Stock-based compensation expense, net of tax. 6,245 18,324 Net income excluding stock-based compensation (non-GAAP). \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted. \$0.58 \$2.0 Weighted average shares - diluted. 41,645 41,510 (1) Includes stock-based compensation as follows: \$576 \$1,659 Cost of net revenues. \$576 \$1,659 Sales and marketing. 3,488 10,066 Research and development. 2,344 6,943 General and administrative. 1,815 6,150 Tax effect of stock based compensation. (1,978) (6,494)			2
Net income as reported \$17,752 \$66,005 Stock-based compensation expense, net of tax 6,245 18,324 Net income excluding stock-based compensation (non-GAAP) \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted \$0.58 \$2.0 Weighted average shares - diluted 41,645 41,510 (1) Includes stock-based compensation as follows:	Weighted average shares - diluted	41,645	41,510
Stock-based compensation expense, net of tax	Non-GAAP Financial Measures		
Stock-based compensation expense, net of tax	Net income as reported	\$17,752	\$66,005
(non-GAAP) \$23,997 \$84,329 Net income per share excluding stock-based compensation (non-GAAP) - diluted \$0.58 \$2.0 Weighted average shares - diluted 41,645 41,510 (1) Includes stock-based compensation as follows: \$576 \$1,659 Cost of net revenues \$576 \$1,659 Sales and marketing 3,488 10,066 Research and development 2,344 6,943 General and administrative 1,815 6,150 Tax effect of stock based compensation (1,978) (6,494			18,324
Net income per share excluding stock-based compensation (non-GAAP) - diluted. \$0.58 \$2.0 Weighted average shares - diluted. 41,645 41,510 (1) Includes stock-based compensation as follows: \$576 \$1,659 Cost of net revenues. \$576 \$1,659 Sales and marketing. 3,488 10,066 Research and development. 2,344 6,943 General and administrative. 1,815 6,150 Tax effect of stock based compensation. (1,978) (6,494	15.00 TO	#22.00T	
compensation (non-GAAP) - diluted. \$0.58 \$2.0 Weighted average shares - diluted. 41,645 41,510 (1) Includes stock-based compensation as follows: 576 \$1,659 Cost of net revenues. \$576 \$1,659 Sales and marketing. 3,488 10,066 Research and development. 2,344 6,943 General and administrative. 1,815 6,150 Tax effect of stock based compensation. (1,978) (6,494	(HUTFGAAF)	\$23,997	\$84,329
Weighted average shares - diluted. 41,645 41,510 (1) Includes stock-based compensation as follows: \$576 \$1,659 Cost of net revenues. \$576 \$1,659 Sales and marketing. 3,488 10,066 Research and development. 2,344 6,943 General and administrative. 1,815 6,150 Tax effect of stock based compensation. (1,978) (6,494)	Net income per share excluding stock-based		
(1) Includes stock-based compensation as follows: \$576 \$1,659 Cost of net revenues. \$576 \$1,659 Sales and marketing. 3,488 10,066 Research and development. 2,344 6,943 General and administrative. 1,815 6,150 Tax effect of stock based compensation. (1,978) (6,494)	compensation (non-GAAP) - diluted	\$0.58	\$2.03
Cost of net revenues \$576 \$1,659 Sales and marketing 3,488 10,066 Research and development 2,344 6,943 General and administrative 1,815 6,150 Tax effect of stock based compensation (1,978) (6,494	Weighted average shares - diluted	41,645	41,510
Cost of net revenues \$576 \$1,659 Sales and marketing 3,488 10,066 Research and development 2,344 6,943 General and administrative 1,815 6,150 Tax effect of stock based compensation (1,978) (6,494	(1) Includes stock-based compensation as follows:		
Sales and marketing		\$576	\$1,659
Research and development. 2,344 6,943 General and administrative. 1,815 6,150 Tax effect of stock based compensation. (1,978) (6,494)			
General and administrative 1,815 6,150 Tax effect of stock based compensation (1,978) (6,494)			
Tax effect of stock based compensation(1,978) (6,494			
			(6,494)
0,245		6,245	18,324