

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

	Three months ended September 30,		Twelve months ended September 30,	
	2007	2006	2007	2006
Net revenues				
Products.....	\$ 106,982	\$ 86,320	\$ 392,921	\$ 304,878
Services.....	38,625	25,397	132,746	89,171
Total.....	<u>145,607</u>	<u>111,717</u>	<u>525,667</u>	<u>394,049</u>
Cost of net revenues (1)				
Products.....	23,683	17,716	84,094	63,619
Services.....	9,665	7,065	34,230	24,534
Total.....	<u>33,348</u>	<u>24,781</u>	<u>118,324</u>	<u>88,153</u>
Gross Profit.....	<u>112,259</u>	<u>86,936</u>	<u>407,343</u>	<u>305,896</u>
Operating expenses (1)				
Sales and marketing.....	48,165	35,087	175,555	127,478
Research and development.....	19,929	13,900	69,030	49,171
General and administrative.....	11,196	14,389	49,256	39,109
In-process research and development.....	14,000	-	14,000	-
Total.....	<u>93,290</u>	<u>63,376</u>	<u>307,841</u>	<u>215,758</u>
Income from operations.....	18,969	23,560	99,502	90,138
Other income, net.....	7,355	5,825	28,191	17,431
Income before income taxes.....	26,324	29,385	127,693	107,569
Provision for income taxes.....	13,442	11,633	50,693	41,564
Net Income.....	<u>\$ 12,882</u>	<u>\$ 17,752</u>	<u>\$ 77,000</u>	<u>\$ 66,005</u>
Net income per share - basic.....	<u>\$ 0.15</u>	<u>\$ 0.22</u>	<u>\$ 0.93</u>	<u>\$ 0.82</u>
Weighted average shares - basic.....	<u>84,305</u>	<u>81,448</u>	<u>83,205</u>	<u>80,278</u>
Net income per share - diluted.....	<u>\$ 0.15</u>	<u>\$ 0.21</u>	<u>\$ 0.90</u>	<u>\$ 0.80</u>
Weighted average shares - diluted.....	<u>85,792</u>	<u>83,290</u>	<u>85,137</u>	<u>83,020</u>
(1) Includes stock-based compensation as follows:				
Cost of net revenues.....	\$ 753	\$ 576	\$ 2,569	\$ 1,660
Sales and marketing.....	3,906	3,488	15,784	10,066
Research and development.....	2,689	2,344	10,230	6,943
General and administrative.....	2,857	1,815	12,630	6,150
	<u>\$ 10,205</u>	<u>\$ 8,223</u>	<u>\$ 41,213</u>	<u>\$ 24,819</u>