

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

|  | <u>December 31,</u><br><u>2017</u> | <u>September 30,</u><br><u>2017</u> |
|--|------------------------------------|-------------------------------------|
| <b>Assets</b>  |                                    |                                     |
| Current assets   |                                    |                                     |
| Cash and cash equivalents.....   | \$ 611,996                         | \$ 673,228                          |
| Short-term investments.....  | 392,560                            | 343,700                             |
| Accounts receivable, net of allowances of \$2,052 and \$1,815.....   | 291,093                            | 291,924                             |
| Inventories.....   | 29,112                             | 29,834                              |
| Other current assets.....  | 56,056                             | 67,538                              |
| Total current assets.....  | <u>1,380,817</u>                   | <u>1,406,224</u>                    |
| Property and equipment, net.....   | 117,310                            | 122,420                             |
| Long-term investments.....   | 348,210                            | 284,802                             |
| Deferred tax assets.....   | 39,719                             | 53,303                              |
| Goodwill.....  | 555,965                            | 555,965                             |
| Other assets, net.....   | 51,718                             | 53,775                              |
| Total assets.....  | <u>\$ 2,493,739</u>                | <u>\$ 2,476,489</u>                 |
| <b>Liabilities and Shareholders' Equity</b>  |                                    |                                     |
| Current liabilities  |                                    |                                     |
| Accounts payable.....  | \$ 46,748                          | \$ 50,760                           |
| Accrued liabilities.....   | 176,534                            | 187,379                             |
| Deferred revenue.....  | 721,994                            | 696,404                             |
| Total current liabilities.....   | <u>945,276</u>                     | <u>934,543</u>                      |
| Other long-term liabilities.....   | 51,970                             | 44,589                              |
| Deferred revenue, long-term.....   | 269,279                            | 267,902                             |
| Deferred tax liabilities.....  | 36                                 | 63                                  |
| Total long-term liabilities.....   | <u>321,285</u>                     | <u>312,554</u>                      |
| Commitments and contingencies  |                                    |                                     |
| Shareholders' equity   |                                    |                                     |
| Preferred stock, no par value; 10,000 shares authorized, no shares outstanding.....                            | -                                  | -                                   |
| Common stock, no par value; 200,000 shares authorized, 61,844 and 62,594<br>shares issued and outstanding..... | 20,029                             | 17,627                              |
| Accumulated other comprehensive loss.....  | (19,478)                           | (17,997)                            |
| Retained earnings.....   | 1,226,627                          | 1,229,762                           |
| Total shareholders' equity.....  | <u>1,227,178</u>                   | <u>1,229,392</u>                    |
| Total liabilities and shareholders' equity.....  | <u>\$ 2,493,739</u>                | <u>\$ 2,476,489</u>                 |