

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

	Three months ended	
	December 31,	
	1999	1998
	(unaudited)	
Net revenues:		
	\$	\$
Products.....	16,282	2,282
Services.....	2,891	413
Total net revenue.....	<u>19,173</u>	<u>2,695</u>
Cost of net revenues:		
Products.....	4,624	624
Services.....	1,059	196
Total cost of net revenues.....	<u>5,683</u>	<u>820</u>
Gross profit.....	<u>13,490</u>	<u>1,875</u>
Operating expenses:		
Sales and marketing.....	5,742	2,216
Research and development.....	2,225	1,021
General and administrative.....	1,478	525
Amortization of unearned compensation.....	543	368
Total operating expenses.....	<u>9,988</u>	<u>4,130</u>
Income (loss) from operations	3,502	(2,255)
Interest income, net.....	741	58
Net income (loss).....	<u>\$ 4,243</u>	<u>\$ (2,197)</u>
Net income (loss) per share – basic.....	<u>\$ 0.21</u>	<u>\$ (0.36)</u>
Weighted average shares – basic.....	<u>20,427</u>	<u>6,047</u>
Net income (loss) per share – diluted.....	<u>\$ 0.18</u>	<u>\$ (0.36)</u>
Weighted average shares –diluted.....	<u>23,061</u>	<u>6,047</u>