

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

	Three months ended		Twelve months ended	
	September 30,		September 30,	
	2000	1999	2000	1999
Net revenues:				
Products.....	\$29,259	\$ 11,548	\$ 87,980	\$ 23,420
Services.....	7,388	2,215	20,665	4,405
Total net revenues.....	<u>36,647</u>	<u>13,763</u>	<u>108,645</u>	<u>27,825</u>
Cost of net revenues:				
Products.....	8,951	2,497	24,660	5,582
Services.....	2,822	642	7,911	1,618
Total cost of net revenues.....	<u>11,773</u>	<u>3,139</u>	<u>32,571</u>	<u>7,200</u>
Gross profit.....	<u>24,874</u>	<u>10,624</u>	<u>76,074</u>	<u>20,625</u>
Operating expenses:				
Sales and marketing.....	12,121	4,392	36,890	13,505
Research and development.....	6,070	1,831	14,478	5,642
General and administrative.....	4,279	1,724	9,727	3,869
Amortization of unearned compensation.....	680	690	2,127	2,487
Total operating expenses.....	<u>23,150</u>	<u>8,637</u>	<u>63,222</u>	<u>25,503</u>
Income (loss) from operations.....	1,724	1,987	12,852	(4,878)
Other income, net.....	489	348	2,903	534
Income (loss) before income taxes..	2,213	2,335	15,755	(4,344)
Provision for income taxes.....	797		2,105	
Net income (loss).....	<u>\$ 1,416</u>	<u>\$ 2,335</u>	<u>\$ 13,650</u>	<u>\$ (4,344)</u>
Net income (loss) per share – basic.....	<u>\$ 0.07</u>	<u>\$ 0.13</u>	<u>\$ 0.65</u>	<u>\$ (0.42)</u>
Weighted average shares – basic.....	<u>21,551</u>	<u>18,120</u>	<u>21,137</u>	<u>10,238</u>
Net income (loss) per share – diluted....	<u>\$ 0.06</u>	<u>\$ 0.10</u>	<u>\$ 0.59</u>	<u>\$ (0.42)</u>
Weighted average shares – diluted.....	<u>23,122</u>	<u>22,380</u>	<u>23,066</u>	<u>10,238</u>
Pro forma (1)				
Net income (loss).....	<u>\$ 3,724</u>	<u>\$ 2,335</u>	<u>\$ 15,958</u>	<u>\$ (4,344)</u>
Net income (loss) per share - basic...	<u>\$ 0.17</u>	<u>\$ 0.13</u>	<u>\$ 0.75</u>	<u>\$ (0.42)</u>
Weighted average shares - basic.....	<u>\$ 21,551</u>	<u>\$ 18,120</u>	<u>\$ 21,137</u>	<u>\$ 10,238</u>
Net income (loss) per share - diluted....	<u>\$ 0.16</u>	<u>\$ 0.10</u>	<u>\$ 0.69</u>	<u>\$ (0.42)</u>
Weighted average shares - diluted.....	<u>\$ 23,122</u>	<u>\$ 22,380</u>	<u>\$ 23,066</u>	<u>\$ 10,238</u>
(1) Items excluded from Pro forma net income (net of tax) are:				
Executive recruitment (General and administrative)	1,036		1,036	
Non-recurring engineering (Research and development)	363		363	
Impairment of assets due to office relocation (Other)	222		222	
Inventory write-off (Research and development)	687		687	
	<u>2,308</u>		<u>2,308</u>	