

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

|  | <u>Dec. 31,</u><br><u>2002</u> | <u>Sept. 30,</u><br><u>2002</u> |
|--|--------------------------------|---------------------------------|
|  | (unaudited)                    |                                 |
| <b>Assets</b>  |                                |                                 |
| Current assets:  |                                |                                 |
| Cash and cash equivalents.....   | \$ 9,581                       | \$ 20,801                       |
| Short-term Investments.....  | \$ 52,284                      | \$ 59,532                       |
| Accounts receivable,<br>net of allowances of \$4,640 and \$5,452.....  | 19,322                         | 20,404                          |
| Inventories.....   | 253                            | 349                             |
| Other current assets.....  | 5,223                          | 4,713                           |
| Total current assets.....  | <u>86,663</u>                  | <u>105,799</u>                  |
| Restricted cash.....   | 6,000                          | 6,000                           |
| Property and equipment, net.....   | 11,898                         | 12,211                          |
| Investments.....   | 23,382                         | 1,346                           |
| Other assets, net.....   | 967                            | 933                             |
| Total assets.....  | <u>\$ 128,910</u>              | <u>\$ 126,289</u>               |
| <b>Liabilities and Shareholders' Equity</b>  |                                |                                 |
| Current liabilities:   |                                |                                 |
| Accounts Payable.....  | \$ 4,152                       | \$ 3,685                        |
| Accrued liabilities.....   | 12,475                         | 13,546                          |
| Deferred revenue.....  | 14,799                         | 14,058                          |
| Total current liabilities.....   | <u>31,426</u>                  | <u>31,289</u>                   |
| Long-term liabilities.....   | 1,372                          | 1,315                           |
| Commitments and Contingencies:   |                                |                                 |
| Shareholders' equity:  |                                |                                 |
| Preferred stock, no par value; 10,000 shares<br>authorized, no shares outstanding.....                           | --                             | --                              |
| Common stock, no par value; 100,000 shares<br>authorized 26,007 and 25,730 shares issued and<br>outstanding..... | 130,663                        | 128,876                         |
| Accumulated other comprehensive income.....  | 509                            | 454                             |
| Unearned compensation.....   | (28)                           | (93)                            |
| Accumulated deficit.....   | (35,032)                       | (35,552)                        |
| Total shareholders' equity.....  | <u>96,112</u>                  | <u>93,685</u>                   |
| Total liabilities and shareholders' equity.....  | <u>\$ 128,910</u>              | <u>\$ 126,289</u>               |