

F5 Networks, Inc.
Condensed Consolidated Statements of
Operations

(in thousands, except per share amounts)

	Three months ended	
	December 31,	
	2002	2001
Net revenues:		
Products.....	\$19,501	\$20,658
Services.....	7,555	6,367
Total.....	<u>27,056</u>	<u>27,025</u>
Cost of net revenues:		
Products.....	4,057	5,963
Services.....	2,161	2,694
Total.....	<u>6,218</u>	<u>8,657</u>
Gross profit.....	<u>20,838</u>	<u>18,368</u>
Operating expenses:		
Sales and marketing.....	12,759	12,440
Research and development.....	4,395	4,137
General and administrative.....	3,350	4,045
Amortization of unearned compensation.....	66	133
Total.....	<u>20,570</u>	<u>20,755</u>
Income (loss) from operations.....	268	(2,387)
Other income, net.....	462	505
Income (loss) before income taxes.....	730	(1,882)
Provision for income taxes.....	210	189
Net income (loss).....	<u>\$520</u>	<u>\$(2,071)</u>
Net income (loss) per share - basic.....	<u>\$0.02</u>	<u>\$(0.08)</u>
Weighted average shares – basic.....	<u>25,883</u>	<u>24,883</u>
Net income (loss) per share - diluted.....	<u>\$0.02</u>	<u>\$(0.08)</u>
Weighted average shares – diluted.....	<u>26,935</u>	<u>24,883</u>