

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

	Three months ended		Six months ended	
	March 31,		March 31,	
	2003	2002	2003	2002
Net revenues:				
Products.....	\$20,338	\$20,782	\$39,839	\$41,440
Services.....	7,679	6,319	15,234	12,686
Total net revenues.....	<u>28,017</u>	<u>27,101</u>	<u>55,073</u>	<u>54,126</u>
Cost of net revenues:				
Products.....	4,203	5,151	8,260	11,114
Services.....	2,275	2,680	4,436	5,374
Total cost of net revenues.....	<u>6,478</u>	<u>7,831</u>	<u>12,696</u>	<u>16,488</u>
Gross profit.....	<u>21,539</u>	<u>19,270</u>	<u>42,377</u>	<u>37,638</u>
Operating expenses:				
Sales and marketing.....	13,061	11,823	25,820	24,263
Research and development.....	4,886	4,751	9,281	8,888
General and administrative.....	2,900	4,524	6,250	8,569
Amortization of unearned compensation.....	5	114	71	247
Total operating expenses.....	<u>20,852</u>	<u>21,212</u>	<u>41,422</u>	<u>41,967</u>
Income (loss) from operations.....	687	(1,942)	955	(4,329)
Other income, net.....	312	273	774	778
Income (loss) before income taxes.....	999	(1,669)	1,729	(3,551)
Provision for income taxes.....	184	101	394	290
Net income (loss).....	<u>\$815</u>	<u>\$(1,770)</u>	<u>\$1,335</u>	<u>\$(3,841)</u>
Net income (loss) per share - basic.....	<u>\$0.03</u>	<u>\$(0.07)</u>	<u>\$0.05</u>	<u>\$(0.15)</u>
Weighted average shares ? basic.....	<u>26,164</u>	<u>25,203</u>	<u>26,022</u>	<u>25,041</u>
Net income (loss) per share - diluted.....	<u>\$0.03</u>	<u>\$(0.07)</u>	<u>\$0.05</u>	<u>\$(0.15)</u>
Weighted average shares ? diluted.....	<u>27,494</u>	<u>25,203</u>	<u>27,230</u>	<u>25,041</u>