

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

	Three months ended June 30,		Nine months ended June 30,	
	2003	2002	2003	2002
Net revenues:				
Products.....	\$21,310	\$20,750	\$61,149	\$62,190
Services.....	7,879	6,315	23,113	19,001
Total net revenues.....	<u>29,189</u>	<u>27,065</u>	<u>84,262</u>	<u>81,191</u>
Cost of net revenues:				
Products.....	4,491	5,081	12,751	16,195
Services.....	2,290	2,504	6,726	7,878
Total cost of net revenues.....	<u>6,781</u>	<u>7,585</u>	<u>19,477</u>	<u>24,073</u>
Gross profit.....	<u>22,408</u>	<u>19,480</u>	<u>64,785</u>	<u>57,118</u>
Operating expenses:				
Sales and marketing.....	13,593	13,256	39,413	37,519
Research and development.....	4,810	4,785	14,091	13,673
General and administrative.....	2,800	3,049	9,050	11,618
Restructuring charges.....	-	2,771	-	2,771
Amortization of unearned compensation.....	6	106	77	353
Total operating expenses.....	<u>21,209</u>	<u>23,967</u>	<u>62,631</u>	<u>65,934</u>
Income (loss) from operations.....	1,199	(4,487)	2,154	(8,816)
Other income, net.....	352	287	1,126	1,065
Income (loss) before income taxes.....	1,551	(4,200)	3,280	(7,751)
Provision for income taxes.....	152	146	546	436
Net income (loss).....	<u>\$1,399</u>	<u>\$(4,346)</u>	<u>\$2,734</u>	<u>\$(8,187)</u>
Net income (loss) per share - basic.....	<u>\$0.05</u>	<u>\$(0.17)</u>	<u>\$0.10</u>	<u>\$(0.32)</u>
Weighted average shares ? basic.....	<u>26,638</u>	<u>25,537</u>	<u>26,227</u>	<u>25,206</u>
Net income (loss) per share - diluted.....	<u>\$0.05</u>	<u>\$(0.17)</u>	<u>\$0.10</u>	<u>\$(0.32)</u>
Weighted average shares ? diluted.....	<u>28,467</u>	<u>25,537</u>	<u>27,525</u>	<u>25,206</u>