

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

	<u>Three months ended June 30, 2006</u>	<u>Nine months ended June 30, 2006</u>
Net revenues		
Products.....	\$77,192	\$218,558
Services.....	22,937	63,774
Total.....	<u>100,129</u>	<u>282,332</u>
Cost of net revenues (1)		
Products.....	15,869	45,903
Services.....	6,649	17,469
Total.....	<u>22,518</u>	<u>63,372</u>
Gross Profit.....	77,611	218,960
Operating expenses (1)		
Sales and marketing.....	32,364	92,391
Research and development.....	12,517	35,271
General and administrative.....	10,175	24,720
Total.....	<u>55,056</u>	<u>152,382</u>
Income from operations.....	22,555	66,578
Other income, net.....	4,759	11,606
Income before income taxes.....	27,314	78,184
Provision for income taxes (1).....	10,349	29,931
Net income.....	<u>\$16,965</u>	<u>\$48,253</u>
Net income per share - basic.....	<u>\$0.42</u>	<u>\$1.21</u>
Weighted average shares - basic.....	<u>40,553</u>	<u>39,942</u>
Net income per share - diluted.....	<u>\$0.41</u>	<u>\$1.16</u>
Weighted average shares - diluted.....	<u>41,659</u>	<u>41,426</u>
Non-GAAP Financial Measures		
Net income as reported.....	\$16,965	\$48,253
Stock-based compensation expense, net of tax.....	4,033	12,084
Net income excluding stock-based compensation (non-GAAP).....	<u>\$20,998</u>	<u>\$60,337</u>
Net income per share excluding stock-based compensation (non-GAAP) - diluted.....	<u>\$0.50</u>	<u>\$1.46</u>
Weighted average shares - diluted.....	<u>41,659</u>	<u>41,426</u>
(1) Includes stock-based compensation as follows:		
Cost of net revenues.....	\$385	\$1,083
Sales and marketing.....	2,289	6,578
Research and development.....	1,622	4,600
General and administrative.....	1,457	4,335
Tax effect of stock based compensation.....	<u>(1,720)</u>	<u>(4,512)</u>
	<u>4,033</u>	<u>12,084</u>