

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

	<u>Three months ended</u> <u>September 30, 2006</u>	<u>Twelve months ended</u> <u>September 30, 2006</u>
Net revenues		
Products.....	\$86,320	\$304,878
Services.....	25,397	89,171
Total.....	<u>111,717</u>	<u>394,049</u>
Cost of net revenues (1)		
Products.....	17,716	63,619
Services.....	7,065	24,534
Total.....	<u>24,781</u>	<u>88,153</u>
Gross Profit.....	86,936	305,896
Operating expenses (1)		
Sales and marketing.....	35,087	127,478
Research and development.....	13,900	49,171
General and administrative.....	14,389	39,109
Total.....	<u>63,376</u>	<u>215,758</u>
Income from operations.....	23,560	90,138
Other income, net.....	5,825	17,431
Income before income taxes.....	29,385	107,569
Provision for income taxes (1).....	11,633	41,564
Net Income.....	<u>\$17,752</u>	<u>\$66,005</u>
Net income per share - basic.....	<u>\$0.44</u>	<u>\$1.64</u>
Weighted average shares - basic.....	<u>40,724</u>	<u>40,139</u>
Net income per share - diluted.....	<u>\$0.43</u>	<u>\$1.59</u>
Weighted average shares - diluted.....	<u>41,645</u>	<u>41,510</u>
Non-GAAP Financial Measures		
Net income as reported.....	\$17,752	\$66,005
Stock-based compensation expense, net of tax.....	6,245	18,324
Net income excluding stock-based compensation (non-GAAP).....	<u>\$23,997</u>	<u>\$84,329</u>
Net income per share excluding stock-based compensation (non-GAAP) - diluted.....	<u>\$0.58</u>	<u>\$2.03</u>
Weighted average shares - diluted.....	<u>41,645</u>	<u>41,510</u>
(1) Includes stock-based compensation as follows:		
Cost of net revenues.....	\$576	\$1,659
Sales and marketing.....	3,488	10,066
Research and development.....	2,344	6,943
General and administrative.....	1,815	6,150
Tax effect of stock based compensation.....	(1,978)	(6,494)
	<u>6,245</u>	<u>18,324</u>