

**F5 Networks, Inc.**  
**Consolidated Balance Sheets**  
(unaudited, in thousands)

|   | <u>December 31,</u><br><u>2013</u> | <u>September 30,</u><br><u>2013</u> |
|---|------------------------------------|-------------------------------------|
| <b>Assets</b>   |                                    |                                     |
| Current assets  |                                    |                                     |
| Cash and cash equivalents.....  | \$ 231,328                         | \$ 189,693                          |
| Short-term investments.....   | 346,863                            | 352,450                             |
| Accounts receivable, net of allowances of \$4,326 and \$3,259.....  | 220,784                            | 204,205                             |
| Inventories.....  | 19,051                             | 19,026                              |
| Deferred tax assets.....  | 20,530                             | 16,342                              |
| Other current assets.....   | 32,387                             | 34,655                              |
| Total current assets.....   | <u>870,943</u>                     | <u>816,371</u>                      |
| Property and equipment, net.....  | 62,157                             | 63,522                              |
| Long-term investments.....  | 657,018                            | 728,981                             |
| Deferred tax assets.....  | 25,714                             | 22,389                              |
| Goodwill.....   | 523,727                            | 523,727                             |
| Other assets, net.....  | 75,280                             | 75,564                              |
| Total assets.....   | <u>\$ 2,214,839</u>                | <u>\$ 2,230,554</u>                 |
| <b>Liabilities and Shareholders' Equity</b>   |                                    |                                     |
| Current liabilities   |                                    |                                     |
| Accounts payable.....   | \$ 38,151                          | \$ 37,313                           |
| Accrued liabilities.....  | 125,716                            | 92,608                              |
| Deferred revenue.....   | 450,104                            | 421,429                             |
| Total current liabilities.....  | <u>613,971</u>                     | <u>551,350</u>                      |
| Other long-term liabilities.....  | 24,176                             | 25,202                              |
| Deferred revenue, long-term.....  | 117,622                            | 109,944                             |
| Deferred tax liabilities.....   | 5,000                              | 5,346                               |
| Total long-term liabilities.....  | <u>146,798</u>                     | <u>140,492</u>                      |
| Commitments and contingencies   |                                    |                                     |
| Shareholders' equity  |                                    |                                     |
| Preferred stock, no par value; 10,000 shares authorized, no shares outstanding.....                         | -                                  | -                                   |
| Common stock, no par value; 200,000 shares authorized, 76,040 and 78,090 shares issued and outstanding..... | 109,949                            | 262,505                             |
| Accumulated other comprehensive loss.....   | (7,548)                            | (7,414)                             |
| Retained earnings.....  | 1,351,669                          | 1,283,621                           |
| Total shareholders' equity.....   | <u>1,454,070</u>                   | <u>1,538,712</u>                    |
| Total liabilities and shareholders' equity.....   | <u>\$ 2,214,839</u>                | <u>\$ 2,230,554</u>                 |