



Q2FY26 Results

PERIOD ENDING March 31, 2026

Published April 28, 2026

We deliver and secure every app.

F5 specializes in application delivery and security. Our solutions are backed by three decades of expertise to ensure that every app is fast, available, secure, and ready for the AI-era.



Forward-looking statements

This presentation contains forward-looking statements including, among other things, that F5's continued strong performance reflects rising demand for F5's solutions anchored in durable structural demand drivers, including hybrid multicloud adoption, an expanding cybersecurity threat landscape, and rapid enterprise AI adoption, that F5's continued focus on customer-focused innovation positions F5 well to help customers scale and secure the AI-powered applications of the future, the Company's future financial performance including revenue growth, earnings growth, future customer demand, and the performance and benefits of the Company's products. These, and other statements that are not historical facts, are forward-looking statements. These forward-looking statements are subject to the safe harbor provisions created by the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from those projected in the forward-looking statements as a result of certain risk factors. Such forward-looking statements involve risks and uncertainties, as well as assumptions and other factors that, if they do not fully materialize or prove correct, could cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to: customer acceptance of offerings; disruptions to the global supply chain resulting in inability to source required parts for F5's products or the ability to only do so at greatly increased prices thereby impacting our revenues and/or margins; global economic conditions and uncertainties in the geopolitical environment; overall information technology spending; F5's ability to successfully integrate acquired businesses' products with F5 technologies; the ability of F5's sales professionals and distribution partners to sell new solutions and service offerings; the timely development, introduction and acceptance of additional new products and features by F5 or its competitors; competitive factors, including but not limited to pricing pressures, industry consolidation, entry of new competitors into F5's markets, and new product and marketing initiatives by our competitors; increased sales discounts; the business impact of the acquisitions and potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement of completion of acquisitions; uncertain global economic conditions which may result in reduced customer demand for our products and services and changes in customer payment patterns; litigation involving patents, intellectual property, shareholder and other matters, and governmental investigations; potential security flaws in the Company's networks, products or services; cybersecurity attacks on its networks, products or services; natural catastrophic events; a pandemic or epidemic; F5's ability to sustain, develop and effectively utilize distribution relationships; F5's ability to attract, train and retain qualified product development, marketing, sales, professional services and customer support personnel; F5's ability to expand in international markets; the unpredictability of F5's sales cycle; the ability of F5 to execute on its share repurchase program including the timing of any repurchases; future prices of F5's common stock; and other risks and uncertainties described more fully in our documents filed with or furnished to the Securities and Exchange Commission, including our most recent reports on Form 10-K and Form 10-Q and current reports on Form 8-K and other documents that we may file or furnish from time to time, which could cause actual results to vary from expectations. The financial information contained in this release should be read in conjunction with the consolidated financial statements and notes thereto included in F5's most recent reports on Forms 10-Q and 10-K as each may be amended from time to time. All forward-looking statements in this press release are based on information available as of the date hereof and qualified in their entirety by this cautionary statement. F5 assumes no obligation to revise or update these forward-looking statements.

GAAP to non-GAAP presentation

In addition to financial information prepared in accordance with U.S. GAAP, this presentation also contains adjusted financial measures that we believe provide investors and management with supplemental information relating to operating performance and trends that facilitate comparisons between periods and with respect to projected information. These adjusted financial measures are non-GAAP and should be considered in addition to, but not as a substitute for, the information prepared in accordance with U.S. GAAP. We typically exclude certain GAAP items that management does not believe affect our basic operations and that do not meet the GAAP definition of unusual or non-recurring items. Other companies may define these measures in different ways. Further information relevant to the interpretation of adjusted financial measures, and reconciliations of these adjusted financial measures for historical data to the most comparable GAAP measures, may be found on F5's website at www.f5.com in the "Investor Relations" section. A reconciliation of non-GAAP guidance measures to corresponding GAAP measures is not available on a forward-looking basis due to the high variability and low visibility with respect to the charges which are excluded from these non-GAAP measures. For additional information, please see the appendix of this presentation.

Today's speakers



François Locoh-Donou

Chairman, President, & CEO

Business Overview



Cooper Werner

EVP & Chief Financial Officer

Results & Business Outlook

Introduction

François Loch-Donou

GAAP & non-GAAP results

GAAP results

	Q2FY26	Q2FY25
Revenue	\$812M	\$731M
Gross profit	\$661M	\$590M
Gross margin	81.4%	80.7%
Operating profit	\$179M	\$159M
Operating margin	22.1%	21.7%
Tax rate	21.9%	15.0%
Net income	\$148M	\$146M
EPS	\$2.58	\$2.48

Non-GAAP results

	Q2FY26	Q2FY25
Revenue	\$812M	\$731M
Gross profit	\$680M	\$607M
Gross margin	83.7%	83.1%
Operating profit	\$274M	\$233M
Operating margin	33.8%	31.9%
Tax rate	21.5%	18.1%
Net income	\$223M	\$201M
EPS	\$3.90	\$3.42

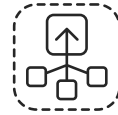
See appendix for GAAP to non-GAAP reconciliation

Q2FY26 performance highlights



+11%

Total revenue growth Y/Y



+22%

Product revenue growth Y/Y



7

Consecutive quarters
of double-digit product
revenue growth



+26%

Systems revenue growth Y/Y



+17%

Software revenue growth Y/Y

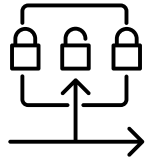


+14%

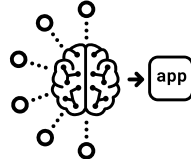
Non-GAAP EPS growth Y/Y

See appendix for GAAP to non-GAAP reconciliation.

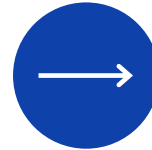
Our strong Q2 performance reflects growing hybrid multicloud demand



Digital resiliency
& sovereignty



Enterprise AI



**Hybrid multicloud adoption
is increasing demand across
F5's core markets**

During Q2, we...

Captured robust international demand for **digital sovereignty initiatives.**

Converted **hybrid multicloud adoption** into meaningful systems and software growth.

Capitalized on **heightened demand for best-in-class security solutions.**

Built on **AI momentum**, with another standout quarter for AI wins.

We are raising our FY26 outlook

Previous outlook

+5% to 6%

FY26 revenue growth Y/Y

Updated outlook

7% to 8%

FY26 revenue growth Y/Y

Three forces are reshaping how our customers operate



Hybrid multicloud adoption

Enterprises are building for flexibility across every environment



Threat landscape expansion

Attacks are increasingly AI- and agentic-powered translating to higher volumes with greater variation



AI inference inflection

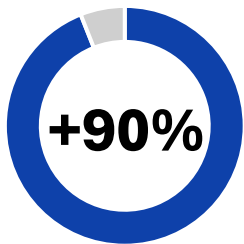
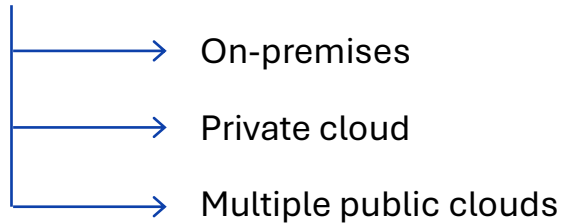
Organizations are connecting apps and APIs to AI models and inference calls are becoming a part of how applications run

Three forces are reshaping how our customers operate



Hybrid multicloud adoption

Workloads span:



of enterprises run hybrid multicloud today across an average of **19 locations**.



Threat landscape expansion

The era of checkbox security is over.



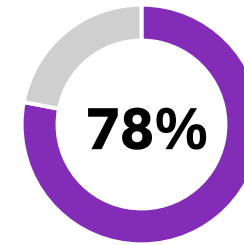
AI applications require

best-in-class security

to match both the **volume** and the **sophistication** of AI-driven attacks.



AI inference inflection



of enterprises run inference themselves, using more than **7 models** on average.

AI agents moving into production, and enterprises are adapting apps for agent interaction.

Driving **more compute, more data delivery, and more security** to protect inference.



Hybrid multicloud adoption driving demand across multiple vectors



We are taking an already a strong refresh cycle and leveraging it into significant opportunities for **expansion, competitive displacement, and platform consolidation**

Refresh plus expansion



Higher-performance systems



Higher-capacity systems



New use case attach, expanding footprint and wallet share

Competitive displacement



Investment in hybrid multicloud translating into market share gains



Unmatched breadth and depth across on-prem, software, and SaaS

Platform consolidation



F5 replacing point products with a unified approach



Improving performance and security



Easier to operate at scale

Hybrid multicloud adoption driving demand across multiple vectors



We are taking an already a strong refresh cycle and leveraging it into significant opportunities for **expansion, competitive displacement, and platform consolidation**

Refresh plus expansion



Healthcare Services

- A large healthcare services organization refreshed hundreds of legacy systems.
- They expanded the scope to support an AI-driven consumer engagement platform.
- F5 became the control point for secure, low-latency traffic and data movement across applications, storage, and their GPU server environment.
- F5 provided a more resilient foundation for both sensitive internal workloads and new AI interactions at scale.

Competitive displacement



Energy

- F5 displaced a long-standing incumbent at a Fortune 100 energy company whose environment had hit scalability limits.
- The customer needed a platform that could scale into cloud while maintaining strong on-premises performance.
- F5 modernized traffic management and simplified operations, improving reliability and creating a clean path for long-term cloud adoption.

Platform consolidation



Energy & Utilities

- An energy and utilities provider and existing BIG-IP customer needed to secure APIs with better visibility and automation across data center, cloud and edge environments.
- They selected Distributed Cloud Services to simplify their approach and standardize API protection across their full footprint with simpler management.

Three forces are reshaping how our customers operate



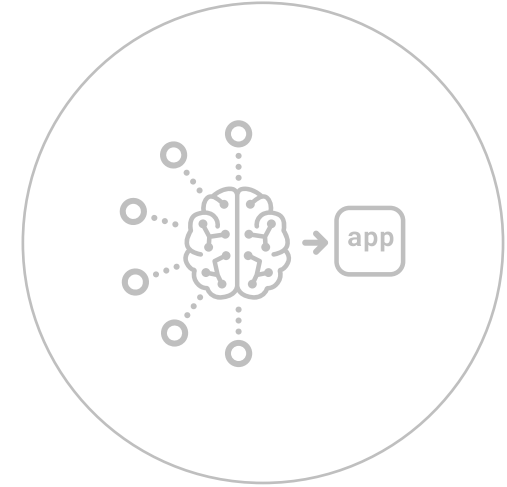
Hybrid multicloud adoption

Enterprises are building for flexibility across every environment



Threat landscape expansion

Attacks are increasingly AI- and agentic-powered translating to higher volumes with greater variation



AI inference inflection

Organizations are connecting apps and APIs to AI models and inference calls are becoming a part of how applications run

Threat landscape expansion driving customer wins



We are capitalizing on **heightened demand for best-in-class application and API security solutions** both on premises and across cloud environments



Software and managed service provider

Customer needed to standardize application and API security across a rapidly expanding hybrid multicloud estate built through acquisition.

They lacked a consistent way to enforce front-door and API protections across their multiple public cloud environments and on-premises.

With F5, they deployed a single policy and management layer with security enforced locally in every environment, supporting strict privacy, audit, and healthcare requirements. F5 enabled faster regional expansion with stronger security and improved data sovereignty alignment.

Three forces are reshaping how our customers operate



Hybrid multicloud adoption

Enterprises are building for flexibility across every environment



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AI inference inflection

Organizations are connecting apps and APIs to AI models and inference calls are becoming a part of how applications run

AI inference inflection accelerating demand for application delivery and security across AI use cases



We are capturing AI demand via hybrid multicloud adoption and across three primary AI use cases for F5, **creating net new insertion points and new security requirements**

AI data delivery

The opportunity

Multimodal data growth pushing terabit-scale ingestion. Organizations need sustained, end-to-end, high-throughput data pipelines across network, storage, and application delivery.

F5's solution

F5 solves AI training and inference throughput bottlenecks traditional infrastructure cannot handle, deploying in front of data stores to ensure secure, high-throughput data ingestion for AI model training and inferencing.

AI runtime security

The opportunity

Organizations moving quickly on generative AI. Security and compliance become bottlenecks to deployment and ROI.

Agentic systems raise the stakes, accessing and acting on sensitive data, driving demand for stronger runtime controls and guardrails.

F5's solution

F5 safeguards AI applications, APIs, and models from abuse, data leaks, and attacks like prompt injection.

F5 also delivers real-time threat defense, red teaming models, and robust guardrails.

AI factory load balancing

The opportunity

As AI deployments scale, intelligent traffic distribution across models, clusters, and GPUs is critical, creating new demand for load balancing both across and within the AI factory.

F5's solution

F5 optimizes traffic and GPU utilization both *across* and *within* AI factories, increasing token throughput, reducing time-to-first token, and lowering per-token costs.

AI inference inflection accelerating demand for application delivery and security across AI use cases



We are capturing AI demand via hybrid multicloud adoption and across three primary AI use cases for F5, **creating net new insertion points and new security requirements**

AI data delivery



Global payments

- A global payments company needed a more resilient way to move rapidly growing AI data between storage and compute as they scaled training and retrieval workloads.
- F5 improved performance and resiliency while displacing both an in-house solution and a competitor, positioning us at the center of the customer's AI infrastructure strategy.

AI runtime security



Industrial automation

- An industrial automation firm needed a scalable way to assess risk and govern a growing number of AI applications and models.
- They chose F5 based on the depth of our red teaming insights and stronger integration with their existing security stack.

AI factory load balancing



Major manufacturer

- A major manufacturer and existing BIG-IP customer needed to support operations and establish a digital twin of their manufacturing environment.
- They deployed BIG-IP as the production traffic layer across their GPU server environment, improving availability and offloading encryption.

We continue to innovate, creating greater value for customers



AI-powered capabilities in Distributed Cloud WAF

- Replaces manual policy tuning with automated, outcome-based threat blocking
- F5-trained model helps customers stay ahead of increasingly sophisticated AI-driven attacks that are growing in both speed and complexity



Agentic BOT Defense

- Extends our industry-leading bot defense to autonomous AI agents, a new and fast-growing category of traffic
- Enables customers to confidently adopt agentic AI while ensuring only verified, trusted agents reach their applications



F5 AI Remediate

- Closes the loop between our AI Red Team and AI Guardrails products
- Collapses the path from vulnerability discovery to runtime protection from days or weeks into minutes



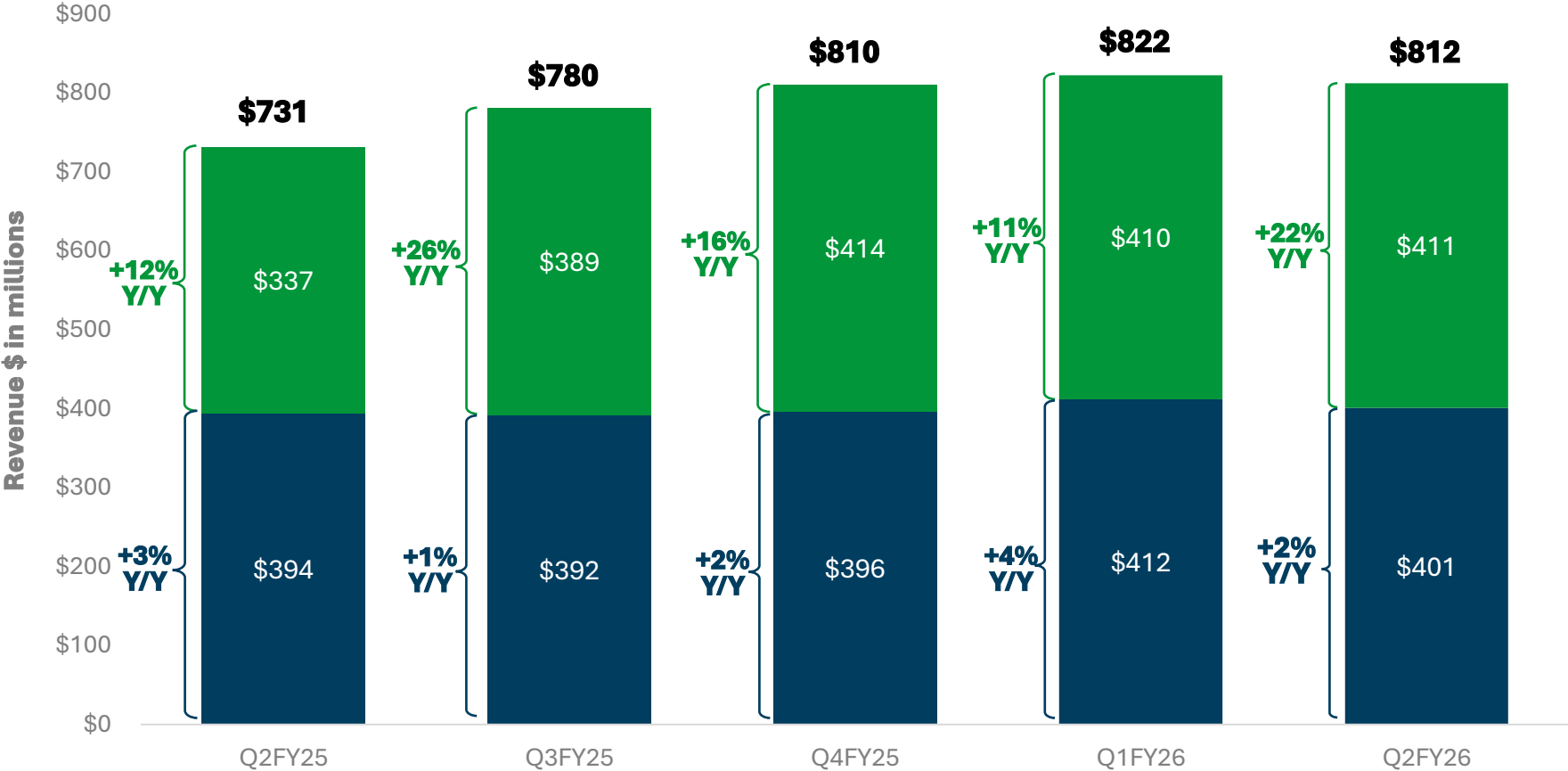
F5 Insights for ADSP

- Provides deeper visibility across application estates
- Enables customers to identify and resolve issues faster, with less guess work

Q2FY26 results

Cooper Werner

Revenue mix



Year/Year change

+11%

Total revenue growth

+22%

product growth

7

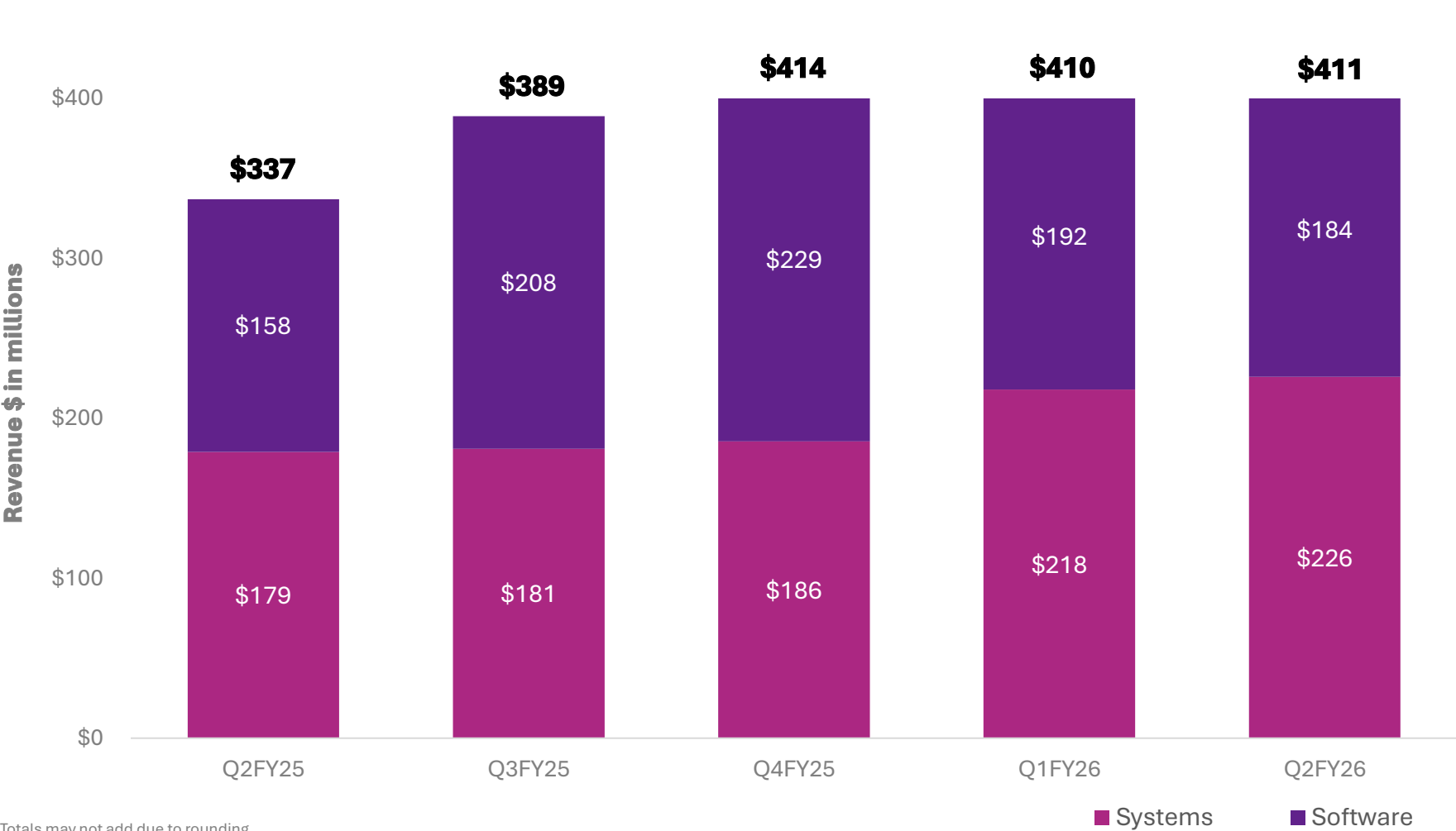
consecutive quarters of double-digit product growth

Totals may not add due to rounding.

■ Global Services ■ Product



Product revenue mix



Year/Year change

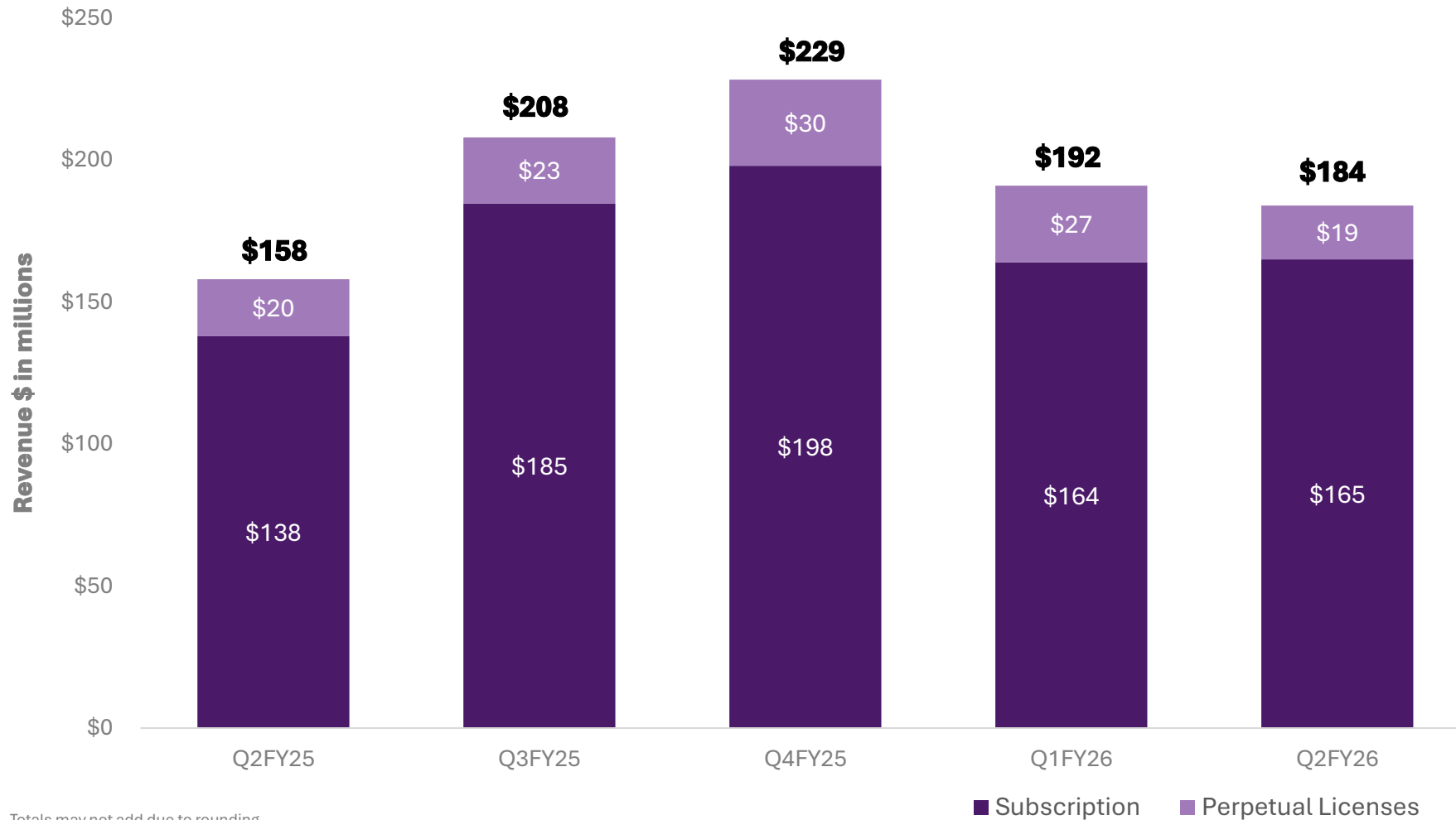
+17%
Software

+26%
Systems

Totals may not add due to rounding.



Software revenue mix



Totals may not add due to rounding.

+20%

Software subscription revenue growth Y/Y

90%

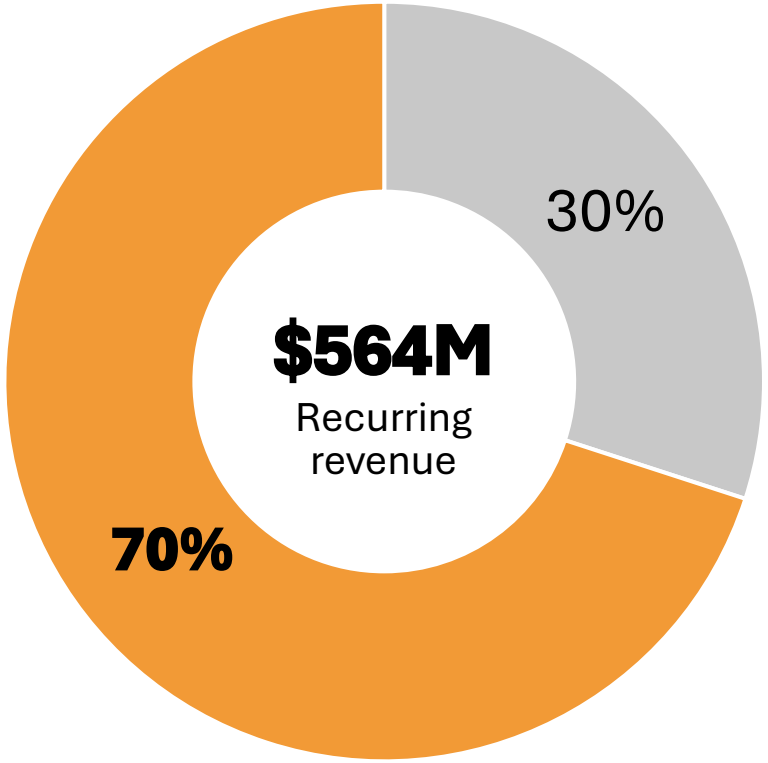
of Q2FY26 total software revenue from subscriptions

Subscription software revenue includes term subscriptions, both multi-year and annual, as well as SaaS & managed services and utility-based revenue.



Recurring revenue (subscriptions, SaaS & managed services, and maintenance)

- Recurring
- Non-recurring



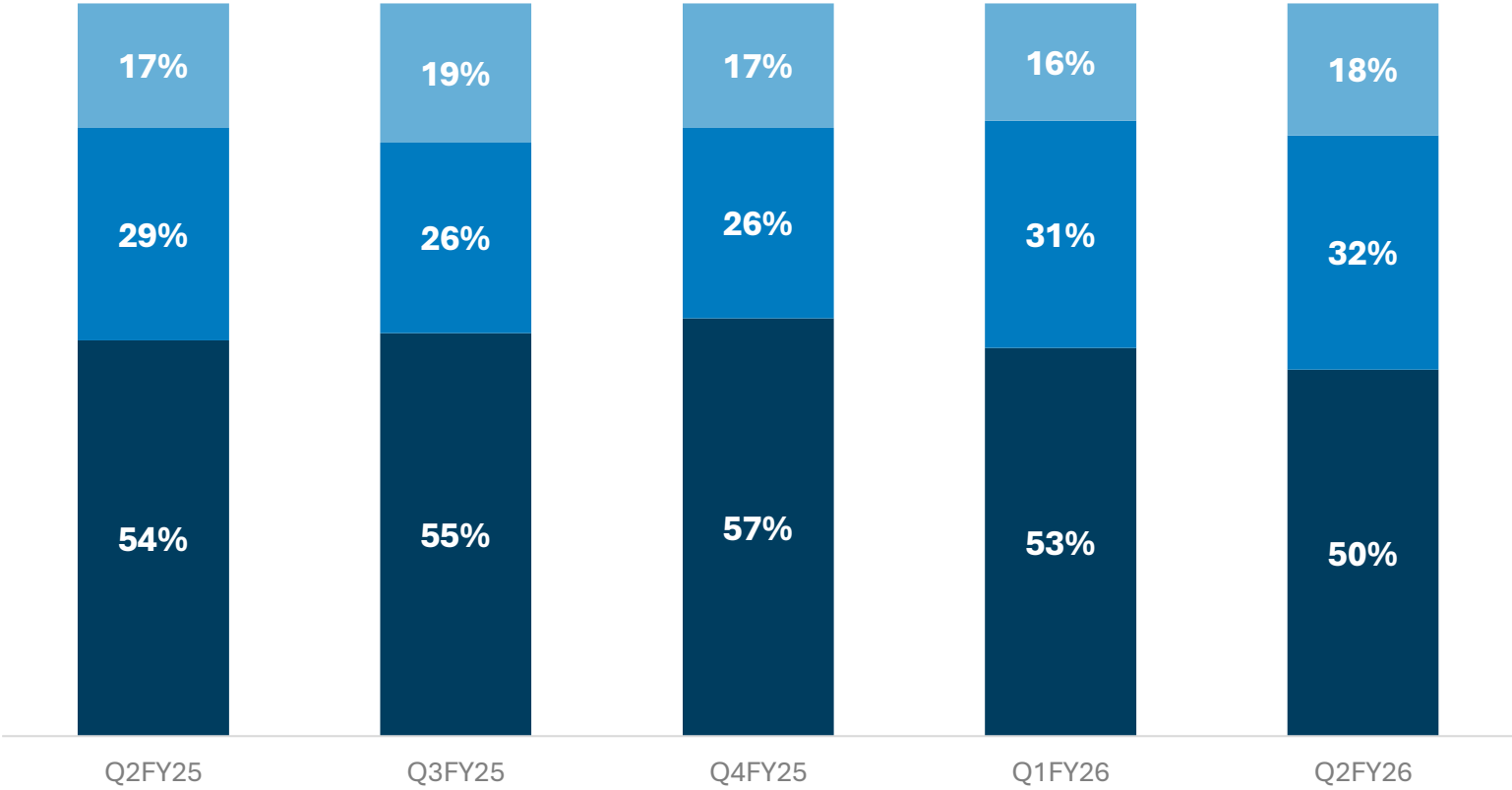
Q2FY26



Recurring revenue includes term subscriptions, SaaS & managed services, utility-based revenue and the maintenance portion of our global services revenue.



Revenue contribution by geography



Y/Y growth by region Q2FY26

+19%
Growth APAC

+22%
Growth EMEA

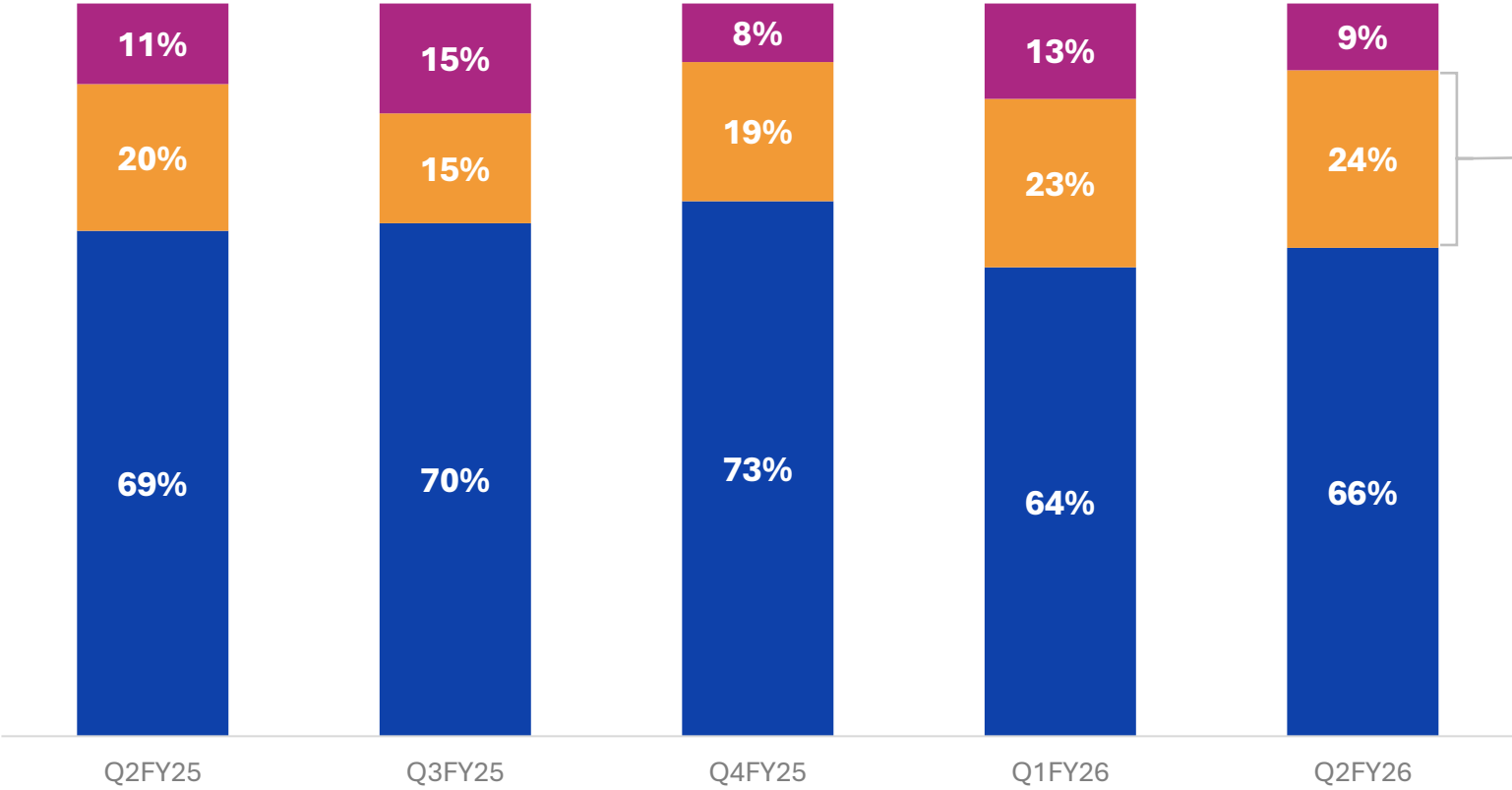
+3%
Growth Americas

Totals may not add to 100% due to rounding.

■ Americas ■ EMEA ■ APAC



Customer verticals as a % of product bookings



8%
from U.S. Federal
included

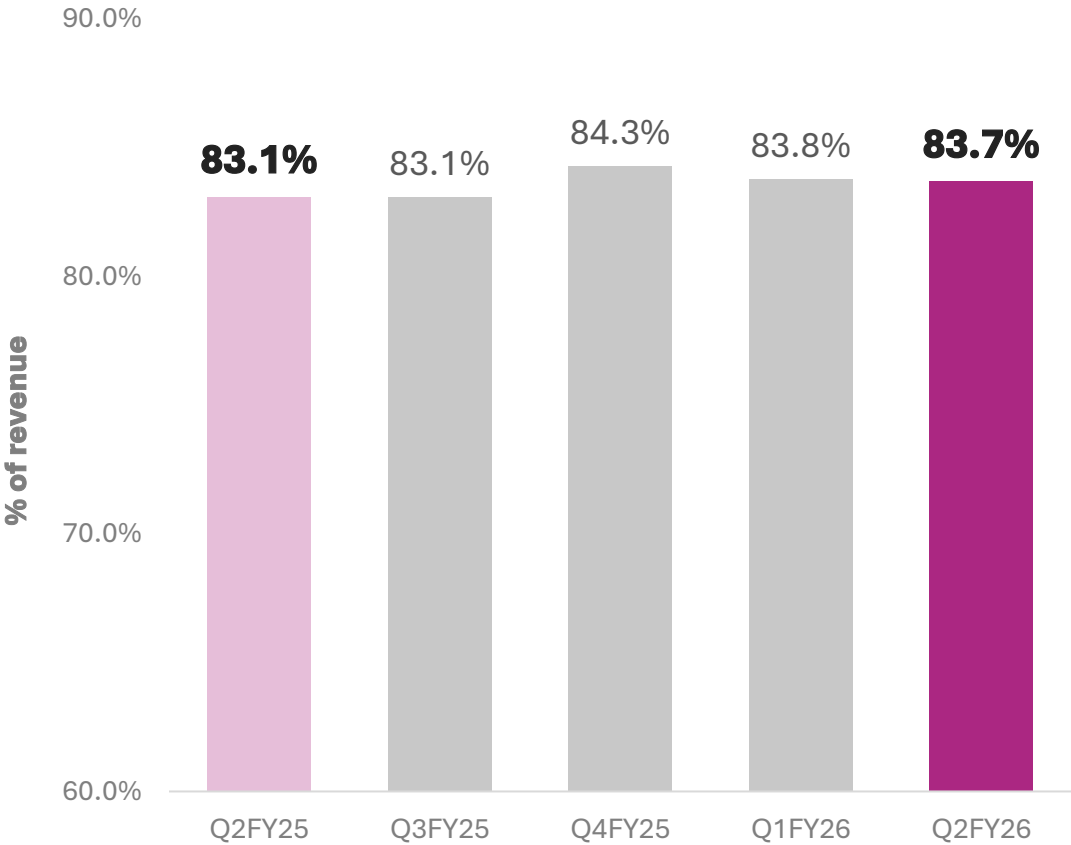
Totals may not add to 100% due to rounding.

■ Enterprise ■ Government ■ Service Provider

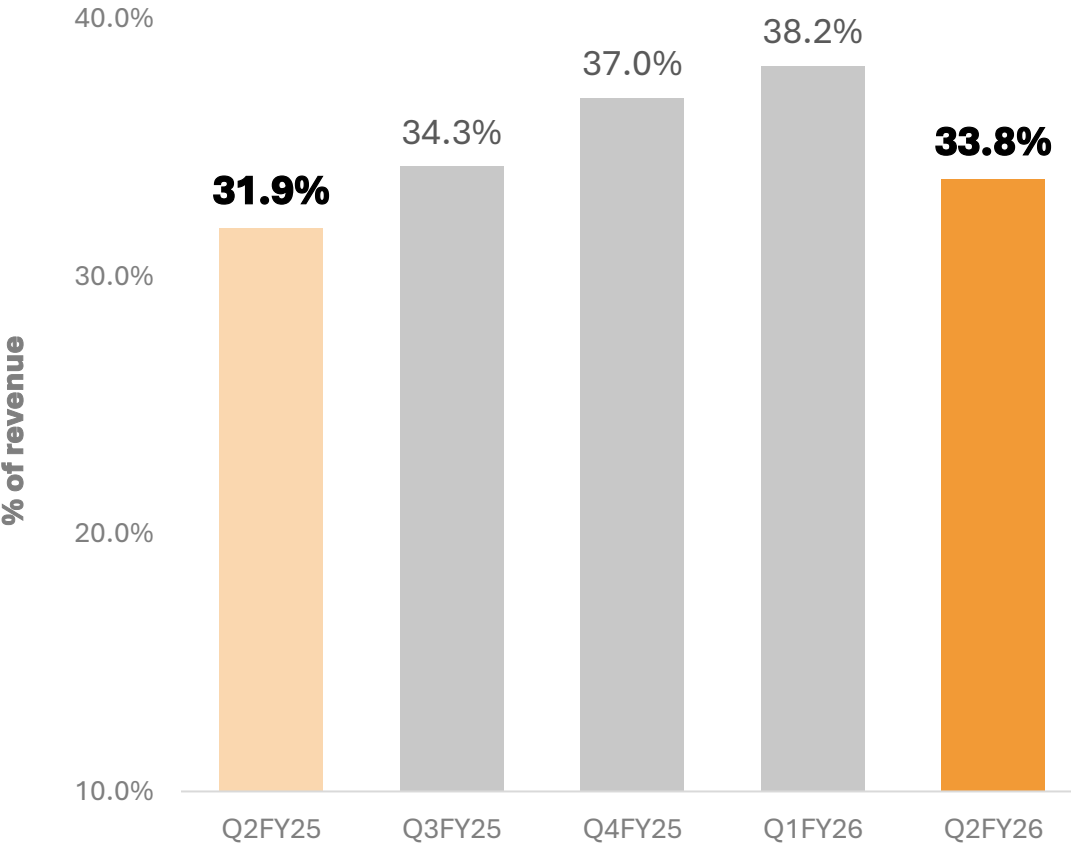


Non-GAAP gross and operating margins

Non-GAAP gross margin



Non-GAAP operating margin



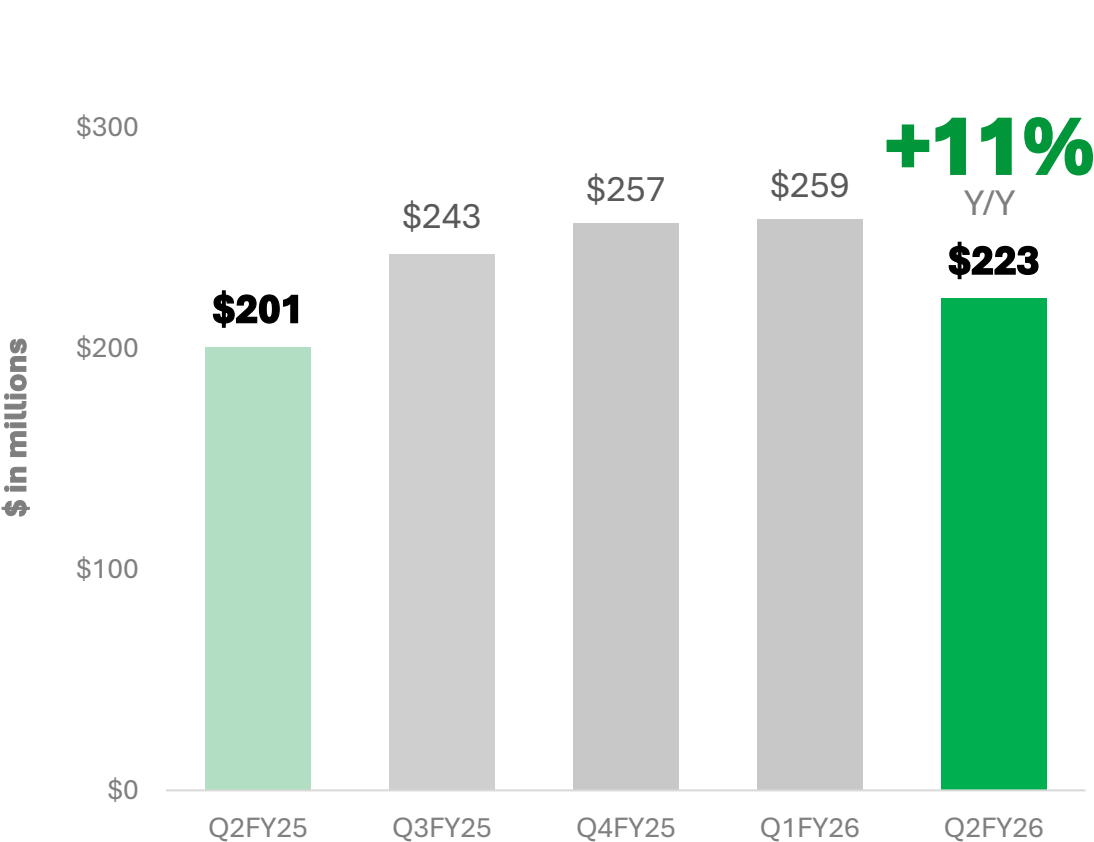
See appendix for GAAP to non-GAAP reconciliation



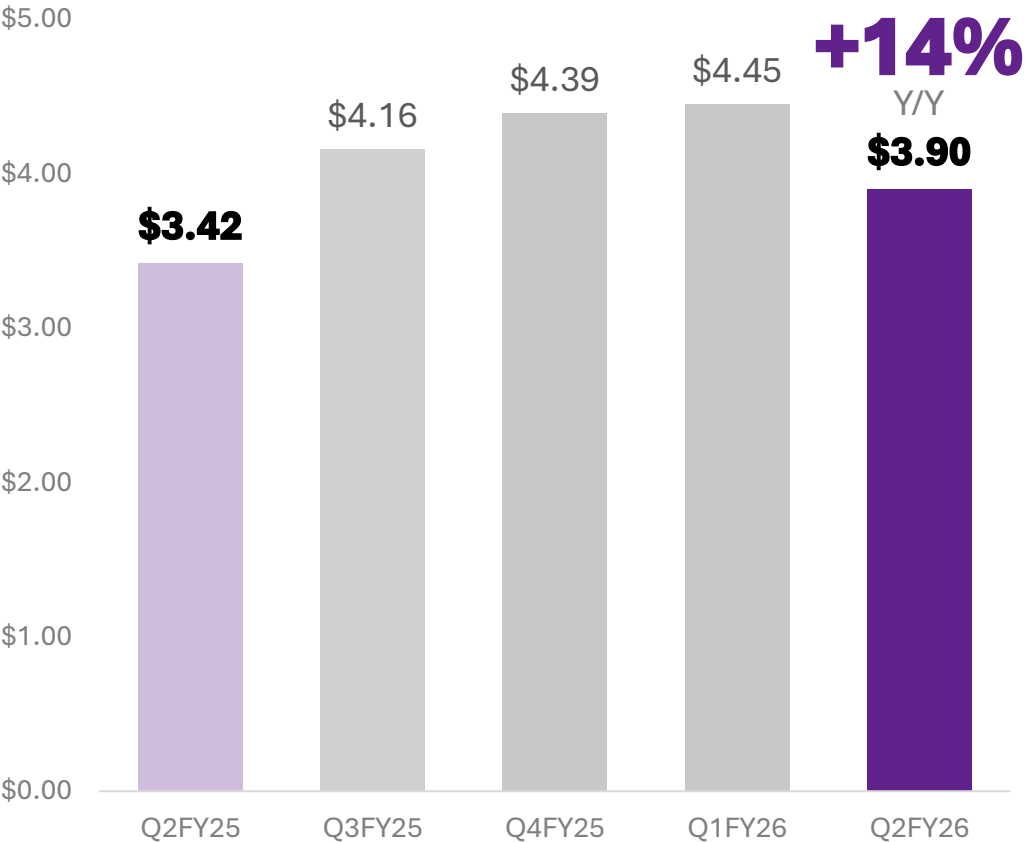
Non-GAAP net income and EPS

EPS reflects 21.5% Q2FY26 and 18.1% Q2FY25 non-GAAP effective tax rate

Non-GAAP net income



Non-GAAP EPS

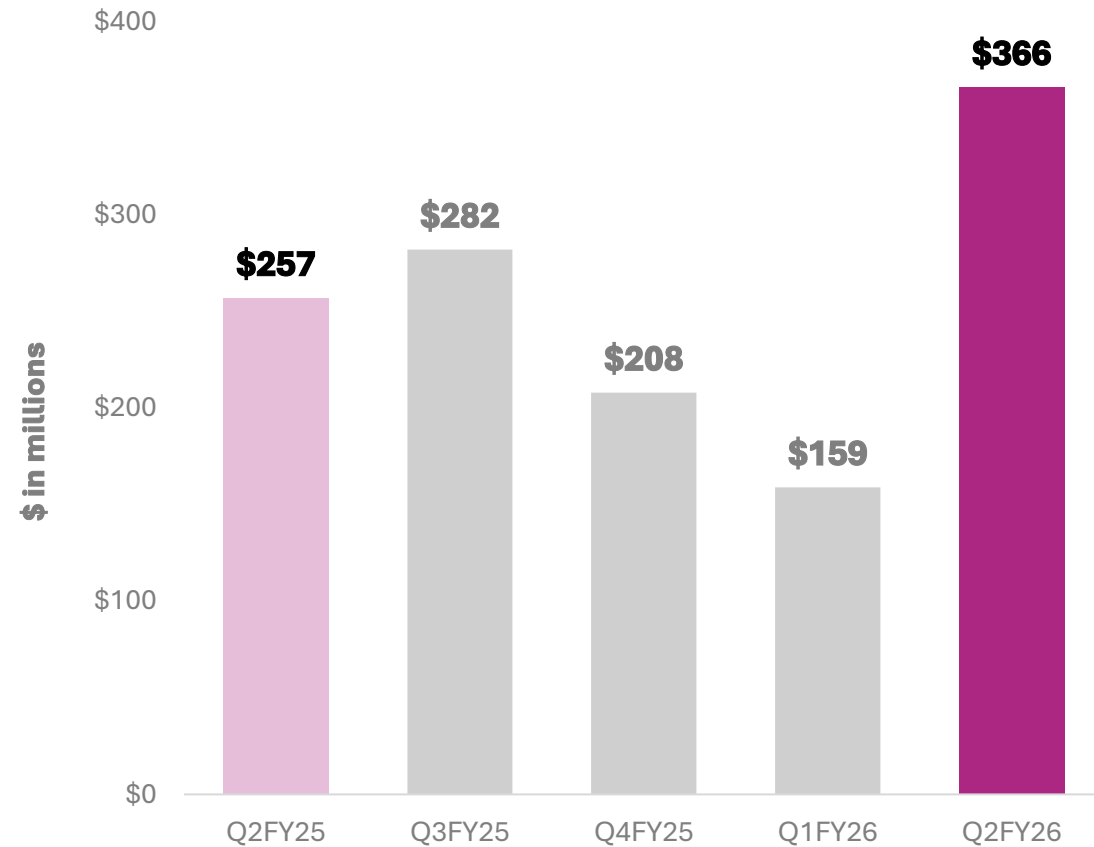


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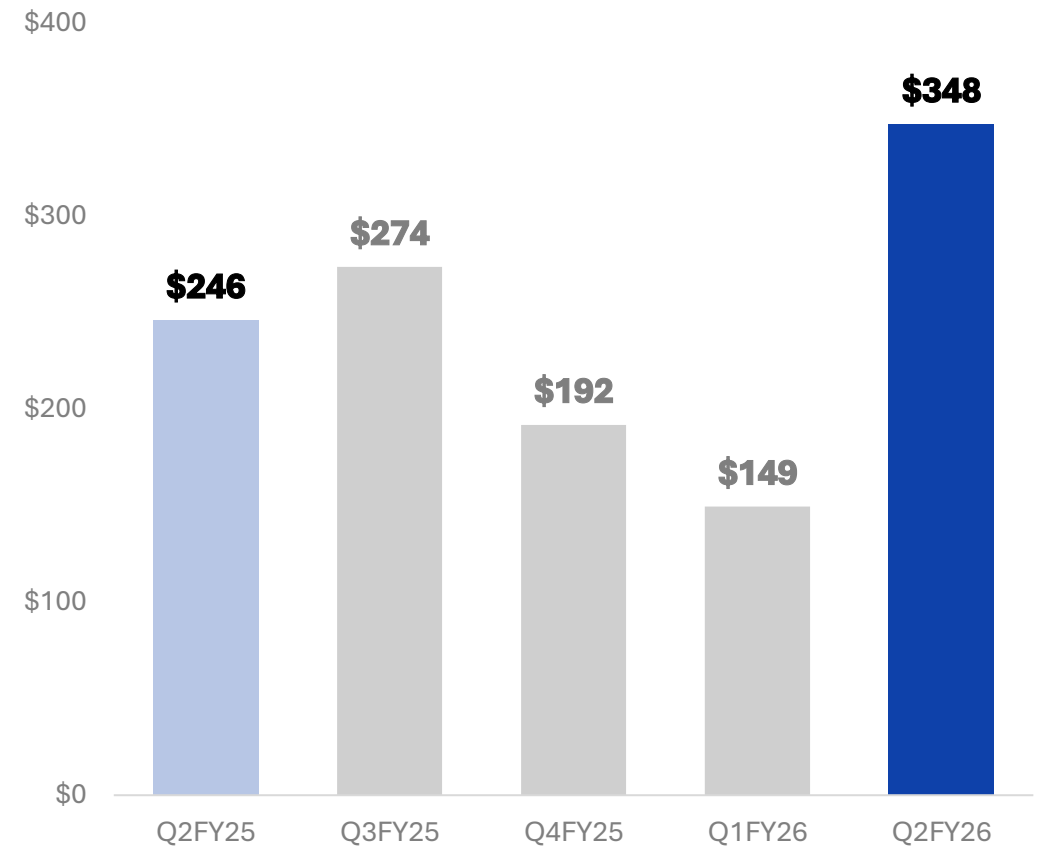


Cash flow from operations and free cash flow

Cash flow from operations



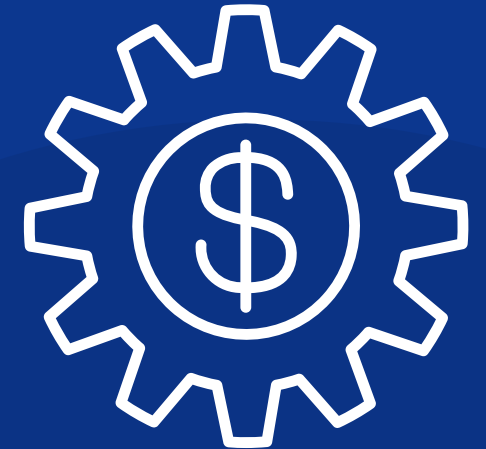
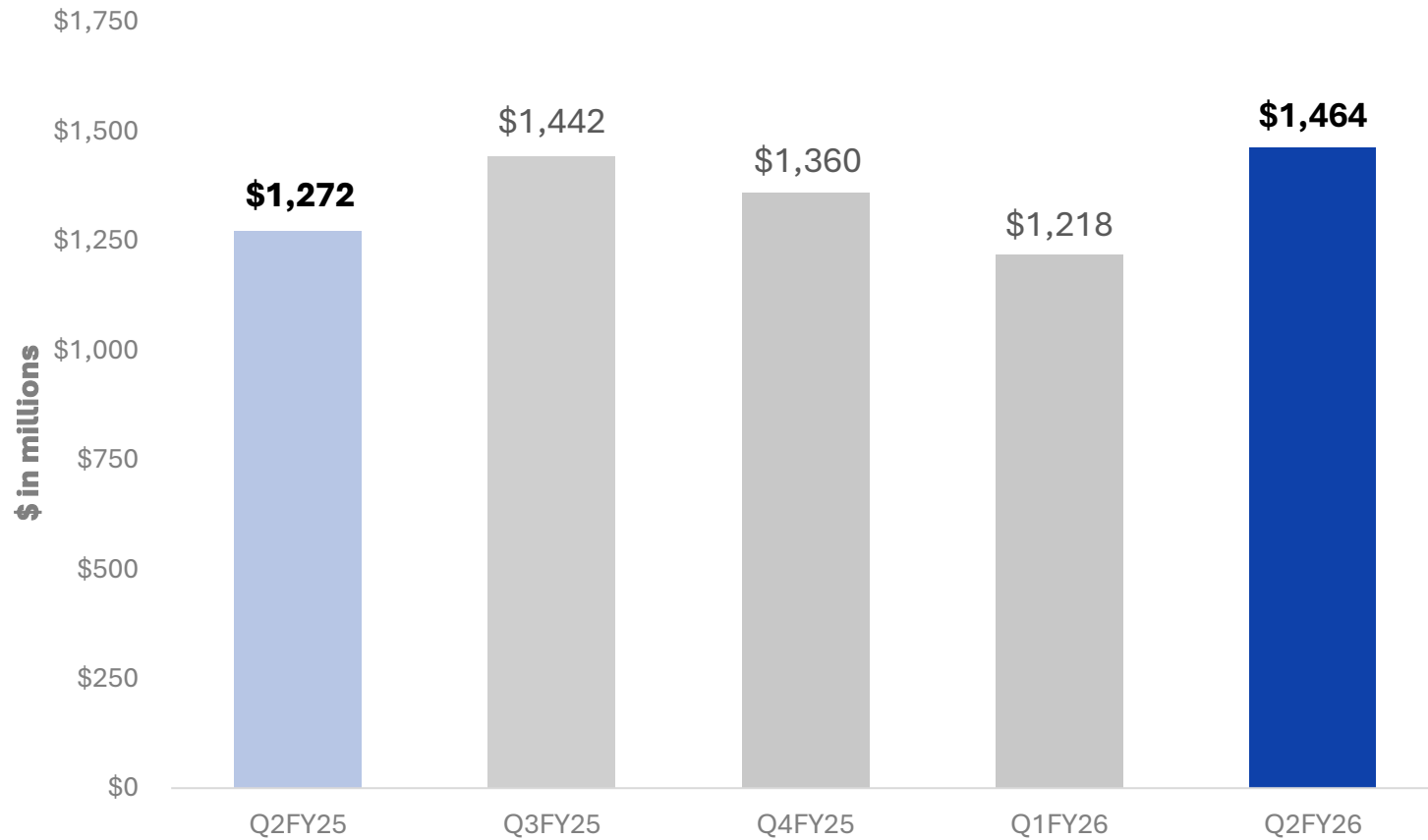
Free cash flow



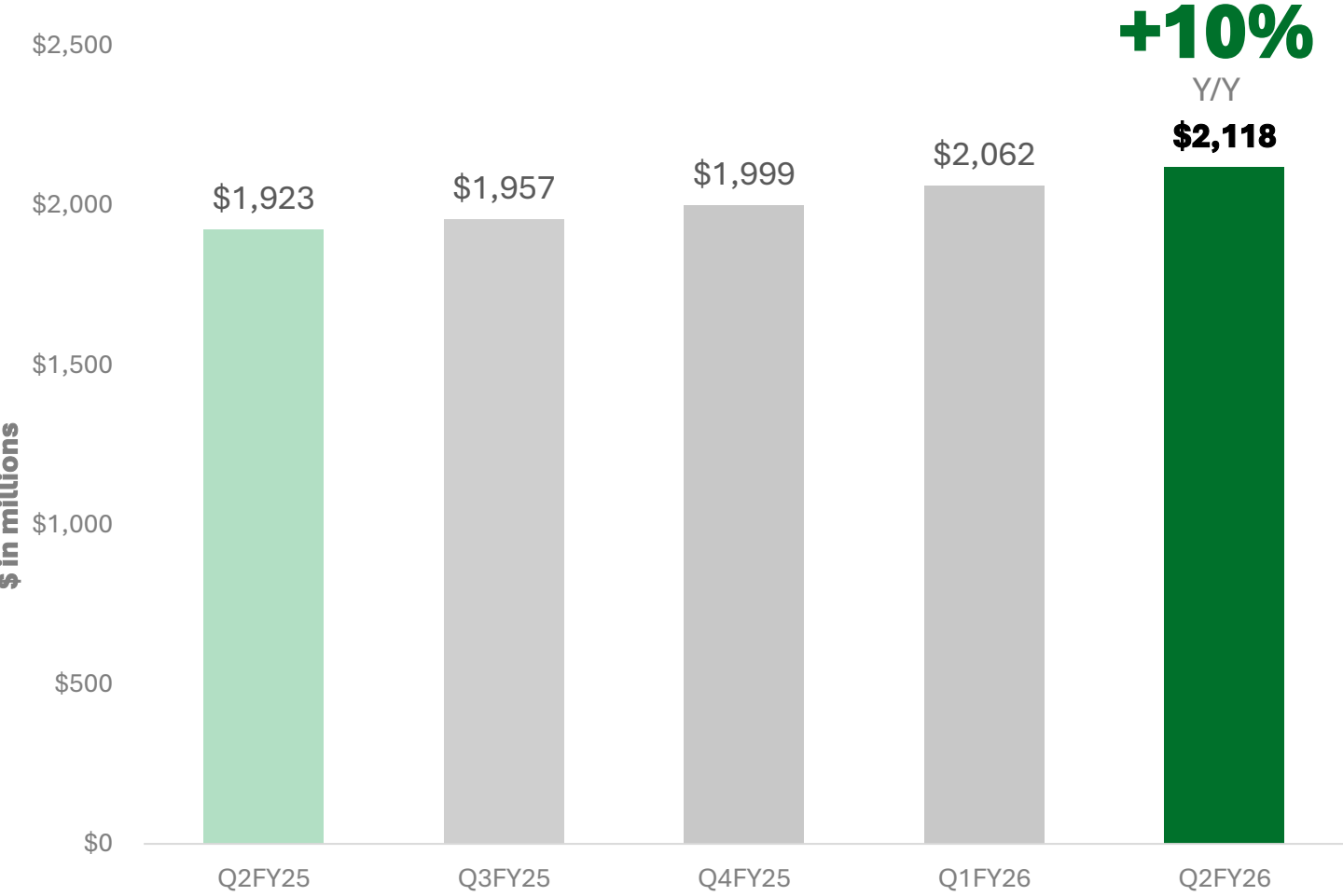
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Cash and investments



Deferred revenue



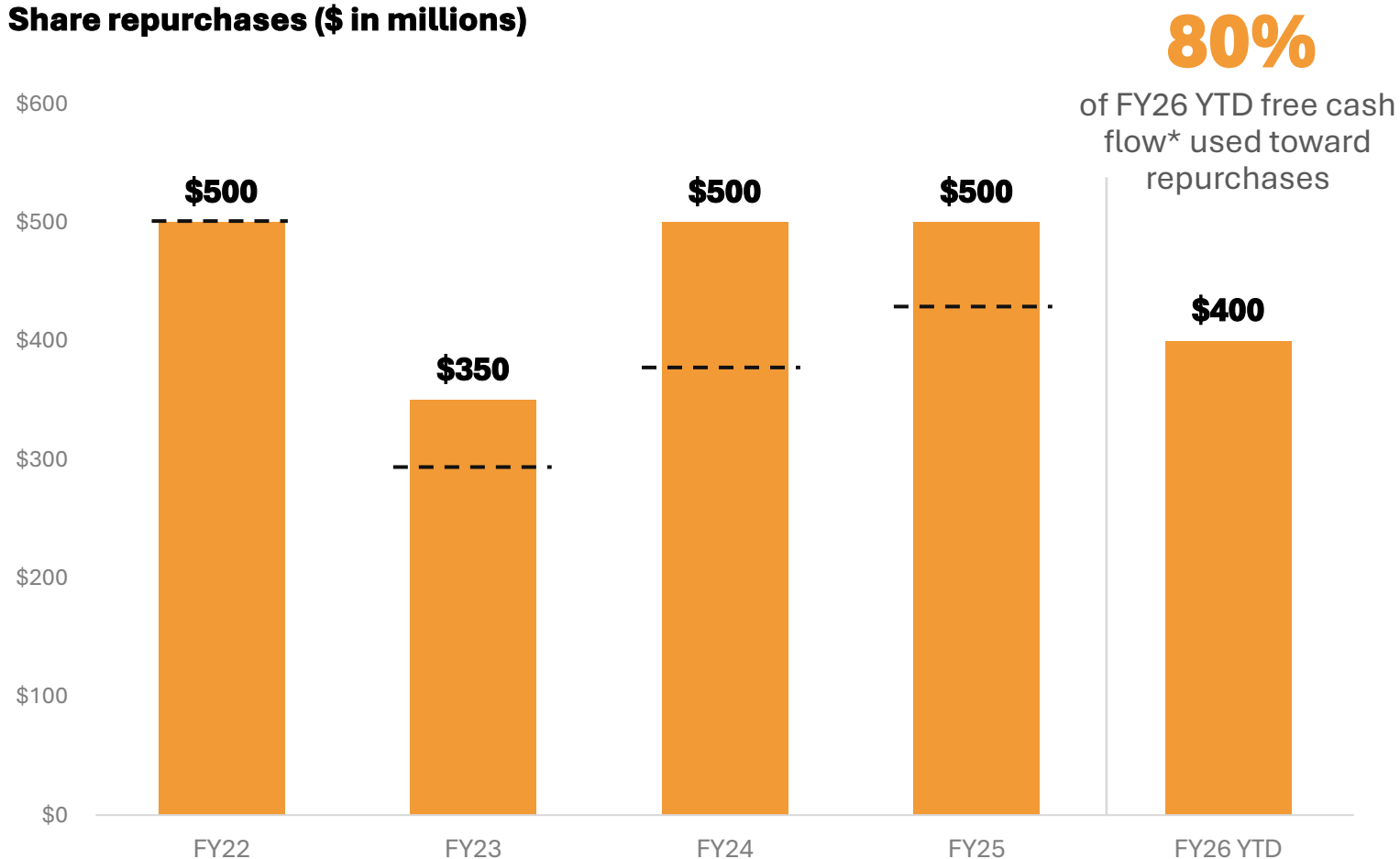
Key insights

Deferred revenue consists predominantly of global services maintenance renewals and also includes term-based software subscriptions.



We are committed to returning cash to shareholders via share repurchases

Share repurchases (\$ in millions)



*Free cash flow defined as cash flow from operations less capital expenditures

Key insights

- We repurchased \$100 million in FFIV shares during Q2FY26.
- We have used 80% of our \$497 million FY26 YTD free cash flow* for share repurchases.
- We are committed to using at least 50% of our annual free cash flow for share repurchases.
- As of March 31, 2026, there was \$522 million remaining under our authorized stock repurchase program.

Business outlook

Cooper Werner

Three forces are reshaping how our customers operate



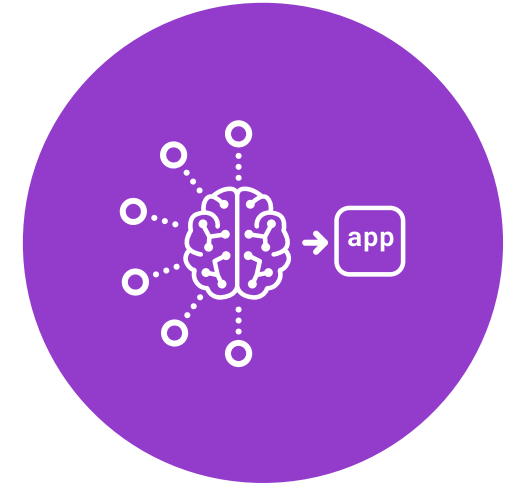
Hybrid multicloud adoption

Enterprises are building for flexibility across every environment



Threat landscape expansion

Attacks are increasingly AI- and agentic-powered translating to higher volumes with greater variation



AI inference inflection

Organizations are connecting apps and APIs to AI models and inference calls are becoming a part of how applications run

Our Q3FY26 outlook

Q3FY26 outlook

Total revenue

\$820 to \$840M

Non-GAAP gross margin

82.5% to 83.5%

Non-GAAP operating expenses

\$406 to \$418M

Share-based compensation

\$68 to \$70M

Non-GAAP EPS

\$3.91 to \$4.03

Our updated FY26 outlook

	FY25A	FY26 outlook
Total revenue	\$3.1B 10% growth	7% to 8% growth (from 5% to 6% growth previously)
Non-GAAP gross margin	83.6%	82.5% to 83.5%
Non-GAAP operating margin	35.2%	34% to 35%
Effective non-GAAP tax rate	17.8%	20% to 21% (from 21% to 22% previously)
Non-GAAP EPS	\$15.81 18% growth	\$16.25 to \$16.55 (from \$15.65 to \$16.05 previously)
Capital return as % of annual free cash flow*	55%	At least 50% of annual FCF*

*Free cash flow (FCF) defined as cash flow from operations less capital expenditures

Conclusion

François Loch-Donou

Three forces are reshaping how our customers operate



Hybrid multicloud adoption

Enterprises are building for flexibility across every environment



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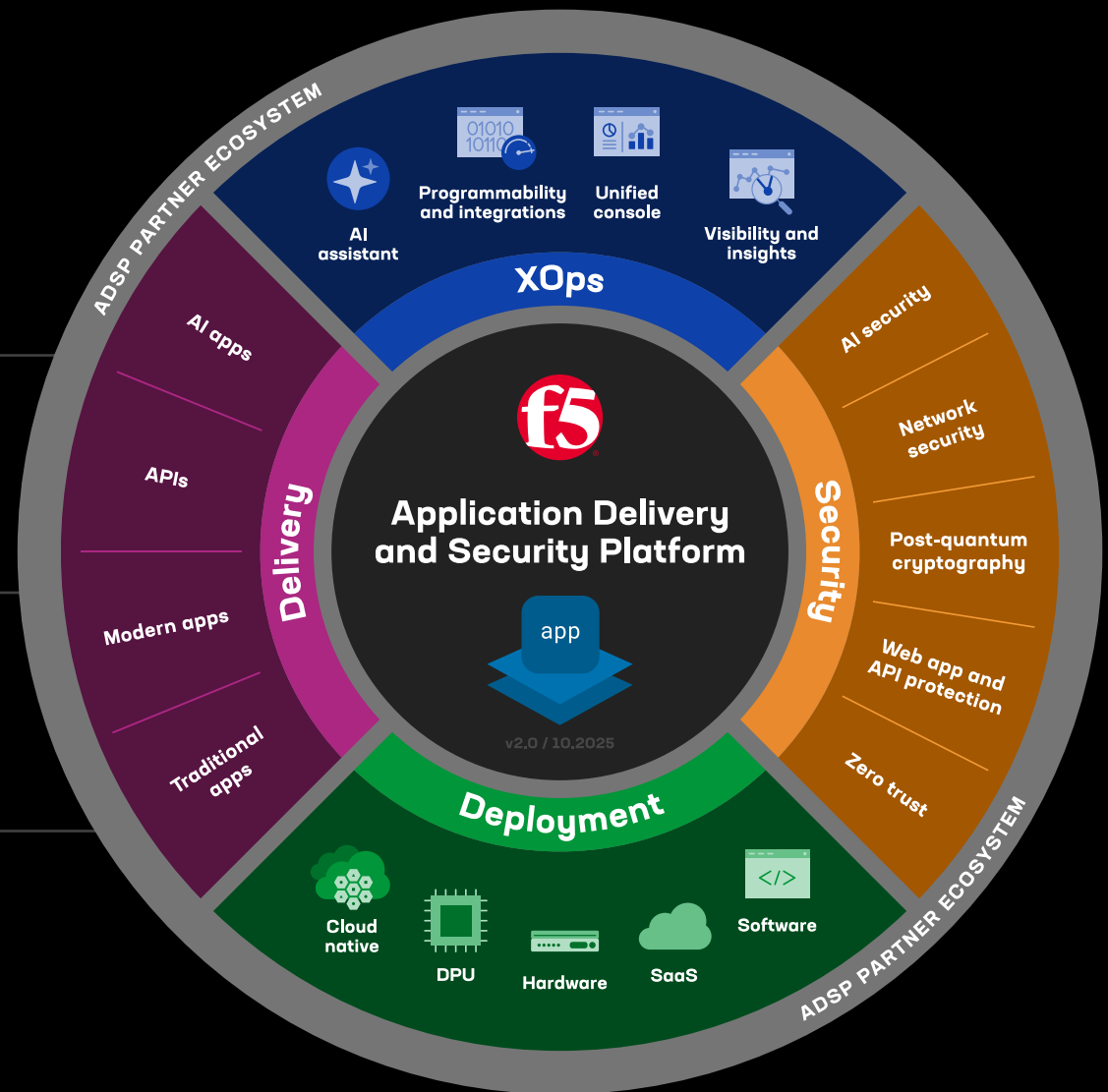
Enterprises are consolidating around fewer, more capable platforms

Complete delivery and security for every app

Deployable anywhere and in any form factor

AI-enhanced operations with unified console cross NetOps, SecOps, DevOps and PlatOps

ADSP open partner ecosystem



Appendix

GAAP to non-GAAP reconciliation

F5, Inc.
GAAP to Non-GAAP Reconciliation
(unaudited, in thousands, except percentages and per share amounts)

	Three Months Ended March 31,				Six Months Ended March 31,							
	2026		2025		2026		2025					
Net revenues.....	\$	811,700	\$	731,123	\$	1,634,165	\$	1,497,612				
Gross profit and gross margin:												
GAAP gross profit and gross margin.....	\$	660,800	81.4%	\$	590,164	80.7%	\$	1,331,480	81.5%	\$	1,216,143	81.2%
Adjustments to gross profit and gross margin:												
Stock-based compensation.....	\$	7,473	0.9%	\$	7,393	1.0%	\$	14,299	0.9%	\$	14,793	1.0%
Amortization and impairment of purchased intangible assets.....		10,640	1.3%		9,283	1.3%		21,280	1.3%		18,567	1.2%
Facility-exit costs.....		90	0.0%		437	0.1%		182	0.0%		561	0.0%
Cyber incident costs.....		770	0.1%		-	-		1,646	0.1%		-	-
Non-GAAP gross profit and gross margin.....	\$	679,773	83.7%	\$	607,277	83.1%	\$	1,368,887	83.8%	\$	1,250,064	83.5%
Income from operations and operating margin:												
GAAP income from operations and operating margin.....	\$	179,018	22.1%	\$	158,897	21.7%	\$	393,205	24.1%	\$	363,979	24.3%
Adjustments to income from operations and operating margin:												
Stock-based compensation.....	\$	67,996	8.4%	\$	58,884	8.1%	\$	128,001	7.8%	\$	116,792	7.8%
Amortization and impairment of purchased intangible assets.....		11,452	1.4%		10,095	1.4%		22,904	1.4%		20,238	1.4%
Facility-exit costs.....		922	0.1%		4,264	0.6%		1,853	0.1%		5,484	0.4%
Acquisition-related charges.....		9,021	1.1%		1,214	0.2%		18,838	1.2%		1,905	0.1%
Cyber incident costs.....		6,037	0.7%		-	-		23,525	1.4%		-	-
Restructuring charges.....		(315)	0.0%		-	-		(358)	0.0%		11,321	0.8%
Non-GAAP income from operations and operating margin.....	\$	274,131	33.8%	\$	233,354	31.9%	\$	587,968	36.0%	\$	519,719	34.7%
Net income:												
GAAP net income.....	\$	147,755		\$	145,530		\$	327,809		\$	311,975	
Adjustments to net income:												
Stock-based compensation.....	\$	67,996		\$	58,884		\$	128,001		\$	116,792	
Amortization and impairment of purchased intangible assets.....		11,452			10,095			22,904			20,238	
Facility-exit costs.....		922			4,264			1,853			5,484	
Acquisition-related charges.....		9,021			1,214			18,838			1,905	
Cyber incident costs.....		6,037			-			23,525			-	
Restructuring charges.....		(315)			-			(358)			11,321	
Tax effects related to above items.....		(19,672)			(18,893)			(40,613)			(39,649)	
Non-GAAP net income.....	\$	223,196		\$	201,094		\$	481,959		\$	428,066	
Net income per share - diluted:												
GAAP net income per share — diluted.....	\$	2.58		\$	2.48		\$	5.68		\$	5.30	
Adjustments to GAAP net income per share — diluted:												
Stock-based compensation.....	\$	1.19		\$	1.00		\$	2.22		\$	1.98	
Amortization and impairment of purchased intangible assets.....		0.20			0.17			0.40			0.34	
Facility-exit costs.....		0.02			0.07			0.03			0.09	
Acquisition-related charges.....		0.16			0.02			0.33			0.03	
Cyber incident costs.....		0.11			-			0.41			-	
Restructuring charges.....		(0.01)			-			(0.01)			0.19	
Tax effects related to above items.....		(0.34)			(0.32)			(0.70)			(0.67)	
Non-GAAP net income per share — diluted.....	\$	3.90		\$	3.42		\$	8.35		\$	7.27	
Weighted average shares — diluted.....		57,298			58,764			57,736			58,913	

Note: Numbers and percentages are rounded for presentation purposes and may not foot.

GAAP to non-GAAP reconciliation (continued)

The non-GAAP adjustments, and F5's basis for excluding them from non-GAAP financial measures, are outlined below:

Stock-based compensation. Stock-based compensation consists of expense for stock options, restricted stock, and employee stock purchases through the Company's Employee Stock Purchase Plan. Although stock-based compensation is an important aspect of the compensation of F5's employees and executives, management believes it is useful to exclude stock-based compensation expenses to better understand the long-term performance of the Company's core business and to facilitate comparison of the Company's results to those of peer companies.

Amortization and impairment of purchased intangible assets. Purchased intangible assets are amortized over their estimated useful lives, and generally cannot be changed or influenced by management after the acquisition. On a non-recurring basis, when certain events or circumstances are present, management may also be required to write down the carrying value of its purchased intangible assets and recognize impairment charges. Management does not believe these charges accurately reflect the performance of the Company's ongoing operations, therefore, they are not considered by management in making operating decisions. However, investors should note that the use of intangible assets contributed to F5's revenues earned during the periods presented and will contribute to F5's future period revenues as well.

Facility-exit costs. F5 has incurred charges in connection with the exit of facilities as well as other non-recurring lease activity. These charges are not representative of ongoing costs to the business and are not expected to recur. As a result, these charges are being excluded to provide investors with a more comparable measure of costs associated with ongoing operations.

Acquisition-related charges, net. F5 does not acquire businesses on a predictable cycle and the terms and scope of each transaction can vary significantly and are unique to each transaction. F5 excludes acquisition-related charges from its non-GAAP financial measures to provide a useful comparison of the Company's operating results to prior periods and to its peer companies. Acquisition-related charges consist of planning, execution and integration costs incurred directly as a result of an acquisition.

Cyber incident costs. F5 has incurred certain non-recurring expenses in connection with the investigation and remediation of the Cyber Incident. Management believes it is useful to exclude these expenses as they are not representative of our ongoing operations and to facilitate comparison of the Company's historical results and to those of peer companies.

Restructuring charges. F5 has incurred restructuring charges that are included in its GAAP financial statements, primarily related to workforce reductions and costs associated with exiting facility-lease commitments. F5 excludes these items from its non-GAAP financial measures when evaluating its continuing business performance as such items vary significantly based on the magnitude of the restructuring action and do not reflect expected future operating expenses. In addition, these charges do not necessarily provide meaningful insight into the fundamentals of current or past operations of its business.

Management believes that non-GAAP net income per share provides useful supplemental information to management and investors regarding the performance of the Company's core business operations and facilitates comparisons to the Company's historical operating results. Although F5's management finds this non-GAAP measure to be useful in evaluating the performance of the core business, management's reliance on this measure is limited because items excluded from such measures could have a material effect on F5's earnings and earnings per share calculated in accordance with GAAP. Therefore, F5's management will use its non-GAAP earnings and earnings per share measures, in conjunction with GAAP earnings and earnings per share measures, to address these limitations when evaluating the performance of the Company's core business. Investors should consider these non-GAAP measures in addition to, and not as a substitute for, financial performance measures in accordance with GAAP.

F5 believes that presenting its non-GAAP measures of earnings and earnings per share provides investors with an additional tool for evaluating the performance of the Company's core business and is used by management in its own evaluation of the Company's performance. Investors are encouraged to look at GAAP results as the best measure of financial performance. However, while the GAAP results are more complete, the Company provides investors these supplemental measures since, with reconciliation to GAAP, it may provide additional insight into the Company's operational performance and financial results.

