

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

	Three Months Ended				Six Months Ended			
	March 31,		March 31,		March 31,		March 31,	
	2025		2024		2025		2024	
Net revenues.....	\$ 731,123		\$ 681,354		\$ 1,497,612		\$ 1,373,951	
Gross profit and gross margin:								
GAAP gross profit and gross margin.....	\$ 590,164	80.7%	\$ 540,241	79.3%	\$ 1,216,143	81.2%	\$ 1,096,449	79.8%
Adjustments to gross profit and gross margin:								
Stock-based compensation.....	\$ 7,393	1.0%	\$ 7,447	1.1%	\$ 14,793	1.0%	\$ 15,131	1.1%
Amortization and impairment of purchased intangible assets.....	9,283	1.3%	11,633	1.7%	18,567	1.2%	22,866	1.7%
Facility-exit costs.....	437	0.1%	(50)	0.0%	561	0.0%	106	0.0%
Acquisition-related charges.....	-	-	-	-	-	-	20	0.0%
Non-GAAP gross profit and gross margin.....	<u>\$ 607,277</u>	<u>83.1%</u>	<u>\$ 559,271</u>	<u>82.1%</u>	<u>\$ 1,250,064</u>	<u>83.5%</u>	<u>\$ 1,134,572</u>	<u>82.6%</u>
Income from operations and operating margin:								
GAAP income from operations and operating margin.....	\$ 158,897	21.7%	\$ 139,960	20.5%	\$ 363,979	24.3%	\$ 304,476	22.2%
Adjustments to income from operations and operating margin:								
Stock-based compensation.....	\$ 58,884	8.1%	\$ 55,141	8.1%	\$ 116,792	7.8%	\$ 111,143	8.1%
Amortization and impairment of purchased intangible assets.....	10,095	1.4%	13,622	2.0%	20,238	1.4%	27,937	2.0%
Facility-exit costs.....	4,264	0.6%	(732)	-0.1%	5,484	0.4%	806	0.1%
Acquisition-related charges.....	1,214	0.2%	2,390	0.4%	1,905	0.1%	3,191	0.2%
Restructuring charges.....	-	-	90	0.0%	11,321	0.8%	8,562	0.6%
Non-GAAP income from operations and operating margin.....	<u>\$ 233,354</u>	<u>31.9%</u>	<u>\$ 210,471</u>	<u>30.9%</u>	<u>\$ 519,719</u>	<u>34.7%</u>	<u>\$ 456,115</u>	<u>33.2%</u>
Net income:								
GAAP net income.....	\$ 145,530		\$ 119,021		\$ 311,975		\$ 257,403	
Adjustments to net income:								
Stock-based compensation.....	\$ 58,884		\$ 55,141		\$ 116,792		\$ 111,143	
Amortization and impairment of purchased intangible assets.....	10,095		13,622		20,238		27,937	
Facility-exit costs.....	4,264		(732)		5,484		806	
Acquisition-related charges.....	1,214		2,390		1,905		3,191	
Restructuring charges.....	-		90		11,321		8,562	
Tax effects related to above items.....	(18,893)		(16,369)		(39,649)		(31,152)	
Non-GAAP net income.....	<u>\$ 201,094</u>		<u>\$ 173,163</u>		<u>\$ 428,066</u>		<u>\$ 377,890</u>	
Net income per share - diluted:								
GAAP net income per share — diluted	\$ 2.48		\$ 2.00		\$ 5.30		\$ 4.32	
Adjustments to GAAP net income per share — diluted:								
Stock-based compensation.....	\$ 1.00		\$ 0.93		\$ 1.98		\$ 1.86	
Amortization and impairment of purchased intangible assets.....	0.17		0.23		0.34		0.47	
Facility-exit costs.....	0.07		(0.01)		0.09		0.01	
Acquisition-related charges.....	0.02		0.04		0.03		0.05	
Restructuring charges.....	-		0.00		0.19		0.14	
Tax effects related to above items.....	(0.32)		(0.27)		(0.67)		(0.52)	
Non-GAAP net income per share — diluted	<u>\$ 3.42</u>		<u>\$ 2.91</u>		<u>\$ 7.27</u>		<u>\$ 6.34</u>	
Weighted average shares — diluted	<u>58,764</u>		<u>59,580</u>		<u>58,913</u>		<u>59,617</u>	

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