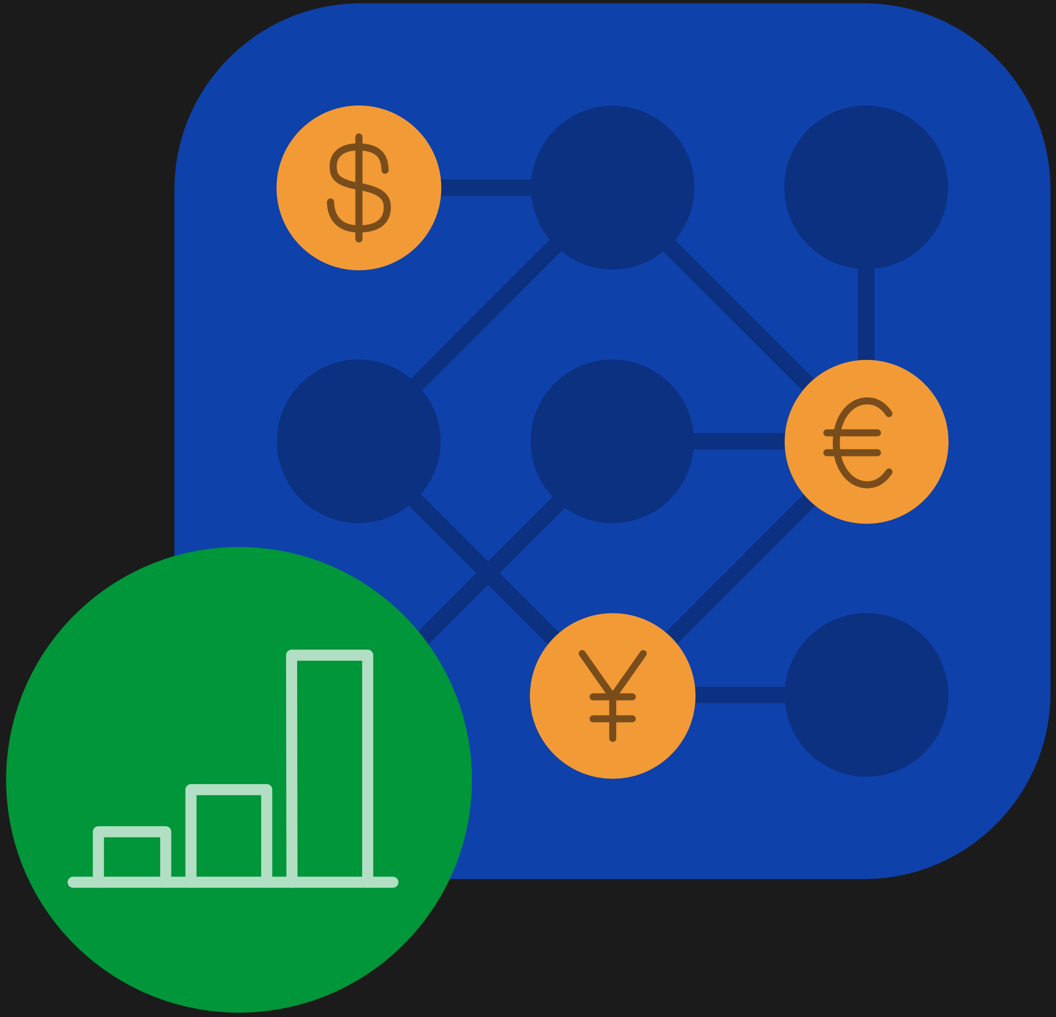
Q1FY26 Results

PERIOD ENDING December 31, 2025
Published January 27, 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, F5's strong performance underscores its alignment with durable market demand drivers including the shift to hybrid multicloud architectures, enterprise adoption of AI, and the growing need for converged platforms, that F5's six consecutive quarters of double-digit product revenue growth demonstrates the continued value F5 is delivering to customers, 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

President and CEO

Intro & Business Overview

Cooper Werner

EVP & Chief Financial Officer

Results & Business Outlook

Introduction

François Locoh-Donou

President and CEO

GAAP & non-GAAP results

GAAP results

	Q1FY26	Q1FY25
Revenue	**$822M**	**$766M**
Gross profit	$671M	$626M
Gross margin	81.5%	81.7%
Operating profit	$214M	$205M
Operating margin	26.0%	26.8%
Tax rate	19.2%	20.4%
Net income	$180M	$166M
EPS	**$3.10**	**$2.82**

Non-GAAP results

	Q1FY26	Q1FY25
Revenue	**$822M**	**$766M**
Gross profit	$689M	$643M
Gross margin	83.8%	83.9%
Operating profit	$314M	$286M
Operating margin	38.2%	37.4%
Tax rate	19.8%	21.8%
Net income	$259M	$227M
EPS	**$4.45**	**$3.84**

See appendix for GAAP to non-GAAP reconciliation

Q1FY26 performance highlights

+7%
Total revenue growth Y/Y

+11%
Product revenue growth Y/Y

6
Consecutive quarters of double-
-digit product revenue growth

+37%
Systems revenue growth Y/Y

+80bps
Non-GAAP operating
margin improvement Y/Y

+16%
Non-GAAP EPS growth Y/Y

See appendix for GAAP to non-GAAP reconciliation.

Our growth is fueled by durable demand drivers

Global demand drivers

Hybrid multicloud adoption

Enterprise AI investment

Converged platforms

EMEA strength in Q1

Regulations

+

Mandates for resiliency

+

Mandates for digital sovereignty

Accelerated hybrid multicloud adoption

We received positive customer feedback on our security response

Our global sales and support teams mobilized rapidly, enabling customers to take action and get back to business quickly.

Minimal Q1 demand disruption.

Unexpected positives:

- Customers gained a deeper understanding and appreciation of F5's critical role in their infrastructure
- Opportunities to strengthen relationships, including deeper engagement with CISOs

We remain focused on protecting customers and earning their trust, recognizing the responsibilities that come with our critical role.

We are hyper focused on three areas:

1. Further investing in the security of our operations, including security automation.
2. Enhancing the security of our products and development environments.
3. Supporting the broader security community by sharing our learnings and innovations.

Business trends & customer highlights

François Locoh-Donou

President and CEO

Three forces are reshaping customer infrastructure decisions

Hybrid multicloud

Workloads now span on-premises, private cloud, and multiple public clouds, enabling flexibility without lock-in

Enterprise AI

Shifting from general-purpose systems to AI-centric data centers with higher levels of data movement and compute

Converged platforms

Consolidating fragmented point products to improve performance, reduce risk, and lower costs

Hybrid multicloud adoption has been driven by enterprises' need for flexibility, cost efficiency, vendor lock-in prevention, and data gravity

Today, drivers like **regulations** (NIS2, GDPR, DORA, etc.) are accelerating hybrid multicloud adoption by imposing **greater resilience and digital sovereignty requirements,** especially outside the U.S.

Organizations are **modernizing infrastructures to enhance security, performance, and efficiency.** They are repatriating sensitive workloads to ensure compliance and deploying advanced ADC and API security solutions.

These trends underscore why hybrid multicloud is the leading operating model

F5's unmatched ability to provide complete delivery and security for every app – deployable anywhere and in any form factor – sets us apart.

Examples of our Q1 hybrid multicloud customer wins

Distributed Cloud Services | BIG-IP | NGINX

Regional banking leader

- F5 is powering a regional banking leader's hybrid multicloud strategy.
- The customer needed more capacity and a modern application infrastructure for digital banking services and AI-based application development.
- F5 is building an AI-ready infrastructure with enhanced security using BIG-IP for automated and simplified operations, NGINX for cloud-native performance, and Distributed Cloud Services for bot defense and DDoS mitigation.

NGINX

Media and internet provider

- A media and internet provider selected F5 to standardize application delivery across its on-premises and cloud environments.
- With F5, the customer uses the same ingress and security approach everywhere its applications and AI services run, ensuring predictable performance, security, and user experience.
- Teams can deploy or expand applications across environments without changing operational practices, providing a reliable foundation for scaling AI and modern applications in a hybrid multicloud environment.

Distributed Cloud Services | BIG-IP

Veterinary services

- A large operator of veterinary clinics is leveraging F5 to strengthen the resilience of its hybrid multicloud architecture.
- The customer needed to modernize their infrastructure and reduce risks tied to cloud concentration and vendor lock-in.
- F5 is delivering consistent networking and security functions and eliminating cloud-native dependencies.
- With F5, the customer is creating a durable foundation for future API and AI use cases.

AI is transforming app behavior and accelerating demand for application delivery and security

	F5 demand drivers	F5's solutions
AI data delivery	Multimodal data growth is pushing terabit-scale ingestion. Customers need sustained, end-to-end, high-throughput data pipelines across network, storage, and application delivery.	BIG-IP solves AI training and inference throughput bottlenecks traditional infrastructure cannot handle. F5 is deploying in front of data stores to ensure secure, high-throughput data ingestion for AI model training and inferencing.
AI runtime security	Customers moving quickly on generative AI, but 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 safeguards AI applications, APIs, and models from abuse, data leaks, and attacks like prompt injection. Q4FY25 acquisition of Calypso AI adds real-time threat defense, red teaming models, and robust guardrails.
AI factory load balancing	As AI deployments scale, intelligent traffic distribution across models, clusters, and GPUs is critical, creating new demand for load balancing across and within the AI factory.	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.

Our Q1 AI wins showcase how customers unlock the potential of AI with F5's intelligent, adaptive solutions

AI data delivery

Technology OEM

- A large global technology OEM is expanding its BIG-IP infrastructure to support a new high-bandwidth AI data ingestion use case.
- The customer is repatriating large amounts of IoT data from the cloud to enable AI and analytics workloads.
- F5 is modernizing their S3 data delivery tier with BIG-IP for ultra-high performance.
- F5 is also accelerating their internal large language model development, powering large-scale data ingestion into AI storage and pipelines

AI runtime security

Financial services

- A global financial services leader is leveraging F5 to integrate generative AI into its AI trust framework.
- F5 is ensuring security, regulatory compliance, and continuous access controls at scale.
- F5's AI Guardrails with programmable risk-based controls reinforced with continuous F5 AI Red Team testing, is enhancing trust, resilience, and regulatory readiness across every AI interaction.
- F5's approach seamlessly integrates with the customer's existing identity, access management, and governance systems.

AI factory load balancing

Energy and chemicals

- A major energy and chemicals company is using F5 to shift from public AI consumption to hosting private AI models.
- They needed a solution to reduce latency and prevent timeouts.
- F5 is ensuring faster, more reliable AI responses with hardware-level handling of layer 4 traffic and SSL processing significantly improving time-to-first-token.

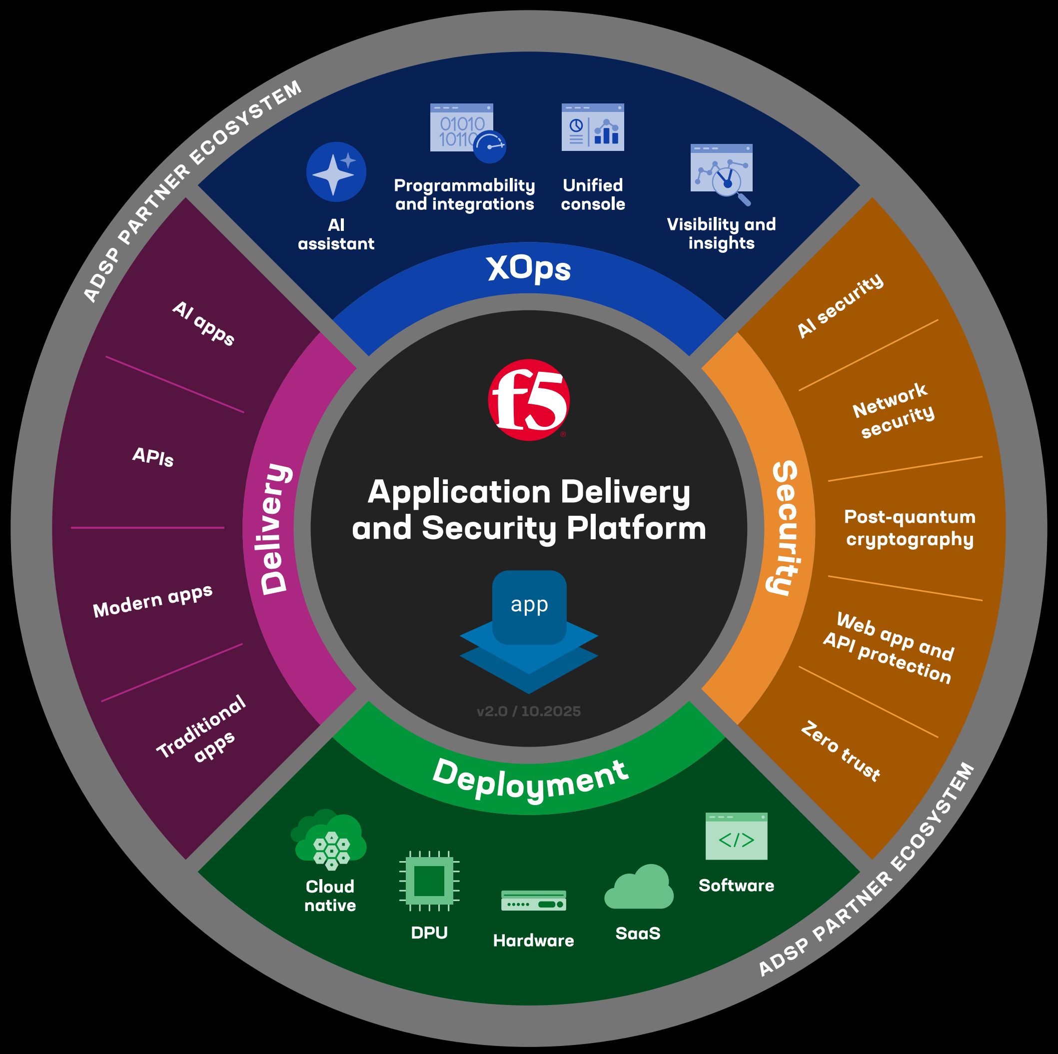
Growing complexity is driving demand for converged networking and security platforms

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



Our Q1 ADSP wins highlight the benefits of a converged platform

Distributed Cloud Services · BIG-IP · NGINX

Banking

- A longstanding BIG-IP customer is modernizing its infrastructure, consolidating networking, application delivery, and security with F5.
- The customer is modernizing its digital banking applications and needed increased capacity and improved resilience to comply with central banking regulations.
- Today the customer is leveraging a powerful combination of BIG-IP, NGINX and Distributed Cloud Services for traffic management, WAF and DDoS protection

BIG-IP · NGINX

Consumer products

- A global consumer products company standardized on a converged F5 platform to address governance and reliability concerns.
- By expanding its use of NGINX and refreshing its BIG-IP footprint, the customer consolidated application delivery and security controls, ensuring consistent performance.

Distributed Cloud Services · BIG-IP · NGINX

Law enforcement

- A foreign national law enforcement agency selected a converged F5 platform to support its national open data initiative.
- The customer's disparate infrastructures struggled with ransomware threats, high false positives, and limited scalability.
- F5's converged solution enabled the agency to consolidate load balancing, API protection, authentication, and threat mitigation.

We continue to innovate, to create even greater value for customers

Scaling the core for the most demanding AI workloads

- Launched BIG-IP version 21.0 in November 2025.
- Significant control plane enhancements.
- Native support for MCP and S3 for AI Data Delivery.
- Ensures that BIG-IP is optimized for the high-throughput storage and retrieval workloads that are critical to AI architectures.

Bringing F5 advanced API security to the data center

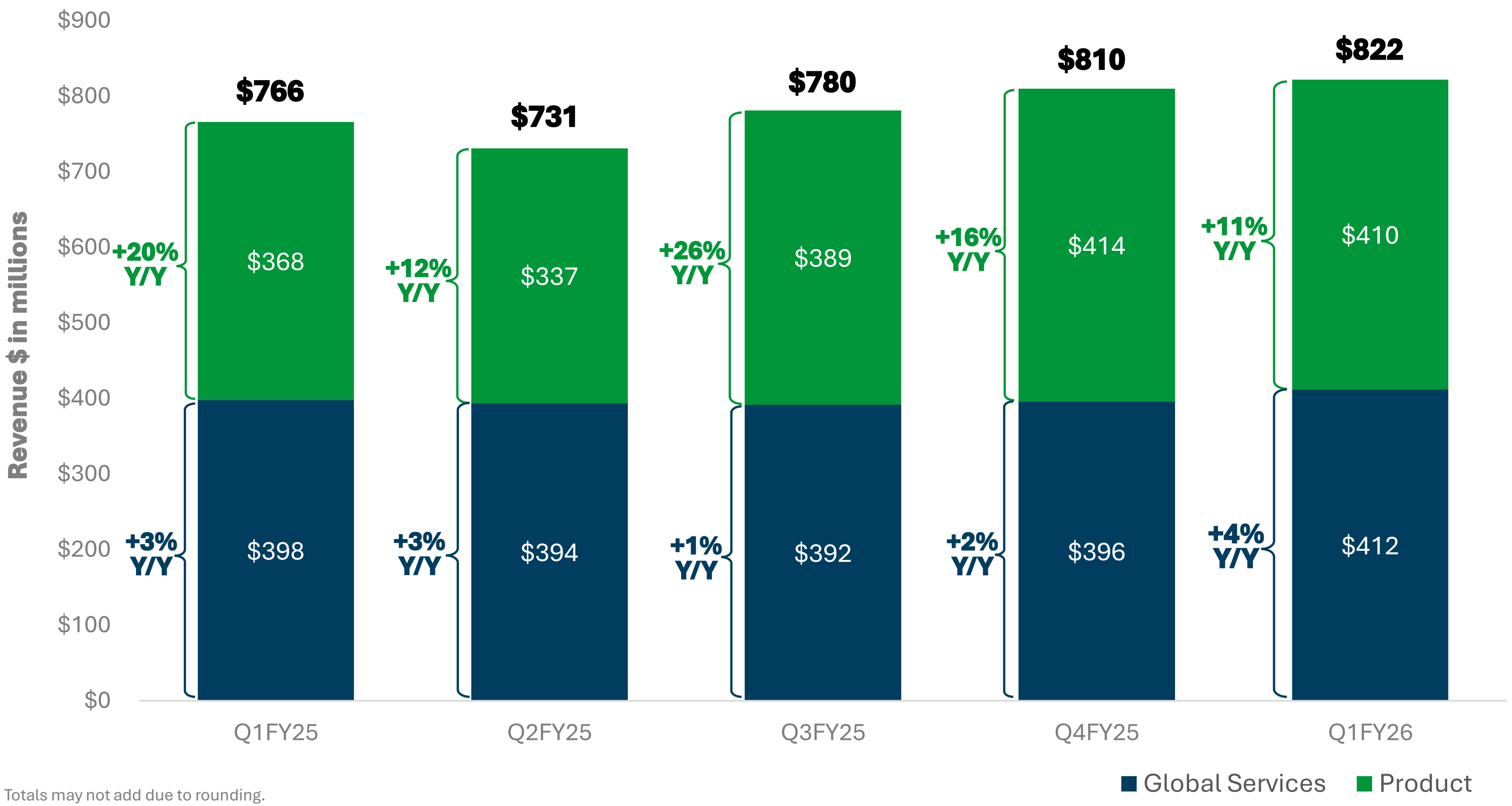
- Enabled F5 API discovery engines to run locally in customer environments.
- Deliver the same discovery and security capabilities on-premises as in F5 Distributed Cloud Services.
- Enables customers to maintain a consistent API security posture in any environment.

Q1FY26 results

Cooper Werner

EVP & Chief Financial Officer

Revenue mix



Year/Year change

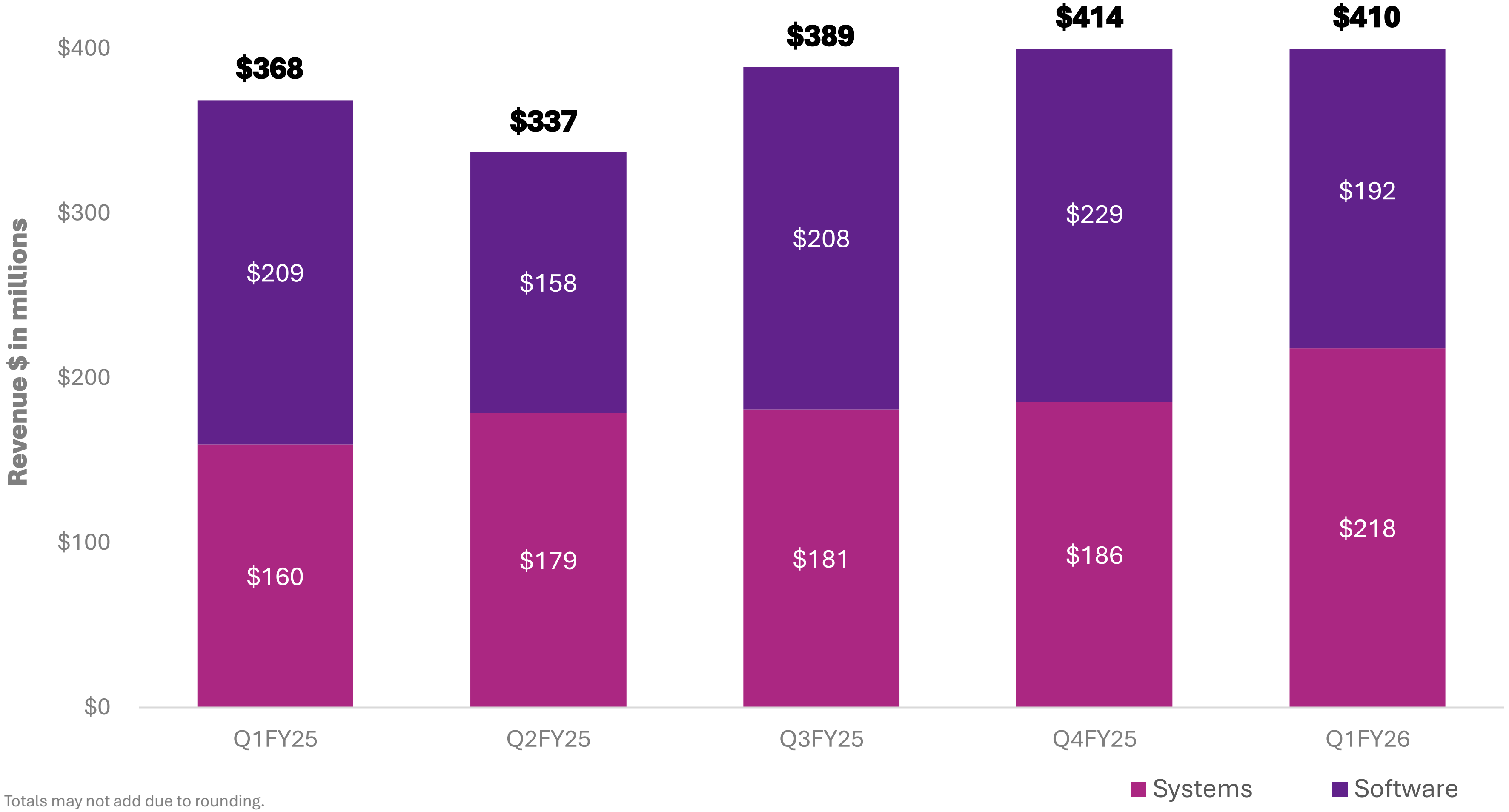
+7%
Total revenue growth

+11%
product growth

6
consecutive quarters of double-digit product growth

Totals may not add due to rounding.

Product revenue mix



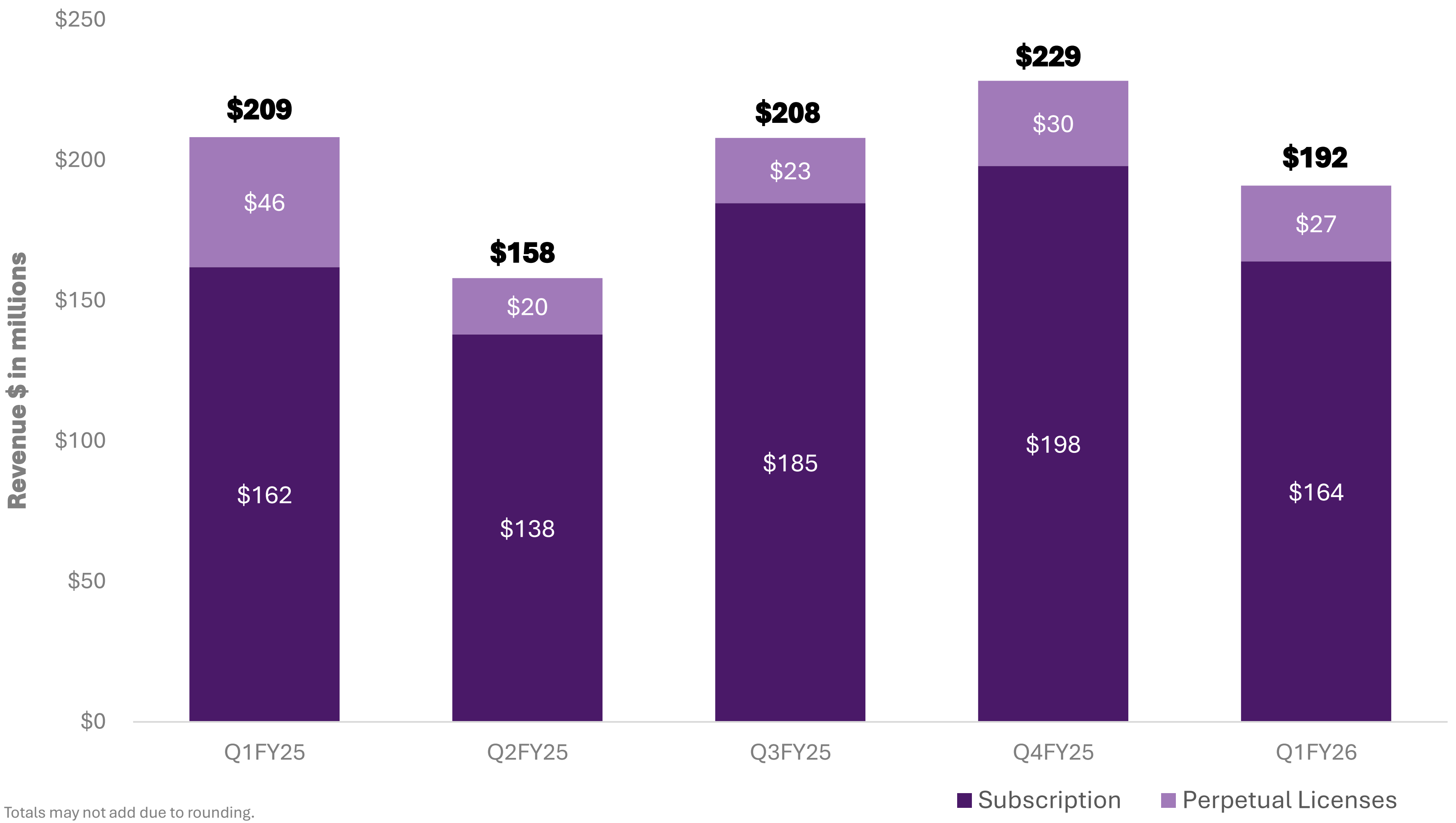
Year/Year change

-8%
Software

+37%
Systems

Totals may not add due to rounding.

Software revenue mix



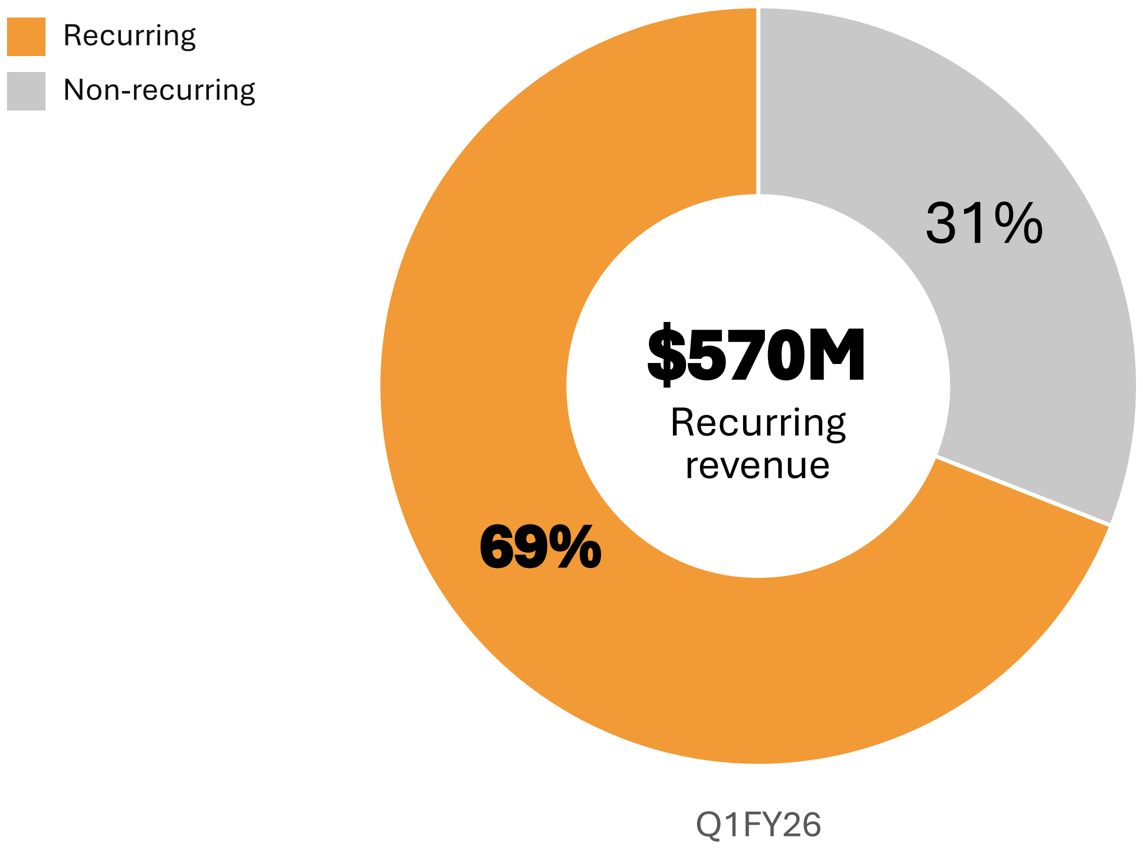
86%

of Q1FY26 total software revenue from subscriptions

Totals may not add due to rounding.

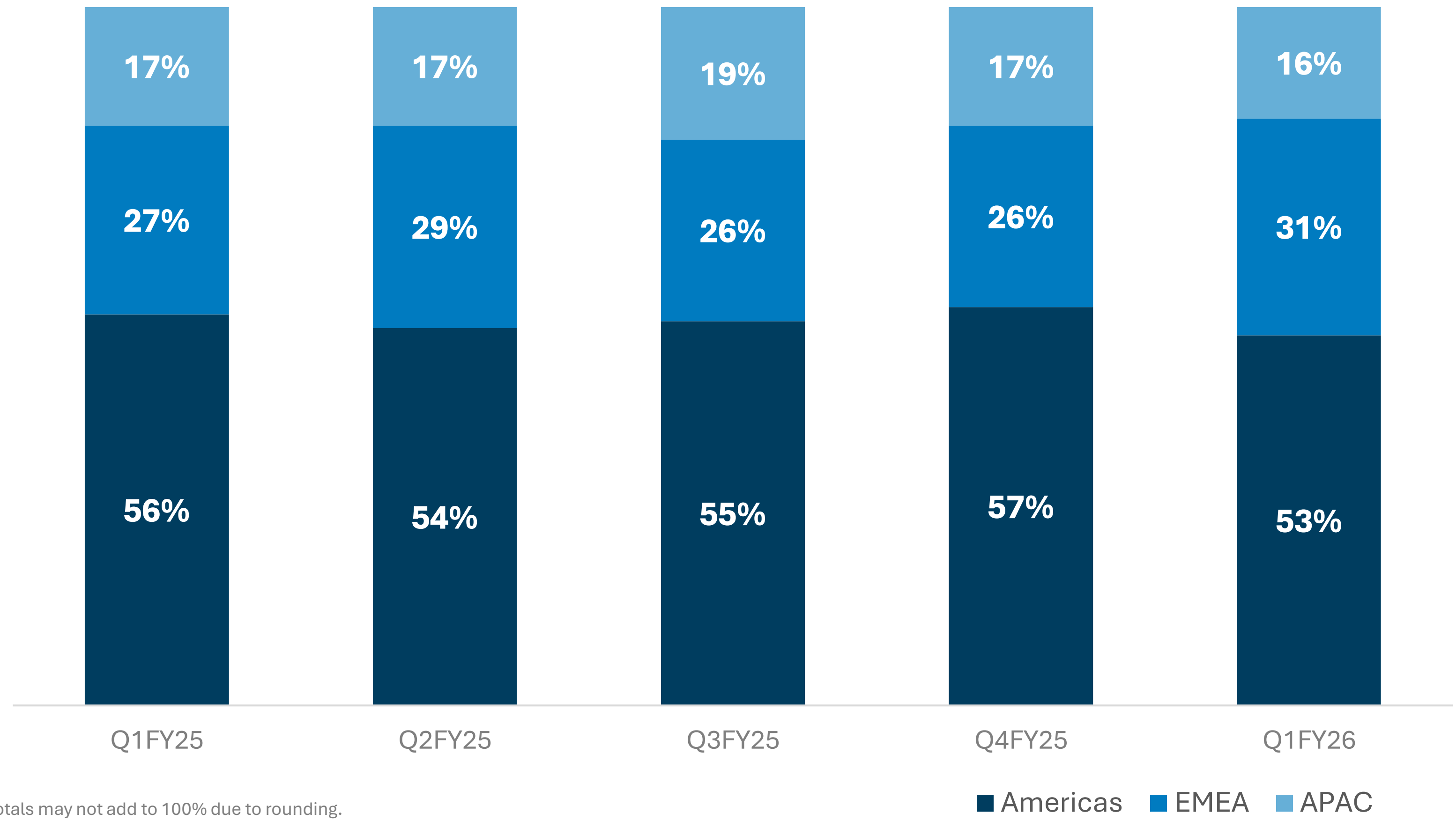
Subscription software revenue includes term subscriptions, both multi-year and annual, as well as SaaS & managed services and utility-based revenue..

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



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

Revenue contribution by geography



Totals may not add to 100% due to rounding.

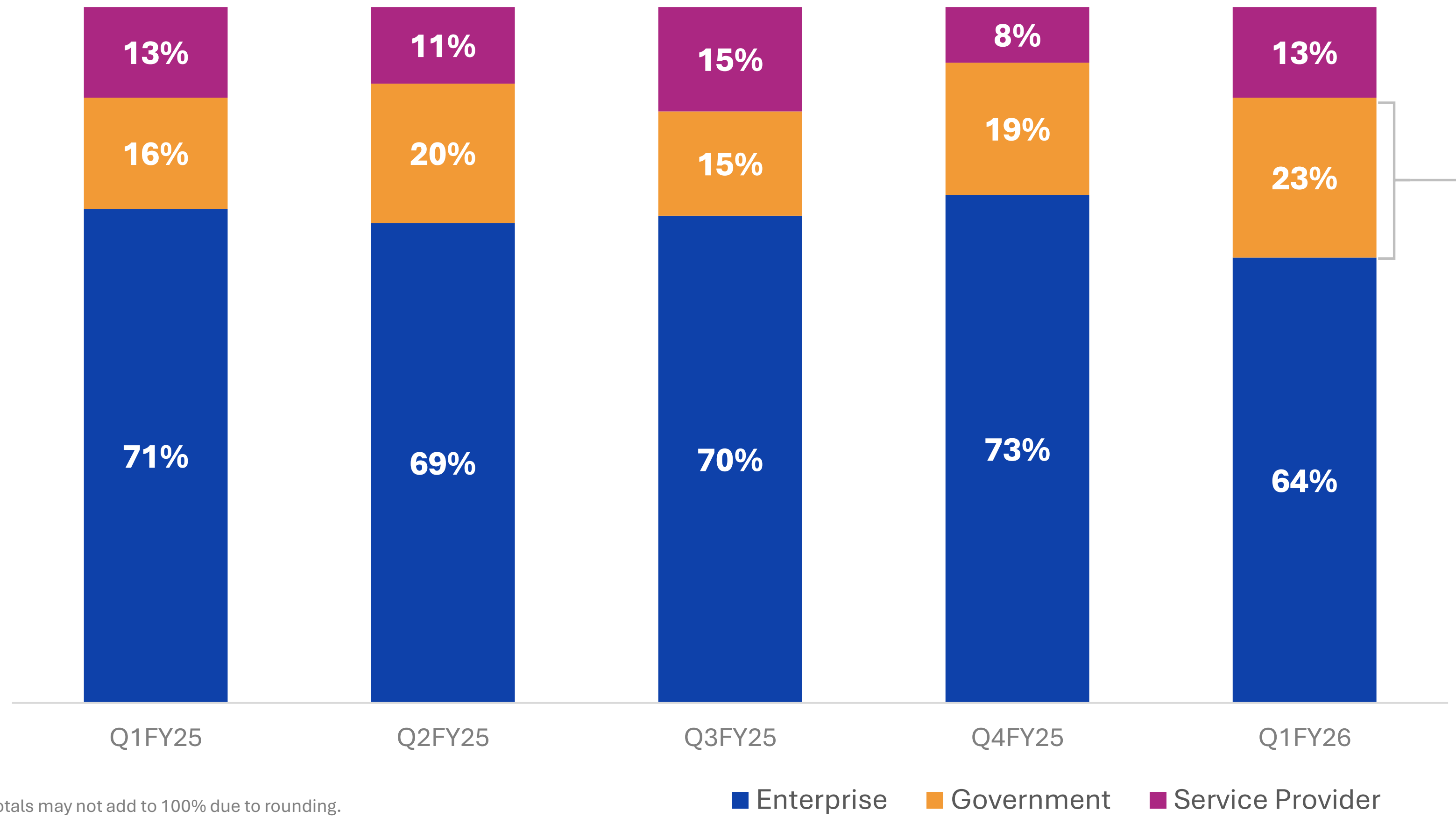
Y/Y growth by region Q1FY26

-1%
Growth APAC

+24%
Growth EMEA

+2%
Growth AMER

Customer verticals as a % of product bookings



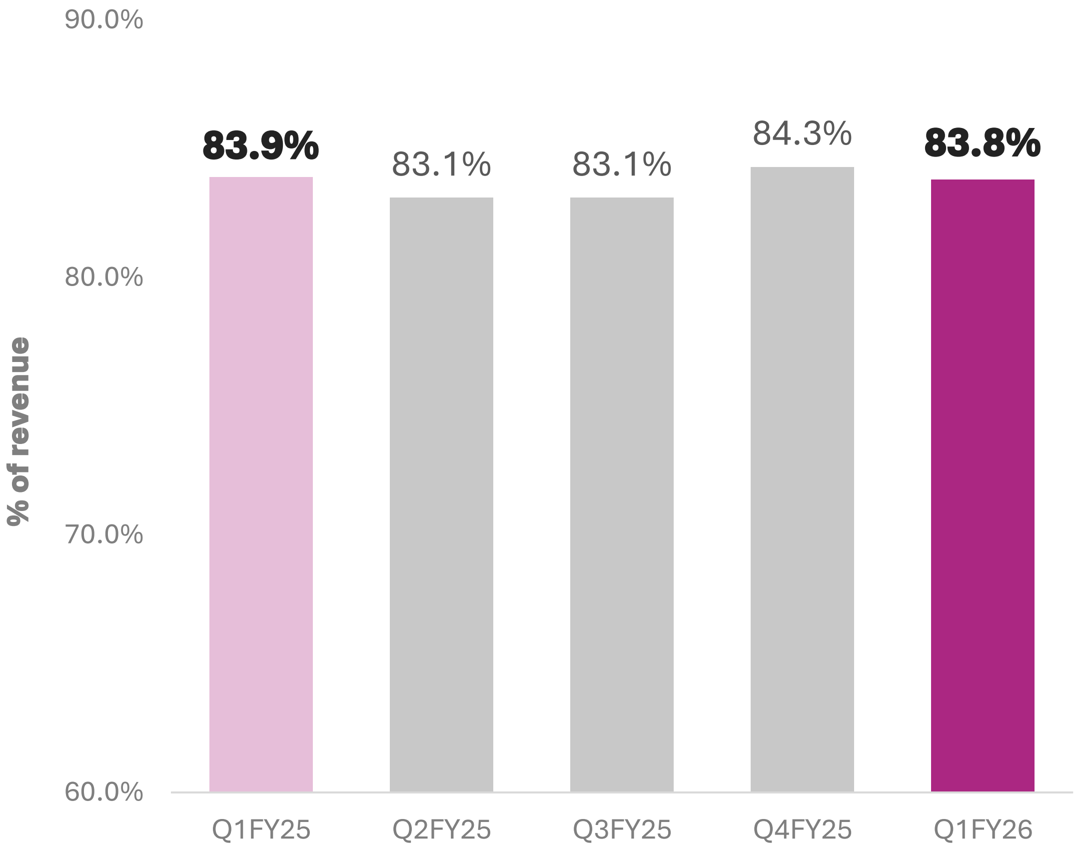
8%

from U.S. Federal included

Totals may not add to 100% due to rounding.

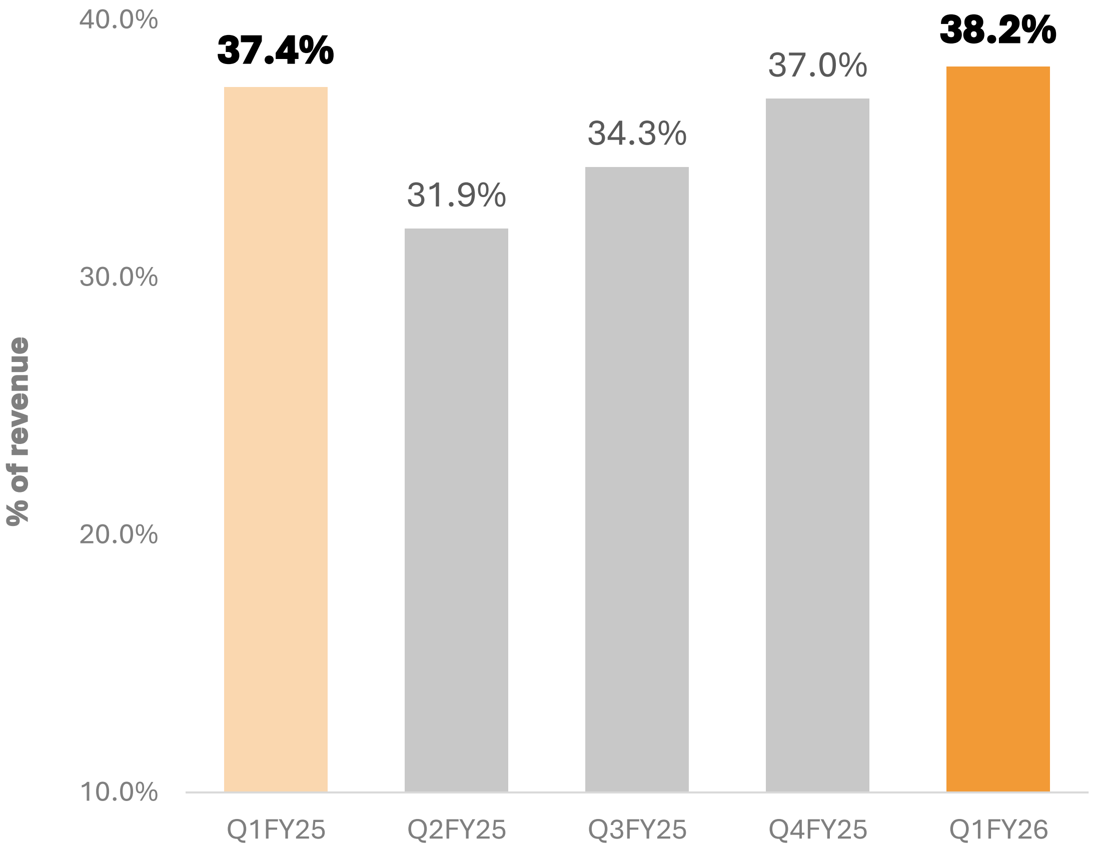
Non-GAAP gross and operating margins

Non-GAAP gross margin



Non-GAAP operating margin

+80
BPS Y/Y

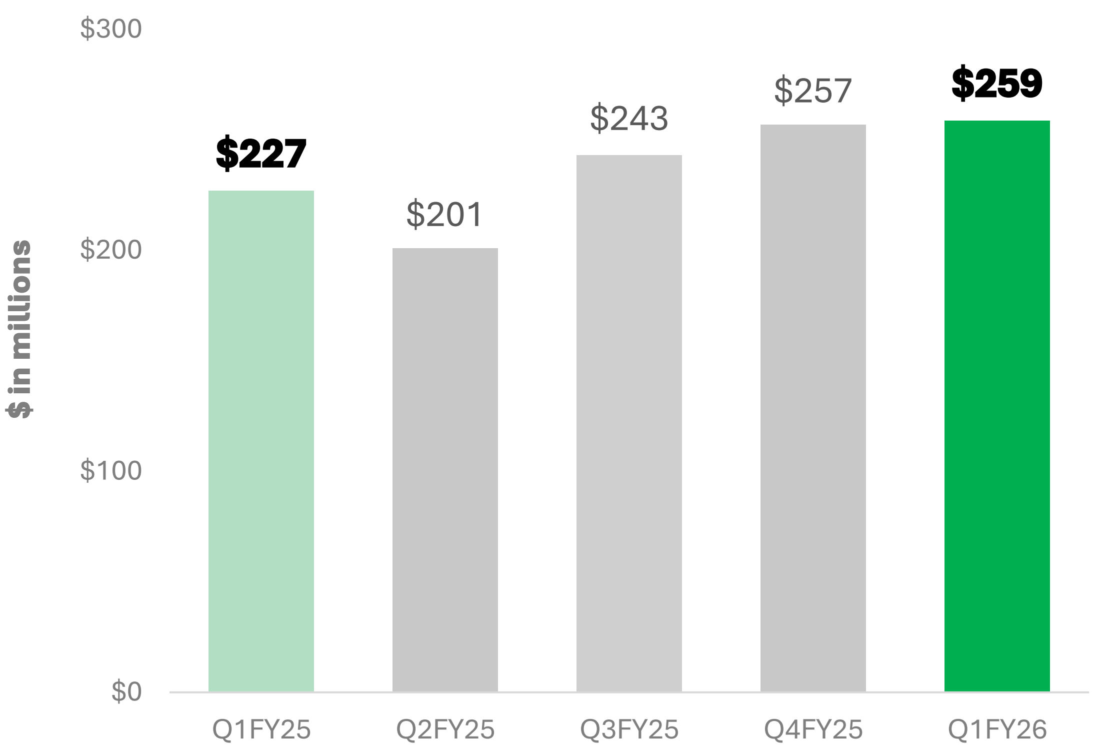


See appendix for GAAP to non-GAAP reconciliation

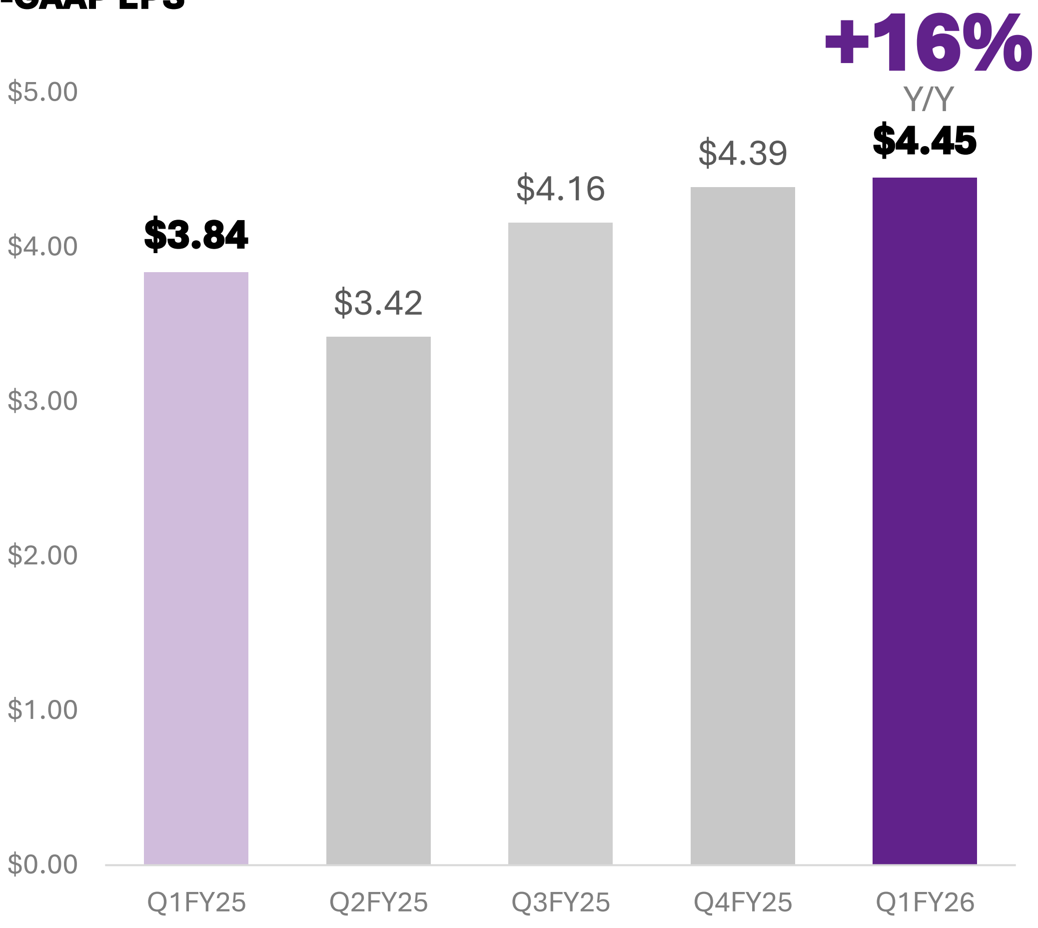
Non-GAAP net income and EPS

EPS reflects 19.8% Q1FY26 and 21.8% Q1FY25 non-GAAP effective tax rate

Non-GAAP net income

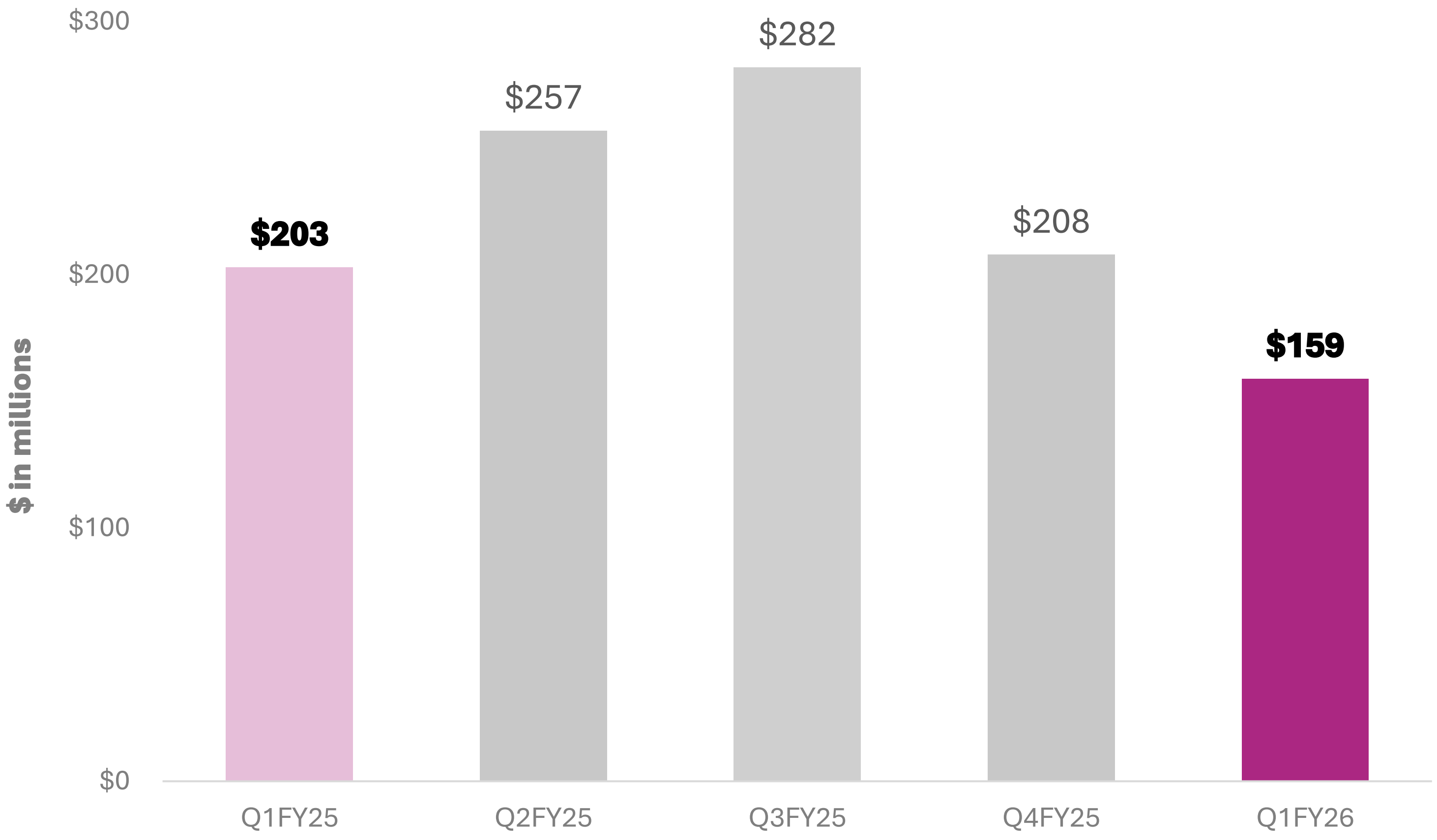


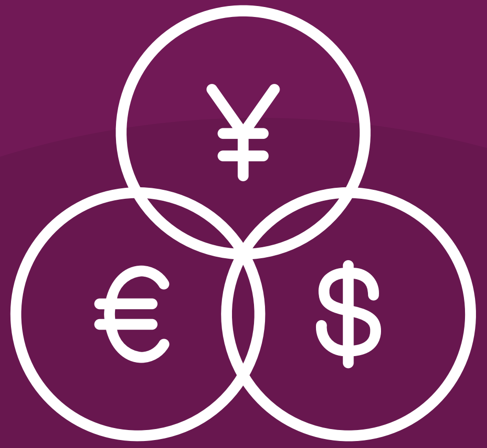
Non-GAAP EPS



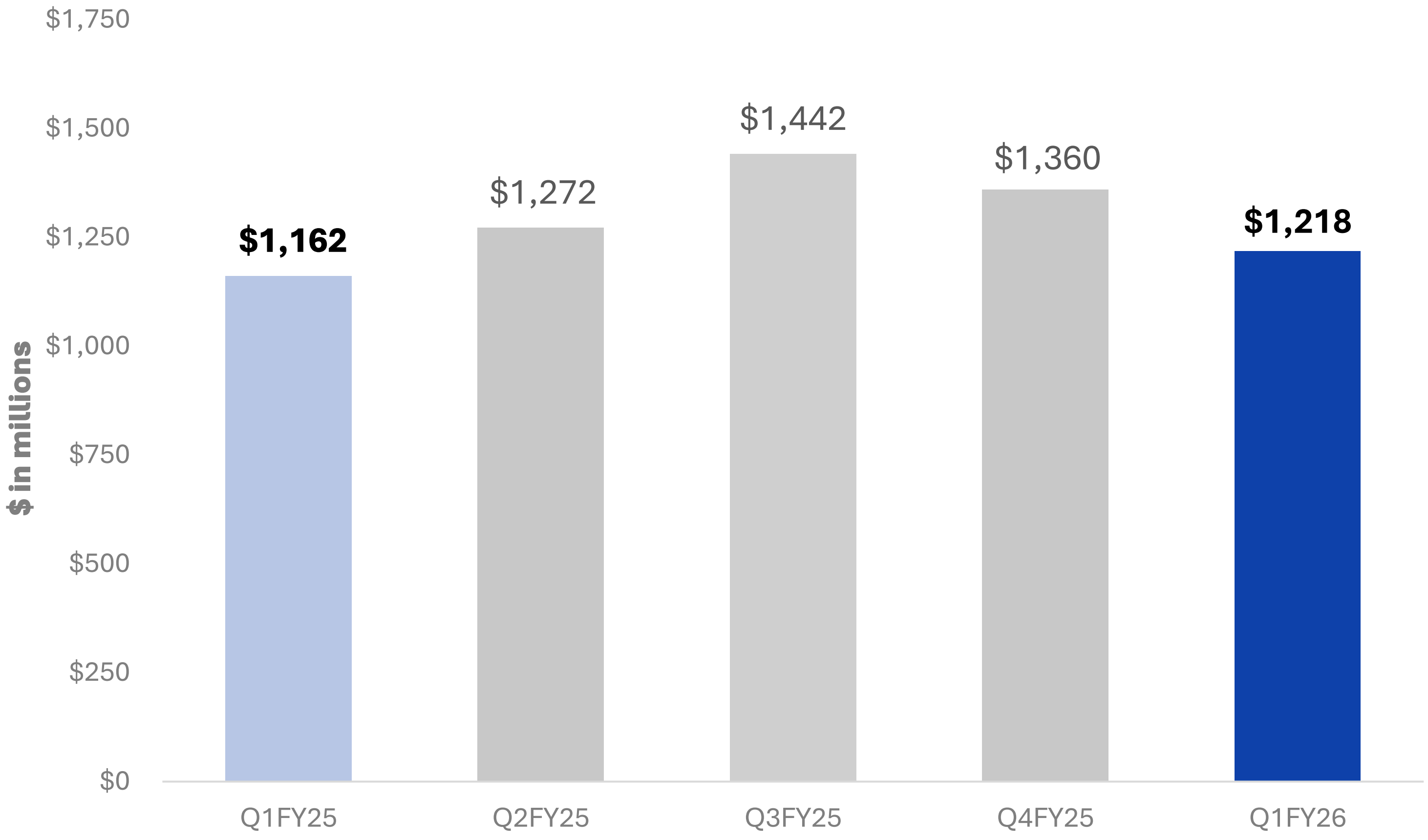
See appendix for GAAP to non-GAAP reconciliation

Cash flow from operations





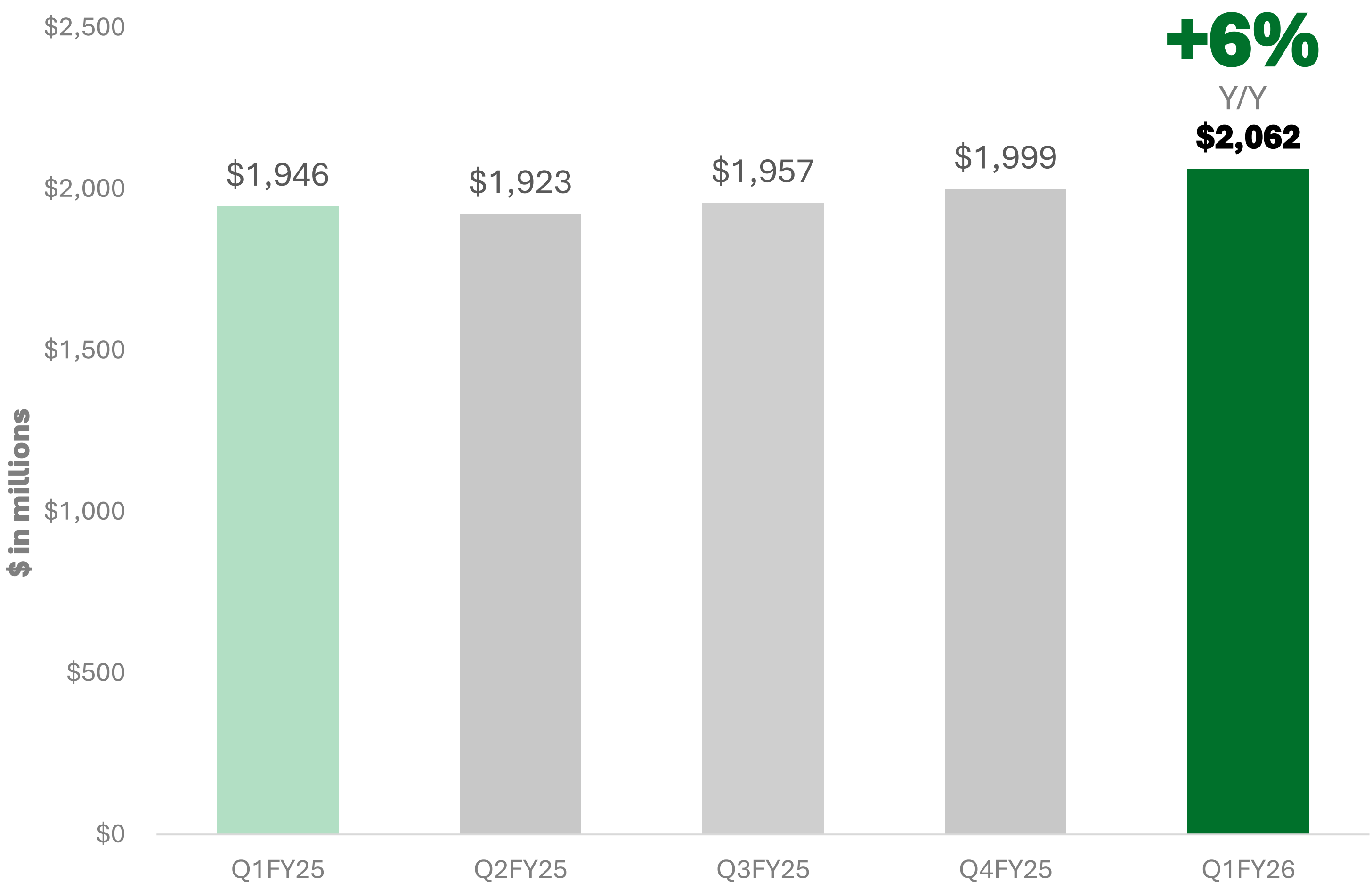
Cash and investments



Key insights

Q1FY26 cash and investments balance reflects $300M in share repurchases in the quarter.

Deferred revenue

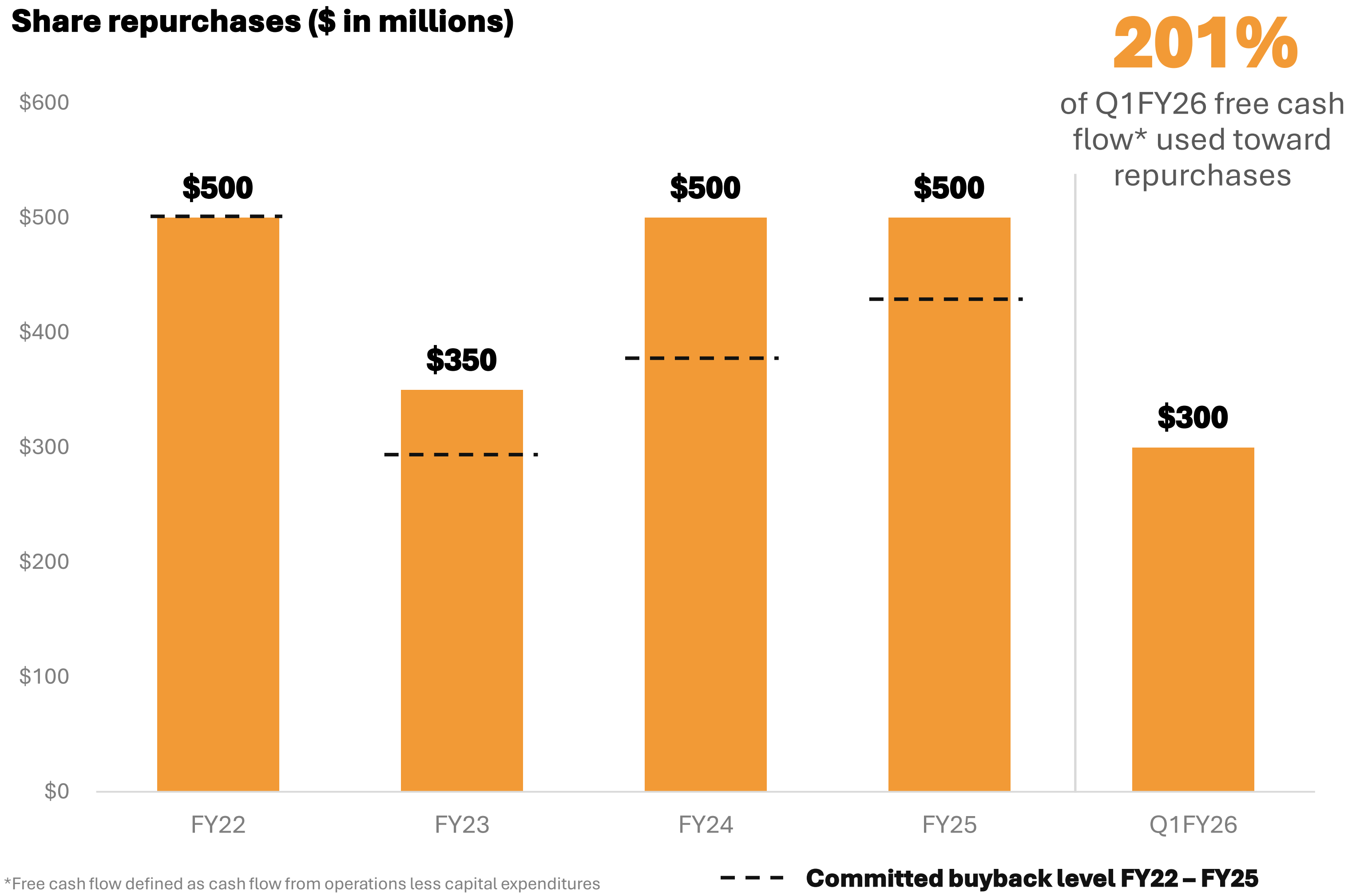


Key insights

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 $300 million in FFIV shares during Q1FY26.
- We used 201% of our $149 million free cash flow* in Q1FY26 for share repurchases.
- We are committed to using at least 50% of our annual free cash flow for share repurchases.
- As of December 31, 2025, there was $622 million remaining under our authorized stock repurchase program.

Business outlook

Cooper Werner
EVP & Chief Financial Officer

Our updated FY26 outlook

	FY25A	FY26 outlook
Total revenue	$3.1B 10% growth	**5% to 6% growth** (from 0% to 4% growth previously)
Non-GAAP gross margin	83.6%	82.5% to 83.5% (from 83.0% to 83.5% previously)
Non-GAAP operating margin	35.2%	34% to 35% (from 33.5 % to 34.5% previously)
Effective non-GAAP tax rate	17.8%	21% to 22%
Non-GAAP EPS	$15.81 18% growth	**$15.65 to $16.05** (from $14.50 to $15.50 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

Our Q2FY26 outlook

	Q2FY26 outlook
Total revenue	**$770 to $790M**
Non-GAAP gross margin	82.5% to 83.0%
Non-GAAP operating expenses	$396 to $408M
Share-based compensation	$70 to $72M
Non-GAAP EPS	**$3.34 to $3.46**

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 December 31,					
		2025			2024	
Net revenues	$	822,465		$	766,489	
Gross profit and gross margin:						
GAAP gross profit and gross margin	$	670,680	81.5%	$	625,979	81.7%
Adjustments to gross profit and gross margin:						
Stock-based compensation	$	6,826	0.8%	$	7,400	1.0%
Amortization and impairment of purchased intangible assets		10,640	1.3%		9,284	1.2%
Facility-exit costs		92	0.0%		124	0.0%
Cyber incident costs		876	0.1%		-	-
Non-GAAP gross profit and gross margin	$	689,114	83.8%	$	642,787	83.9%
Income from operations and operating margin:						
GAAP income from operations and operating margin	$	214,187	26.0%	$	205,082	26.8%
Adjustments to income from operations and operating margin:						
Stock-based compensation	$	60,005	7.3%	$	57,908	7.6%
Amortization and impairment of purchased intangible assets		11,452	1.4%		10,143	1.3%
Facility-exit costs		931	0.1%		1,220	0.2%
Acquisition-related charges		9,817	1.2%		691	0.1%
Cyber incident costs		17,488	2.1%		-	-
Restructuring charges		(43)	0.0%		11,321	1.5%
Non-GAAP income from operations and operating margin	$	313,837	38.2%	$	286,365	37.4%
Net income:						
GAAP net income	$	180,054		$	166,445	
Adjustments to net income:						
Stock-based compensation	$	60,005		$	57,908	
Amortization and impairment of purchased intangible assets		11,452			10,143	
Facility-exit costs		931			1,220	
Acquisition-related charges		9,817			691	
Cyber incident costs		17,488			-	
Restructuring charges		(43)			11,321	
Tax effects related to above items		(20,941)			(20,756)	
Non-GAAP net income	$	258,763		$	226,972	
Net income per share - diluted:						
GAAP net income per share — diluted	$	3.10		$	2.82	
Adjustments to GAAP net income per share — diluted:						
Stock-based compensation	$	1.03		$	0.98	
Amortization and impairment of purchased intangible assets		0.20			0.17	
Facility-exit costs		0.02			0.02	
Acquisition-related charges		0.17			0.01	
Cyber incident costs		0.30			-	
Restructuring charges		(0.00)			0.19	
Tax effects related to above items		(0.36)			(0.35)	
Non-GAAP net income per share — diluted	$	4.45		$	3.84	
Weighted average shares — diluted		58,164			59,058	

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.

