

A10 NETWORKS, INC.
Condensed Consolidated Statements of Operations
(unaudited, in thousands, except per share data, on a US GAAP basis)

	Three Months Ended								Year Ended			
	Mar. 31, 2020	Jun. 30, 2020	Sep. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	Sep. 30, 2021	Dec. 31, 2021	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021
Revenue:												
Products	\$ 30,736	\$ 29,214	\$ 32,188	\$ 37,738	\$ 30,540	\$ 34,363	\$ 39,815	\$ 43,680	\$ 144,682	\$ 121,920	\$ 129,876	\$ 148,398
Services	23,028	23,286	24,420	24,917	24,303	24,805	25,545	26,991	87,541	90,708	95,651	101,644
Total revenue	53,764	52,500	56,608	62,655	54,843	59,168	65,360	70,671	232,223	212,628	225,527	250,042
Cost of revenue:												
Products	6,941	6,544	7,610	8,014	7,086	8,215	7,859	9,460	34,066	29,816	29,109	32,620
Services	5,201	4,878	5,513	5,447	5,413	5,415	5,335	4,722	17,830	19,065	21,039	20,885
Total cost of revenue	12,142	11,422	13,123	13,461	12,499	13,630	13,194	14,182	51,896	48,881	50,148	53,505
Gross profit	41,622	41,078	43,485	49,194	42,344	45,538	52,166	56,489	180,327	163,747	175,379	196,537
Gross margin	77.4 %	78.2 %	76.8 %	78.5 %	77.2 %	77.0 %	79.8 %	79.9 %	77.7 %	77.0 %	77.8 %	78.6 %
Operating expenses:												
Sales & marketing	20,621	18,476	18,556	20,079	19,092	19,749	21,354	25,456	103,214	92,783	77,732	85,651
Research & development	15,315	13,450	13,694	15,604	13,981	13,491	13,578	13,027	65,157	61,824	58,063	54,077
General & administrative	5,895	5,237	4,994	5,725	5,247	5,082	6,931	6,161	39,635	23,704	21,851	23,421
Restructuring expense	—	—	—	—	—	—	—	—	—	2,530	-	-
Total operating expenses	41,831	37,163	37,244	41,408	38,320	38,322	41,863	44,644	208,006	180,841	157,646	163,149
Income (loss) from operations	(209)	3,915	6,241	7,786	4,024	7,216	10,303	11,845	(27,679)	(17,094)	17,733	33,388
	-0.4%	7.5%	11.0%	12.4%	7.3%	12.2%	15.8%	16.8%		-8.0%	7.9%	13.4%
Non-operating income (expense):												
Interest expense	-	(1)	-	-	-	-	-	-	(129)	(237)	(1)	-
Interest and other income (expense), net	231	228	479	469	(1,183)	(112)	(198)	(253)	1,273	919	1,407	(1,746)
Total non-operating income (expense), net	231	227	479	469	(1,183)	(112)	(198)	(253)	1,144	682	1,406	(1,746)
Income (loss) before income taxes	22	4,142	6,720	8,255	2,841	7,104	10,105	11,592	(26,535)	(16,412)	19,139	31,642
Provision for income taxes	319	334	256	414	184	488	(64,781)	864	1,082	1,407	1,323	(63,245)
Net income (loss)	\$ (297)	\$ 3,808	\$ 6,464	\$ 7,841	\$ 2,657	\$ 6,616	\$ 74,886	\$ 10,728	\$ (27,617)	\$ (17,819)	\$ 17,816	\$ 94,887
Net income (loss) per share:												
Basic	\$ (0.00)	\$ 0.05	\$ 0.08	\$ 0.10	\$ 0.03	\$ 0.09	\$ 0.97	\$ 0.14	\$ (0.38)	\$ (0.23)	\$ 0.23	\$ 1.23
Diluted	\$ (0.00)	\$ 0.05	\$ 0.08	\$ 0.10	\$ 0.03	\$ 0.08	\$ 0.94	\$ 0.13	\$ (0.38)	\$ (0.23)	\$ 0.22	\$ 1.19
Weighted-average shares used in computing net income (loss) per share:												
Basic	78,061	78,178	78,235	76,638	76,704	76,774	77,149	77,548	72,882	76,080	77,776	77,046
Diluted	78,061	79,982	80,424	78,775	79,636	79,316	79,927	80,316	72,882	76,080	80,019	80,037

A10 NETWORKS, INC.
Non-GAAP Condensed Consolidated Statements of Operations
(unaudited, in thousands, except per share data)

	Three Months Ended								Year Ended			
	Mar. 31, 2020	Jun. 30, 2020	Sep. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	Sep. 30, 2021	Dec. 31, 2021	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021
Revenue:												
Products	\$ 30,736	\$ 29,214	\$ 32,188	\$ 37,738	\$ 30,540	\$ 34,363	\$ 39,815	\$ 43,680	\$ 144,682	\$ 121,920	\$ 129,876	\$ 148,398
Services	23,028	23,286	24,420	24,917	24,303	24,805	25,545	26,991	87,541	90,708	95,651	101,644
Total revenue	<u>53,764</u>	<u>52,500</u>	<u>56,608</u>	<u>62,655</u>	<u>54,843</u>	<u>59,168</u>	<u>65,360</u>	<u>70,671</u>	<u>232,223</u>	<u>212,628</u>	<u>225,527</u>	<u>250,042</u>
Cost of revenue:												
Products	6,868	6,520	7,565	7,970	7,015	8,174	7,796	9,392	33,888	29,658	28,923	32,377
Services	4,774	4,605	5,099	4,799	4,570	4,901	4,994	4,275	16,406	17,631	19,277	18,740
Total cost of revenue	<u>11,642</u>	<u>11,125</u>	<u>12,664</u>	<u>12,769</u>	<u>11,585</u>	<u>13,075</u>	<u>12,790</u>	<u>13,667</u>	<u>50,294</u>	<u>47,289</u>	<u>48,200</u>	<u>51,117</u>
Gross profit	<u>42,122</u>	<u>41,375</u>	<u>43,944</u>	<u>49,886</u>	<u>43,258</u>	<u>46,093</u>	<u>52,570</u>	<u>57,004</u>	<u>181,929</u>	<u>165,339</u>	<u>177,327</u>	<u>198,925</u>
Gross margin	78.3 %	78.8 %	77.6 %	79.6 %	78.9 %	77.9 %	80.4 %	80.7 %	78.3 %	77.8 %	78.6 %	79.6 %
Operating expenses:												
Sales & marketing	19,570	17,797	17,558	19,364	17,714	18,922	20,154	23,615	97,547	86,745	74,289	80,405
Research & development	13,513	12,159	12,156	12,639	10,549	11,856	12,585	11,656	57,516	54,423	50,467	46,646
General & administrative	4,929	4,176	4,182	4,014	4,187	4,199	5,328	4,173	26,001	21,576	17,301	17,887
Total operating expenses	<u>38,012</u>	<u>34,132</u>	<u>33,896</u>	<u>36,017</u>	<u>32,450</u>	<u>34,977</u>	<u>38,067</u>	<u>39,444</u>	<u>181,064</u>	<u>162,743</u>	<u>142,057</u>	<u>144,938</u>
Income (loss) from operations	<u>4,110</u>	<u>7,243</u>	<u>10,048</u>	<u>13,869</u>	<u>10,808</u>	<u>11,116</u>	<u>14,503</u>	<u>17,560</u>	<u>865</u>	<u>2,596</u>	<u>35,270</u>	<u>53,987</u>
	7.6 %	13.8 %	17.8 %	22.1 %	19.7 %	18.8 %	22.2 %	24.8 %		1.2 %	15.6 %	21.6 %
Non-operating income (expense):												
Interest expense	-	(1)	-	-	-	-	-	-	(129)	(237)	(1)	-
Interest income and other income (expense), net	231	228	479	469	(1,183)	(112)	(198)	(253)	1,273	919	1,407	(1,746)
Total non-operating income (expense), net	<u>231</u>	<u>227</u>	<u>479</u>	<u>469</u>	<u>(1,183)</u>	<u>(112)</u>	<u>(198)</u>	<u>(253)</u>	<u>1,144</u>	<u>682</u>	<u>1,406</u>	<u>(1,746)</u>
Income (loss) before provision for income taxes	4,341	7,470	10,527	14,338	9,625	11,004	14,305	17,307	2,009	3,278	36,676	52,241
Provision for income taxes	319	334	256	414	184	488	636	864	1,082	1,261	1,323	2,172
Non-GAAP net income (loss)	<u>\$ 4,022</u>	<u>\$ 7,136</u>	<u>\$ 10,271</u>	<u>\$ 13,924</u>	<u>\$ 9,441</u>	<u>\$ 10,516</u>	<u>\$ 13,669</u>	<u>\$ 16,443</u>	<u>\$ 927</u>	<u>\$ 2,018</u>	<u>\$ 35,353</u>	<u>\$ 50,069</u>
Non-GAAP net income (loss) per share:												
Basic	\$ 0.05	\$ 0.09	\$ 0.13	\$ 0.18	\$ 0.12	\$ 0.14	\$ 0.18	\$ 0.21	\$ 0.01	\$ 0.03	\$ 0.45	\$ 0.65
Diluted	\$ 0.05	\$ 0.09	\$ 0.13	\$ 0.18	\$ 0.12	\$ 0.13	\$ 0.17	\$ 0.20	\$ 0.01	\$ 0.03	\$ 0.44	\$ 0.63
Weighted-average shares used in computing Non-GAAP net income (loss) per share:												
Basic	78,061	78,178	78,235	76,638	76,704	76,704	77,149	77,548	72,882	76,080	77,776	77,046
Diluted	79,747	79,982	80,424	78,775	79,636	79,636	79,927	80,316	75,222	78,487	80,019	80,037

A10 NETWORKS, INC.
Reconciliation of GAAP net income (loss) to EBITDA and Adjusted EBITDA
(unaudited, in thousands)

	Three Months Ended								Year Ended			
	Mar. 31, 2020	Jun. 30, 2020	Sep. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	Sep. 30, 2021	Dec. 31, 2021	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021
<u>EBITDA & Adjusted EBITDA (Non-GAAP)</u>												
GAAP net income (loss)	\$ (297)	\$ 3,808	\$ 6,464	\$ 7,841	\$ 2,657	\$ 6,616	\$ 74,886	\$ 10,728	\$ (27,617)	\$ (17,819)	\$ 17,816	\$ 94,887
Exclude: Interest expense	—	1	—	—	—	—	—	—	129	237	1	-
Exclude: Interest income and other (income) expense, net	(231)	(228)	(479)	(469)	1,183	112	198	253	(1,273)	(919)	(1,407)	1,746
Exclude: Depreciation & amortization expense	3,311	2,785	2,676	2,531	2,413	2,340	2,291	1,863	7,880	10,028	11,303	8,907
Exclude: Provision for income taxes	319	334	256	414	184	488	(64,781)	864	1,082	1,407	1,323	(63,245)
EBITDA	3,102	6,700	8,917	10,317	6,437	9,556	12,594	13,708	(19,799)	(7,066)	29,036	42,295
Exclude: Stock-based compensation	3,241	3,075	3,554	2,947	4,620	2,612	4,201	3,598	17,038	16,790	12,817	15,031
Exclude: Litigation settlement and investigation expense	30	—	—	—	—	—	—	—	10,496	(1,066)	30	—
Exclude: Restructuring expense	—	—	—	—	—	—	—	—	—	2,530	—	—
Exclude: Global Portfolion Transition expense	—	—	—	2,884	1,911	1,036	(1)	2,117	—	—	2,884	5,063
Exclude: Non-recurring facilities costs	795	—	—	—	—	—	—	—	—	425	795	—
Adjusted EBITDA	<u>\$ 7,168</u>	<u>\$ 9,775</u>	<u>\$ 12,471</u>	<u>\$ 16,148</u>	<u>\$ 12,968</u>	<u>\$ 13,204</u>	<u>\$ 16,794</u>	<u>\$ 19,423</u>	<u>\$ 7,735</u>	<u>\$ 11,613</u>	<u>\$ 45,562</u>	<u>\$ 62,389</u>

A10 NETWORKS, INC.
Condensed Consolidated Balance Sheets
(unaudited, in thousands)

	<u>Mar. 31,</u> <u>2020</u>	<u>Jun. 30,</u> <u>2020</u>	<u>Sep. 30,</u> <u>2020</u>	<u>Dec. 31,</u> <u>2020</u>	<u>Mar. 31,</u> <u>2021</u>	<u>Jun. 30,</u> <u>2021</u>	<u>Sep. 30,</u> <u>2021</u>	<u>Dec. 31,</u> <u>2021</u>
ASSETS								
CURRENT ASSETS:								
Cash and cash equivalents	\$ 65,633	\$ 65,846	\$ 83,069	\$ 83,281	\$ 75,696	\$ 67,949	\$ 85,637	\$ 78,925
Marketable securities	77,273	77,544	76,041	74,851	85,261	98,860	101,820	106,117
Accounts receivable, net of allowances	42,862	45,895	42,803	51,051	51,449	50,219	46,784	61,795
Inventory, net	20,764	22,159	22,600	20,730	19,547	19,084	19,169	22,462
Prepaid expenses and other current assets	<u>12,518</u>	<u>11,342</u>	<u>10,809</u>	<u>12,390</u>	<u>13,022</u>	<u>14,523</u>	<u>13,910</u>	<u>14,720</u>
Total current assets	219,050	222,786	235,322	242,303	244,975	250,635	267,320	284,019
Property and equipment, net	7,462	7,033	7,297	7,888	8,223	9,148	9,555	10,692
Goodwill	1,307	1,307	1,307	1,307	1,307	1,307	1,307	1,307
Intangible assets	1,944	1,584	1,223	862	502	141	33	-
Other non-current assets	<u>40,294</u>	<u>39,898</u>	<u>38,948</u>	<u>38,451</u>	<u>36,573</u>	<u>34,907</u>	<u>96,230</u>	<u>97,067</u>
TOTAL ASSETS	<u>\$ 270,057</u>	<u>\$ 272,608</u>	<u>\$ 284,097</u>	<u>\$ 290,811</u>	<u>\$ 291,580</u>	<u>\$ 296,138</u>	<u>\$ 374,445</u>	<u>\$ 393,085</u>
LIABILITIES AND STOCKHOLDERS' EQUITY								
CURRENT LIABILITIES:								
Accounts payable	\$ 3,937	\$ 6,850	\$ 7,289	\$ 4,851	\$ 4,521	\$ 5,661	\$ 3,755	\$ 6,852
Accrued liabilities	24,243	23,493	27,602	36,930	26,198	27,763	28,968	36,101
Deferred revenue	<u>62,718</u>	<u>65,915</u>	<u>61,886</u>	<u>65,999</u>	<u>68,299</u>	<u>69,918</u>	<u>70,501</u>	<u>73,132</u>
Total current liabilities	90,898	96,258	96,777	107,780	99,018	103,342	103,224	116,085
Deferred revenue, non-current	38,560	39,083	40,140	42,700	44,920	46,409	46,616	48,499
Other non-current liabilities	<u>27,347</u>	<u>26,407</u>	<u>25,479</u>	<u>24,357</u>	<u>22,983</u>	<u>21,882</u>	<u>21,010</u>	<u>19,613</u>
TOTAL LIABILITIES	<u>156,805</u>	<u>161,748</u>	<u>162,396</u>	<u>174,837</u>	<u>166,921</u>	<u>171,633</u>	<u>170,850</u>	<u>184,197</u>
STOCKHOLDERS' EQUITY:								
Common & treasury stock, additional paid-in-capital	403,651	396,941	401,533	388,125	394,241	387,490	391,683	390,359
Dividends paid	—	—	—	—	—	—	—	(3,880)
Accumulated other comprehensive income (loss)	(37)	473	258	98	10	(9)	2	(229)
Accumulated deficit	<u>(290,362)</u>	<u>(286,554)</u>	<u>(280,090)</u>	<u>(272,249)</u>	<u>(269,592)</u>	<u>(262,976)</u>	<u>(188,090)</u>	<u>(177,362)</u>
Total stockholders' equity	113,252	110,860	121,701	115,974	124,659	124,505	203,595	208,888
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 270,057</u>	<u>\$ 272,608</u>	<u>\$ 284,097</u>	<u>\$ 290,811</u>	<u>\$ 291,580</u>	<u>\$ 296,138</u>	<u>\$ 374,445</u>	<u>\$ 393,085</u>

A10 NETWORKS, INC.

Revenue by Product Type, Geography and Vertical
(unaudited, in thousands, on a US GAAP basis)

	Three Months Ended				Three Months Ended				Year Ended			
	Mar. 31, 2020	Jun. 30, 2020	Sep. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	Sep. 30, 2021	Dec. 31, 2021	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021
Revenue by type:												
Product	\$ 30,736	\$ 29,214	\$ 32,188	\$ 37,738	\$ 30,540	\$ 34,363	\$ 39,815	\$ 43,680	\$ 144,682	\$ 121,920	\$ 129,876	\$ 148,398
Service	23,028	23,286	24,420	24,917	24,303	24,805	25,545	26,991	87,541	90,708	95,651	101,644
Total revenue	<u>\$ 53,764</u>	<u>\$ 52,500</u>	<u>\$ 56,608</u>	<u>\$ 62,655</u>	<u>\$ 54,843</u>	<u>\$ 59,168</u>	<u>\$ 65,360</u>	<u>\$ 70,671</u>	<u>\$ 232,223</u>	<u>\$ 212,628</u>	<u>\$ 225,527</u>	<u>\$ 250,042</u>
Revenue by geography:												
Americas	\$ 25,438	\$ 23,962	\$ 21,985	\$ 26,764	\$ 26,270	\$ 28,836	\$ 32,261	\$ 33,802	\$ 112,506	\$ 89,944	\$ 98,149	\$ 121,169
Japan	17,641	12,854	18,015	18,541	13,619	15,564	15,317	17,200	55,204	59,454	67,051	61,700
APAC excluding Japan	4,882	8,005	8,701	8,172	6,335	7,703	6,794	7,842	36,897	35,689	29,760	28,674
EMEA	5,803	7,679	7,907	9,178	8,619	7,065	10,988	11,827	27,615	27,541	30,567	38,499
Total revenue	<u>\$ 53,764</u>	<u>\$ 52,500</u>	<u>\$ 56,608</u>	<u>\$ 62,655</u>	<u>\$ 54,843</u>	<u>\$ 59,168</u>	<u>\$ 65,360</u>	<u>\$ 70,671</u>	<u>\$ 232,223</u>	<u>\$ 212,628</u>	<u>\$ 225,527</u>	<u>\$ 250,042</u>
Revenue by vertical:												
Enterprise	\$ 18,766	\$ 22,127	\$ 22,914	\$ 25,045	\$ 20,864	\$ 23,145	\$ 23,074	\$ 25,937	\$ 99,213	\$ 88,291	\$ 88,852	\$ 93,020
Service Provider	34,998	30,373	33,694	37,610	33,979	36,023	42,286	44,734	133,010	124,337	136,675	157,022
Total revenue	<u>\$ 53,764</u>	<u>\$ 52,500</u>	<u>\$ 56,608</u>	<u>\$ 62,655</u>	<u>\$ 54,843</u>	<u>\$ 59,168</u>	<u>\$ 65,360</u>	<u>\$ 70,671</u>	<u>\$ 232,223</u>	<u>\$ 212,628</u>	<u>\$ 225,527</u>	<u>\$ 250,042</u>

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	Three Months Ended								Years Ended			
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GAAP cost of revenue - products	\$ 6,941	\$ 6,544	\$ 7,610	\$ 8,014	\$ 7,086	\$ 8,215	\$ 7,859	\$ 9,460	\$ 34,066	\$ 29,816	\$ 29,109	\$ 32,620
Stock-based compensation	(74)	(24)	(45)	(44)	(71)	(41)	(63)	(68)	(178)	(158)	(187)	(243)
Non-GAAP cost of revenue - products	<u>\$ 6,867</u>	<u>\$ 6,520</u>	<u>\$ 7,565</u>	<u>\$ 7,970</u>	<u>\$ 7,015</u>	<u>\$ 8,174</u>	<u>\$ 7,796</u>	<u>\$ 9,392</u>	<u>\$ 33,888</u>	<u>\$ 29,658</u>	<u>\$ 28,922</u>	<u>\$ 32,377</u>
GAAP cost of revenue - services	\$ 5,201	\$ 4,878	\$ 5,513	\$ 5,447	\$ 5,413	\$ 5,415	\$ 5,335	\$ 4,722	\$ 17,830	\$ 19,065	\$ 21,039	\$ 20,885
Stock-based compensation	(427)	(273)	(414)	(341)	(570)	(262)	(328)	(330)	(1,424)	(1,434)	(1,454)	(1,490)
Global distribution center transition expense	—	—	—	(307)	(273)	(252)	(13)	(117)	-	-	(307)	(655)
Non-GAAP cost of revenue - services	<u>\$ 4,774</u>	<u>\$ 4,605</u>	<u>\$ 5,099</u>	<u>\$ 4,799</u>	<u>\$ 4,570</u>	<u>\$ 4,901</u>	<u>\$ 4,994</u>	<u>\$ 4,275</u>	<u>\$ 16,406</u>	<u>\$ 17,631</u>	<u>\$ 19,278</u>	<u>\$ 18,740</u>
GAAP total cost of revenue	\$ 12,142	\$ 11,422	\$ 13,123	\$ 13,461	\$ 12,499	\$ 13,630	\$ 13,194	\$ 14,182	\$ 51,896	\$ 48,881	\$ 50,148	\$ 53,505
Stock-based compensation	(501)	(297)	(459)	(385)	(641)	(303)	(391)	(398)	(1,602)	(1,592)	(1,641)	(1,733)
Global distribution center transition expense	—	—	—	(307)	(273)	(252)	(13)	(117)	-	-	(307)	(655)
Non-GAAP total cost of revenue	<u>\$ 11,641</u>	<u>\$ 11,125</u>	<u>\$ 12,664</u>	<u>\$ 12,769</u>	<u>\$ 11,585</u>	<u>\$ 13,075</u>	<u>\$ 12,790</u>	<u>\$ 13,667</u>	<u>\$ 50,294</u>	<u>\$ 47,289</u>	<u>\$ 48,200</u>	<u>\$ 51,117</u>
GAAP gross profit	\$ 41,622	\$ 41,078	\$ 43,485	\$ 49,194	\$ 42,344	\$ 45,538	\$ 52,166	\$ 56,489	\$ 180,327	\$ 163,747	\$ 175,379	\$ 196,537
Stock-based compensation	501	297	459	385	641	303	391	398	1,602	1,592	1,641	1,733
Global distribution center transition expense	—	—	—	307	273	252	13	117	-	-	307	655
Non-GAAP gross profit	<u>\$ 42,123</u>	<u>\$ 41,375</u>	<u>\$ 43,944</u>	<u>\$ 49,886</u>	<u>\$ 43,258</u>	<u>\$ 46,093</u>	<u>\$ 52,570</u>	<u>\$ 57,004</u>	<u>\$ 181,929</u>	<u>\$ 165,339</u>	<u>\$ 177,327</u>	<u>\$ 198,925</u>
GAAP sales & marketing expense	\$ 20,621	\$ 18,476	\$ 18,556	\$ 20,079	\$ 19,092	\$ 19,749	\$ 21,354	\$ 25,456	\$ 103,214	\$ 92,783	\$ 77,732	\$ 85,651
Stock-based compensation	(1,051)	(679)	(998)	(715)	(1,378)	(827)	(1,199)	(1,150)	(5,667)	(5,915)	(3,444)	(4,554)
Global distribution center transition expense	—	—	—	—	—	—	(1)	(691)	—	—	—	(692)
Litigation settlement and investigation expense	—	—	—	—	—	—	—	—	—	(123)	—	—
Non-GAAP sales & marketing expense	<u>\$ 19,570</u>	<u>\$ 17,797</u>	<u>\$ 17,558</u>	<u>\$ 19,364</u>	<u>\$ 17,714</u>	<u>\$ 18,922</u>	<u>\$ 20,154</u>	<u>\$ 23,615</u>	<u>\$ 97,547</u>	<u>\$ 86,745</u>	<u>\$ 74,288</u>	<u>\$ 80,405</u>
GAAP research & development	\$ 15,315	\$ 13,450	\$ 13,694	\$ 15,604	\$ 13,981	\$ 13,491	\$ 13,578	\$ 13,027	\$ 65,157	\$ 61,824	\$ 58,063	\$ 54,077
Stock-based compensation	(1,548)	(1,038)	(1,285)	(1,198)	(1,607)	(668)	(993)	(1,013)	(6,631)	(6,390)	(5,069)	(4,281)
Global distribution center transition expense	—	—	—	(1,515)	(1,572)	(715)	-	(358)	-	-	(1,515)	(2,645)
Amortization expense related to acquisition	(253)	(253)	(253)	(252)	(253)	(252)	-	-	(1,010)	(1,012)	(1,011)	(1)
Non-GAAP research & development	<u>\$ 13,514</u>	<u>\$ 12,159</u>	<u>\$ 12,156</u>	<u>\$ 12,639</u>	<u>\$ 10,549</u>	<u>\$ 11,856</u>	<u>\$ 12,585</u>	<u>\$ 11,656</u>	<u>\$ 57,516</u>	<u>\$ 54,423</u>	<u>\$ 50,468</u>	<u>\$ 46,646</u>
GAAP general & administrative expense	\$ 5,895	\$ 5,237	\$ 4,994	\$ 5,725	\$ 5,247	\$ 5,082	\$ 6,931	\$ 6,161	\$ 39,635	\$ 23,704	\$ 21,851	\$ 23,421
Stock-based compensation	(141)	(1,061)	(812)	(649)	(994)	(814)	(1,618)	(1,037)	(3,138)	(2,891)	(2,663)	(4,463)
Litigation settlement and investigation expense	(30)	—	—	—	—	—	—	—	(10,496)	1,188	(30)	-
Global distribution center transition expense	—	—	—	(1,062)	(66)	(69)	15	(951)	—	—	(1,062)	(1,071)
Transition facilities expense	(795)	—	—	—	—	—	—	—	—	(425)	(795)	-
Non-GAAP general & administrative expense	<u>\$ 4,929</u>	<u>\$ 4,176</u>	<u>\$ 4,182</u>	<u>\$ 4,014</u>	<u>\$ 4,187</u>	<u>\$ 4,199</u>	<u>\$ 5,328</u>	<u>\$ 4,173</u>	<u>\$ 26,001</u>	<u>\$ 21,576</u>	<u>\$ 17,301</u>	<u>\$ 17,887</u>
GAAP restructuring expense	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,530	\$ —	\$ —
Restructuring expense	—	—	—	—	—	—	—	—	—	(2,530)	—	—
Non-GAAP restructuring expense	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

A10 NETWORKS, INC.
Reconciliation of Selected GAAP to Non-GAAP Financial Measures
(unaudited, in thousands, except per share data)

	Three Months Ended								Years Ended			
	Mar. 31, 2020	Jun. 30, 2020	Sep. 30, 2020	Dec. 31, 2020	Mar. 31, 2021	Jun. 30, 2021	Sep. 30, 2021	Dec. 31, 2021	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021
GAAP total operating expenses	\$ 41,831	\$ 37,163	\$ 37,244	\$ 41,408	\$ 38,320	\$ 38,322	\$ 41,863	\$ 44,644	\$ 208,006	\$ 180,841	\$ 157,646	\$ 163,149
Stock-based compensation	(2,740)	(2,778)	(3,095)	(2,562)	(3,979)	(2,309)	(3,810)	(3,200)	(15,436)	(15,197)	(11,176)	(13,298)
Amortization expense related to acquisition	(253)	(253)	(253)	(252)	(253)	(252)	—	—	(1,010)	(1,012)	(1,011)	(505)
Litigation settlement and investigation expense	(30)	—	—	—	—	—	—	—	(10,496)	1,066	(30)	-
Transition facilities expense	(795)	—	—	—	—	—	—	—	—	(425)	(795)	-
Global distribution center transition expense	—	—	—	(2,577)	(1,638)	(784)	14	(2,000)	—	—	(2,577)	(4,408)
Restructuring expense	—	—	—	—	—	—	—	—	—	(2,530)	—	-
Non-GAAP total operating expenses	<u>\$ 38,013</u>	<u>\$ 34,132</u>	<u>\$ 33,896</u>	<u>\$ 36,017</u>	<u>\$ 32,450</u>	<u>\$ 34,977</u>	<u>\$ 38,067</u>	<u>\$ 39,444</u>	<u>\$ 181,064</u>	<u>\$ 162,743</u>	<u>\$ 142,057</u>	<u>\$ 144,938</u>
GAAP income (loss) from operations	\$ (209)	\$ 3,915	\$ 6,241	\$ 7,786	\$ 4,024	\$ 7,216	\$ 10,303	\$ 11,845	\$ (27,679)	\$ (17,094)	\$ 17,733	\$ 33,388
Stock-based compensation	3,241	3,075	3,554	2,947	4,620	2,612	4,201	3,598	17,038	16,790	12,817	15,031
Amortization expense related to acquisition	253	253	253	252	253	252	—	—	1,010	1,012	1,011	505
Litigation settlement and investigation expense	30	—	—	—	—	—	—	—	10	(1,066)	30	-
Global distribution center transition expense	—	—	—	2,884	1,911	1,036	(1)	2,117	—	—	2,884	5,063
Restructuring expense	—	—	—	—	—	—	—	—	—	2,530	—	-
Transition facilities expense	795	—	—	—	—	—	—	—	—	425	795	-
Non-GAAP income (loss) from operations	<u>4,110</u>	<u>7,243</u>	<u>10,048</u>	<u>13,869</u>	<u>10,808</u>	<u>11,116</u>	<u>14,503</u>	<u>17,560</u>	<u>865</u>	<u>\$ 2,597</u>	<u>\$ 35,270</u>	<u>\$ 53,987</u>
GAAP Provision for income taxes	\$ 319	\$ 334	\$ 256	\$ 414	\$ 184	\$ 488	\$ (64,781)	\$ 864	\$ 1,082	\$ 1,407	\$ 1,323	\$ (63,245)
Tax from restructuring expense	—	—	—	—	—	—	—	—	—	(146)	—	-
Release of DTA valuation allowance	—	—	—	—	—	—	65,417	—	—	—	—	65,417
Non-GAAP provision for income Taxes	<u>\$ 319</u>	<u>\$ 334</u>	<u>\$ 256</u>	<u>\$ 414</u>	<u>\$ 184</u>	<u>\$ 488</u>	<u>\$ 636</u>	<u>\$ 864</u>	<u>\$ 1,082</u>	<u>\$ 1,261</u>	<u>\$ 1,323</u>	<u>\$ 2,172</u>
GAAP net income (loss)	\$ (297)	\$ 3,808	\$ 6,464	\$ 7,841	\$ 2,657	\$ 6,616	\$ 74,886	\$ 10,728	\$ (27,617)	\$ (17,819)	\$ 17,816	\$ 94,887
Stock-based compensation	3,241	3,075	3,554	2,947	4,620	2,612	4,201	3,598	17,038	16,790	12,817	15,031
Amortization expense related to acquisition	253	253	253	252	253	252	-	-	1,010	1,012	1,011	505
Litigation settlement and investigation expense	30	—	—	—	—	—	—	—	10	(1,066)	30	-
Global distribution center transition expense	—	—	—	2,884	1,911	1,036	(1)	2,117	—	—	2,884	5,063
Restructuring expense, and related tax	—	—	—	—	—	—	—	—	—	2,676	—	-
Transition facilities expense	795	—	—	—	—	—	—	—	—	425	795	-
Release of DTA valuation allowance	—	—	—	—	—	—	(65,417)	-	—	—	—	(65,417)
Non-GAAP net income (loss)	<u>\$ 4,022</u>	<u>\$ 7,136</u>	<u>\$ 10,271</u>	<u>\$ 13,924</u>	<u>\$ 9,441</u>	<u>\$ 10,516</u>	<u>\$ 13,669</u>	<u>\$ 16,443</u>	<u>\$ 927</u>	<u>\$ 2,018</u>	<u>\$ 35,353</u>	<u>\$ 50,069</u>
Non-GAAP net income (loss) per share:												
Basic	\$ 0.05	\$ 0.09	\$ 0.13	\$ 0.18	\$ 0.12	\$ 0.14	\$ 0.18	\$ 0.21	\$ 0.01	\$ 0.03	\$ 0.45	\$ 0.65
Diluted	\$ 0.05	\$ 0.09	\$ 0.13	\$ 0.18	\$ 0.12	\$ 0.13	\$ 0.17	\$ 0.20	\$ 0.01	\$ 0.03	\$ 0.44	\$ 0.63
Weighted-average shares used in computing Non-GAAP net income (loss) per share:												
Basic	78,061	78,178	78,235	76,638	76,704	76,774	77,149	77,548	72,882	76,080	77,776	77,046
Diluted	79,747	79,982	80,424	78,775	79,636	79,316	79,927	80,316	75,222	78,487	80,019	80,037