

Juniper Networks, Inc.
GAAP to Non-GAAP Reconciliations
(in millions, except percentages and per share amounts)
(unaudited)

| | Q3'15 | Q2'15 | Q3'14 |
|---|-----------------|-----------------|-----------------|
| GAAP operating expenses | \$ 539.4 | \$ 538.4 | \$ 542.4 |
| GAAP operating expenses % of revenue | 43.2% | 44.1% | 48.2% |
| Share-based compensation expense | (52.0) | (53.6) | (60.4) |
| Share-based payroll tax expense | (0.6) | (1.6) | (1.9) |
| Amortization of purchased intangible assets | (0.9) | (0.9) | (1.4) |
| Restructuring and other benefits | — | 1.9 | 15.0 |
| Divestiture-related charges | — | — | (1.0) |
| Other | (0.5) | (0.5) | — |
| Non-GAAP operating expenses | <u>\$ 485.4</u> | <u>\$ 483.7</u> | <u>\$ 492.7</u> |
| Non-GAAP operating expenses % of revenue | 38.9% | 39.6% | 43.8% |
| GAAP operating income | \$ 258.0 | \$ 243.1 | \$ 172.4 |
| GAAP operating margin | 20.7% | 19.9% | 15.3% |
| Share-based compensation expense | 56.5 | 58.9 | 65.3 |
| Share-based payroll tax expense | 0.7 | 2.0 | 2.3 |
| Amortization of purchased intangible assets | 5.6 | 5.6 | 8.5 |
| Restructuring and other benefits | (3.5) | (1.9) | (15.0) |
| Memory-related, supplier component remediation charge | — | — | 7.0 |
| Divestiture-related charges | — | — | 1.0 |
| Other | 0.5 | 0.5 | — |
| Non-GAAP operating income | <u>\$ 317.8</u> | <u>\$ 308.2</u> | <u>\$ 241.5</u> |
| Non-GAAP operating margin | 25.5% | 25.2% | 21.5% |
| GAAP income tax provision | \$ 51.9 | \$ 68.0 | \$ 62.0 |
| GAAP income tax rate | 20.8% | 30.1% | 37.4% |
| Income tax effect of non-GAAP exclusions | 22.4 | 10.8 | (0.8) |
| Non-GAAP provision for income tax | <u>\$ 74.3</u> | <u>\$ 78.8</u> | <u>\$ 61.2</u> |
| Non-GAAP income tax rate | 25.1% | 27.4% | 27.0% |
| GAAP net income | \$ 197.7 | \$ 158.0 | \$ 103.6 |
| Share-based compensation expense | 56.5 | 58.9 | 65.3 |
| Share-based payroll tax expense | 0.7 | 2.0 | 2.3 |
| Amortization of purchased intangible assets | 5.6 | 5.6 | 8.5 |
| Restructuring and other benefits | (3.5) | (1.9) | (15.0) |
| Memory-related, supplier component remediation charge | — | — | 7.0 |
| Divestiture-related charges | — | — | 1.0 |
| (Gain) loss on equity investments | (7.3) | — | 1.6 |
| Gain on legal/contract settlement, net | (4.0) | — | (10.8) |
| Income tax effect of non-GAAP exclusions | (22.4) | (10.8) | 0.8 |
| Other | (1.6) | (3.0) | 1.1 |
| Non-GAAP net income | <u>\$ 221.7</u> | <u>\$ 208.8</u> | <u>\$ 165.4</u> |
| GAAP diluted net income per share | <u>\$ 0.51</u> | <u>\$ 0.40</u> | <u>\$ 0.23</u> |
| Non-GAAP diluted net income per share | <u>\$ 0.57</u> | <u>\$ 0.53</u> | <u>\$ 0.36</u> |
| Shares used in computing diluted net income per share | <u>389.2</u> | <u>397.2</u> | <u>454.8</u> |