





















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

	Q2'15	Q1'15	Q2'14
GAAP operating expenses	\$ 538.4	\$ 525.5	\$ 632.3
GAAP operating expenses % of revenue	44.1%	49.2%	51.4%
Share-based compensation expense	(53.6)	(40.9)	(54.9)
Share-based payroll tax expense	(1.6)	(2.4)	(2.1)
Amortization of purchased intangible assets	(0.9)	(1.1)	(1.4)
Restructuring and other (credit) charges	1.9	(1.4)	(58.2)
Professional services related to non-routine stockholder matters	—	(3.0)	(0.4)
Other	(0.5)	—	(0.1)
Non-GAAP operating expenses	<u>\$ 483.7</u>	<u>\$ 476.7</u>	<u>\$ 515.2</u>
Non-GAAP operating expenses % of revenue	39.6%	44.7%	41.9%
GAAP operating income	\$ 243.1	\$ 131.8	\$ 115.9
GAAP operating margin	19.9%	12.3%	9.4%
Share-based compensation expense	58.9	46.0	59.3
Share-based payroll tax expense	2.0	2.9	2.7
Amortization of purchased intangible assets	5.6	11.9	9.8
Restructuring and other (credit) charges	(1.9)	1.4	72.0
Memory-related, supplier component remediation charge	—	—	13.7
Professional services related to non-routine stockholder matters	—	3.0	0.4
Other	0.5	—	0.1
Non-GAAP operating income	<u>\$ 308.2</u>	<u>\$ 197.0</u>	<u>\$ 273.9</u>
Non-GAAP operating margin	25.2%	18.5%	22.3%
GAAP income tax provision	\$ 68.0	\$ 35.8	\$ 73.4
GAAP income tax rate	30.1%	30.9%	24.9%
Income tax effect of non-GAAP exclusions	10.8	12.7	(6.5)
Non-GAAP provision for income tax	<u>\$ 78.8</u>	<u>\$ 48.5</u>	<u>\$ 66.9</u>
Non-GAAP income tax rate	27.4%	26.9%	26.0%
GAAP net income	\$ 158.0	\$ 80.2	\$ 221.1
Share-based compensation expense	58.9	46.0	59.3
Share-based payroll tax expense	2.0	2.9	2.7
Amortization of purchased intangible assets	5.6	11.9	9.8
Restructuring and other (credit) charges	(1.9)	1.4	72.0
Memory-related, supplier component remediation charge	—	—	13.7
Professional services related to non-routine stockholder matters	—	3.0	0.4
Other	(3.0)	(1.1)	0.1
Gain on legal settlement, net	—	—	(195.3)
Income tax effect of non-GAAP exclusions	(10.8)	(12.7)	6.5
Non-GAAP net income	<u>\$ 208.8</u>	<u>\$ 131.6</u>	<u>\$ 190.3</u>
GAAP diluted net income per share	<u>\$ 0.40</u>	<u>\$ 0.19</u>	<u>\$ 0.46</u>
Non-GAAP diluted net income per share	<u>\$ 0.53</u>	<u>\$ 0.32</u>	<u>\$ 0.40</u>
Shares used in computing diluted net income per share	<u>397.2</u>	<u>414.2</u>	<u>476.5</u>