

**Catapult Communications Corporation**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands)  
(Unaudited)

	<u>March 31,</u> <u>2007</u>	<u>September 30,</u> <u>2006</u>
<b>ASSETS</b>		
Current Assets:		
Cash, cash equivalents and short-term investments	\$ 67,251	\$ 70,134
Accounts receivable, net	8,598	9,696
Inventories	3,522	3,484
Other current assets	1,798	1,677
Total current assets	<u>81,169</u>	<u>84,991</u>
Property and equipment, net	1,828	1,912
Goodwill and other intangibles	49,574	49,610
Other assets	3,072	294
Total assets	<u>\$ 135,643</u>	<u>\$ 136,807</u>
 <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 5,042	\$ 4,592
Deferred revenue	7,959	7,703
Total current liabilities	<u>13,001</u>	<u>12,295</u>
Deferred revenue, long-term portion	294	256
Deferred taxes and other liabilities, long-term	3,922	2,524
Total liabilities	<u>17,217</u>	<u>15,075</u>
Total stockholders' equity	<u>118,426</u>	<u>121,732</u>
Total liabilities and stockholders' equity	<u>\$ 135,643</u>	<u>\$ 136,807</u>

**Catapult Communications Corporation**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share amounts)  
**(Unaudited)**

	For the three months ended March 31,		For the six months ended March 31,	
	2007	2006	2007	2006
Revenues:				
Products	\$ 6,069	\$ 6,914	\$ 12,625	\$ 15,448
Services	3,524	3,749	7,535	7,317
Total revenues	<u>9,593</u>	<u>10,663</u>	<u>20,160</u>	<u>22,765</u>
Cost of revenues:				
Products	1,290	1,245	2,418	2,433
Services	748	956	1,602	2,018
Amortization of purchased technology	12	172	24	343
Total cost of revenues	<u>2,050</u>	<u>2,373</u>	<u>4,044</u>	<u>4,794</u>
Gross profit	<u>7,543</u>	<u>8,290</u>	<u>16,116</u>	<u>17,971</u>
Operating expenses:				
Research and development	3,270	3,433	6,285	6,515
Sales and marketing	3,941	4,154	8,232	8,782
General and administrative	2,194	2,321	4,478	4,748
Total operating expenses	<u>9,405</u>	<u>9,908</u>	<u>18,995</u>	<u>20,045</u>
Operating loss	(1,862)	(1,618)	(2,879)	(2,074)
Interest income	840	620	1,647	1,240
Other income, net	1,835	40	1,828	53
Income (loss) before income taxes	813	(958)	596	(781)
Provision (benefit) for income taxes	749	(169)	976	(135)
Net income (loss)	<u>\$ 64</u>	<u>\$ (789)</u>	<u>\$ (380)</u>	<u>\$ (646)</u>
Net income (loss) per share:				
Basic	<u>\$ 0.00</u>	<u>\$ (0.05)</u>	<u>\$ (0.03)</u>	<u>\$ (0.04)</u>
Diluted	<u>\$ 0.00</u>	<u>\$ (0.05)</u>	<u>\$ (0.03)</u>	<u>\$ (0.04)</u>
Shares used in per share calculation:				
Basic	<u>13,970</u>	<u>14,784</u>	<u>14,037</u>	<u>14,763</u>
Diluted	<u>14,025</u>	<u>14,784</u>	<u>14,037</u>	<u>14,763</u>