

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

	For the three months ended December 31,	
	<u>2007</u>	<u>2006</u>
Revenues:		
Products	\$ 6,770	\$ 6,556
Services	3,531	4,011
Total revenues	<u>10,301</u>	<u>10,567</u>
Cost of revenues:		
Products	1,248	1,128
Services	798	854
Amortization of purchased technology	12	12
Total cost of revenues	<u>2,058</u>	<u>1,994</u>
Gross profit	<u>8,243</u>	<u>8,573</u>
Operating expenses:		
Research and development	3,553	3,015
Sales and marketing	4,345	4,291
General and administrative	2,172	2,284
Total operating expenses	<u>10,070</u>	<u>9,590</u>
Operating loss	(1,827)	(1,017)
Interest income	744	807
Other income (expense), net	<u>130</u>	<u>(7)</u>
Loss before income taxes	(953)	(217)
Provision for income taxes	218	227
Net loss	<u>\$ (1,171)</u>	<u>\$ (444)</u>
Net loss per share:		
Basic and diluted	<u>\$ (0.09)</u>	<u>\$ (0.03)</u>
Shares used in per share calculation:		
Basic and diluted	<u>13,373</u>	<u>14,103</u>

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

	<u>December 31,</u> <u>2007</u>	<u>September 30,</u> <u>2007</u>
ASSETS		
Current Assets:		
Cash, cash equivalents and short-term investments	\$ 59,171	\$ 62,242
Accounts receivable, net	8,235	7,015
Inventories	2,201	2,485
Other current assets	<u>2,002</u>	<u>1,863</u>
Total current assets	71,609	73,605
Property and equipment, net	1,558	1,585
Goodwill and other intangibles	49,519	49,537
Other assets	<u>2,243</u>	<u>2,243</u>
Total assets	<u><u>\$ 124,929</u></u>	<u><u>\$ 126,970</u></u>
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 4,246	\$ 5,573
Deferred revenue	<u>5,927</u>	<u>6,206</u>
Total current liabilities	10,173	11,779
Deferred revenue, long-term	166	406
Deferred taxes and other liabilities, long-term	<u>4,477</u>	<u>3,009</u>
Total liabilities	14,816	15,194
Total stockholders' equity	<u>110,113</u>	<u>111,776</u>
Total liabilities and stockholders' equity	<u><u>\$ 124,929</u></u>	<u><u>\$ 126,970</u></u>