

AVOCENT CORPORATION
Condensed Consolidated Statements of Operations
(Unaudited, in thousands, except per share data)

For the Quarter Ended December 31, 2004

	Operational	Adjustments *	GAAP
Net sales	\$ 100,049		\$ 100,049
Cost of sales	41,021		41,021
Gross profit	59,028		59,028
Research and development expenses	12,248	\$ 677	12,925
Selling, general and administrative expenses	20,381	864	21,245
Amortization of intangible assets	-	6,623	6,623
Operating income	26,399	(8,164)	18,235
Other income (expense), net	1,613	(3,464)	(1,851)
Income before income taxes	28,012	(11,628)	16,384
Provision for income taxes	7,363	(3,046)	4,317
Net income	<u>\$ 20,649</u>	<u>\$ (8,582)</u>	<u>\$ 12,067</u>
Earnings per share:			
Basic	\$ 0.41		\$ 0.24
Diluted	\$ 0.40		\$ 0.23
Weighted average shares and common equivalents outstanding:			
Basic	49,874	-	49,874
Diluted	51,553	(78)	51,475

For the Quarter Ended December 31, 2003

	Operational	Adjustments *	GAAP
Net sales	\$ 85,982		\$ 85,982
Cost of sales	37,916	\$ 95	38,011
Gross profit	48,066	(95)	47,971
Research and development expenses	8,038	186	8,224
Acquired in-process research and development expense	-	3,940	3,940
Selling, general and administrative expenses	18,155	622	18,777
Amortization of intangible assets	-	4,754	4,754
Operating income	21,873	(9,597)	12,276
Other income (expense), net	1,196	(115)	1,081
Income before income taxes	23,069	(9,712)	13,357
Provision for income taxes	5,642	(1,844)	3,798
Net income	<u>\$ 17,427</u>	<u>\$ (7,868)</u>	<u>\$ 9,559</u>
Earnings per share:			
Basic	\$ 0.37		\$ 0.20
Diluted	\$ 0.36		\$ 0.20
Weighted average shares and common equivalents outstanding:			
Basic	47,020	-	47,020
Diluted	48,910	(47)	48,863

* Note: Adjustments relate to acquired in-process research and development expense from the Soronti acquisition and amortization of deferred compensation (from the capitalization of the value of stock options assumed) and intangibles recorded as the result of the merger of Apex and Cybex in July 2000 and the acquisitions of Equinox, 2C, Soronti, Crystal Link, OSA and Sonic Mobility. Adjustments in 2004 include a write-down of investments in two privately held companies. The calculation of weighted average shares and common equivalents outstanding differs due to excluding the average unamortized deferred compensation expense in calculating the operational diluted shares outstanding.

AVOCENT CORPORATION
Condensed Consolidated Balance Sheets
(Dollars in thousands)

	December 31, 2004 (Unaudited)	December 31, 2003	
Cash, cash equivalents and short-term investments	\$ 239,799	\$ 223,392	
Accounts receivable, net	60,948	45,011	
Current and deferred income tax receivable	7,095	5,031	
Other receivables, net	566	225	
Inventories, net	21,232	21,324	
Other current assets	4,982	4,251	
Total current assets	<u>334,622</u>	<u>299,234</u>	
Investments	91,547	84,410	
Property and equipment, net	39,896	38,473	
Goodwill, net	269,892	206,037	
Intangible assets, net	33,981	31,889	
Other assets	843	720	
Total assets	<u>\$ 770,781</u>	<u>\$ 660,763</u>	
Accounts payable and other accrued expenses	\$ 21,368	\$ 19,154	
Income tax payable	8,494	6,702	
Other current liabilities	17,726	16,866	
Total current liabilities	<u>47,588</u>	<u>42,722</u>	
Non-current liabilities	9,896	10,884	
Total stockholders' equity	713,297	607,157	
Total liabilities and stockholders' equity	<u>\$ 770,781</u>	<u>\$ 660,763</u>	