### F5 Networks, Inc.
**Consolidated Statements of Cash Flows**
(unaudited, in thousands)

<table>
<thead>
<tr>
<th>Three Months Ended December 31,</th>
<th>2017</th>
<th>2016</th>
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</thead>
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#### Operating activities

- **Net income:** $88,429 $94,218
- **Adjustments to reconcile net income to net cash provided by operating activities:**
  - Realized loss on disposition of assets and investments: $49 $30
  - Stock-based compensation: $40,948 $46,611
  - Provisions for doubtful accounts and sales returns: $593 $291
  - Depreciation and amortization: $15,180 $14,887
  - Deferred income taxes: $14,226 $(2,945)

#### Changes in operating assets and liabilities:

- Accounts receivable: $238 $(45,327)
- Inventories: $722 $374
- Other current assets: $11,517 $(306)
- Other assets: $(696) $391
- Accounts payable and accrued liabilities: $(8,216) $37,082
- Deferred revenue: $26,967 $44,006

- **Net cash provided by operating activities:** $189,957 $189,312

#### Investing activities

- **Purchases of investments:** $(238,632) $(98,983)
- **Maturities of investments:** $113,771 $105,744
- **Sales of investments:** $9,248 $11,211
- **(Increase) decrease in restricted cash:** $(21) $32
- **Cash provided by sale of fixed asset:** $1,000 
- **Acquisition of intangible assets:** 
- **Purchases of property and equipment:** $(6,491) $(4,000)

- **Net cash used in investing activities:** $(121,125) $(129,133)

#### Financing activities

- **Excess tax benefit from stock-based compensation:** 
- **Proceeds from the exercise of stock options and purchases of stock under employee stock purchase plan:** $19,915 $18,836
- **Repurchase of common stock:** $(150,025) $(150,021)

- **Net cash used in financing activities:** $(130,110) $(128,245)

- **Net (decrease) increase in cash and cash equivalents:** $(61,278) $60,938
- **Effect of exchange rate changes on cash and cash equivalents:** 46 (2,575)
- **Cash and cash equivalents, beginning of period:** $673,228 $514,571
- **Cash and cash equivalents, end of period:** $611,996 $572,934