

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

	Nine Months Ended June 30,	
	2021	2020
Operating activities		
Net income.....	\$ 220,523	\$ 229,778
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation.....	182,757	149,315
Depreciation and amortization.....	84,985	69,337
Non-cash operating lease costs.....	28,937	29,731
Deferred income taxes.....	(78,092)	4,357
Impairment of assets.....	40,698	-
Non-cash provisions for exit costs.....	-	-
Other.....	604	168
Changes in operating assets and liabilities:		
Accounts receivable.....	(88,685)	38,024
Inventories.....	5,249	5,575
Other current assets.....	(32,670)	(33,572)
Other assets.....	(58,565)	(5,659)
Accounts payable and accrued liabilities.....	13,586	(1,538)
Deferred revenue.....	167,199	37,934
Lease liabilities.....	(38,383)	(38,456)
Net cash provided by operating activities.....	<u>448,143</u>	<u>484,994</u>
Investing activities		
Purchases of investments.....	(255,259)	(390,696)
Maturities of investments.....	164,900	322,271
Sales of investments.....	271,521	309,040
Acquisition of businesses, net of cash acquired.....	(411,319)	(955,574)
Purchases of property and equipment.....	(23,534)	(47,857)
Net cash used in investing activities.....	<u>(253,691)</u>	<u>(762,816)</u>
Financing activities		
Proceeds from the exercise of stock options and purchases of stock under employee stock purchase plan.....	64,698	51,999
Repurchase of common stock.....	(500,000)	(50,009)
Proceeds from term debt agreement.....	-	400,000
Payments on term debt agreement.....	(15,000)	(5,000)
Payments for debt issuance costs.....	-	(3,040)
Taxes paid related to net share settlement of equity awards.....	(10,920)	-
Net cash (used in) provided by financing activities.....	<u>(461,222)</u>	<u>393,950</u>
Net (decrease) increase in cash, cash equivalents and restricted cash.....	(266,770)	116,128
Effect of exchange rate changes on cash, cash equivalents and restricted cash.....	1,107	(856)
Cash, cash equivalents and restricted cash, beginning of period.....	852,826	602,254
Cash, cash equivalents and restricted cash, end of period.....	<u>\$ 587,163</u>	<u>\$ 717,526</u>
Supplemental disclosures of cash flow information		
Cash paid for amounts included in the measurement of lease liabilities.....	\$ 46,178	\$ 45,399
Cash paid for interest on long-term debt.....	\$ 4,003	\$ 4,330
Supplemental disclosures of non-cash activities		
Right-of-use assets obtained in exchange for lease obligations.....	\$ 11,622	\$ 399,203