

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

	Six Months Ended March 31,	
	2021	2020
Operating activities		
Net income.....	\$ 130,919	\$ 159,906
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation.....	121,289	98,447
Depreciation and amortization.....	56,185	43,112
Non-cash operating lease costs.....	19,415	18,970
Deferred income taxes.....	(17,962)	5,353
Impairment of assets.....	40,698	-
Non-cash provisions for exit costs.....	-	-
Other.....	105	54
Changes in operating assets and liabilities:		
Accounts receivable.....	(79,649)	4,317
Inventories.....	3,327	3,459
Other current assets.....	(32,939)	(19,603)
Other assets.....	(29,066)	(4,298)
Accounts payable and accrued liabilities.....	(14,529)	(1,936)
Deferred revenue.....	93,493	43,987
Lease liabilities.....	<u>(25,447)</u>	<u>(25,948)</u>
Net cash provided by operating activities.....	<u>265,839</u>	<u>325,820</u>
Investing activities		
Purchases of investments.....	(65,725)	(195,123)
Maturities of investments.....	126,711	237,892
Sales of investments.....	269,986	232,255
Acquisition of businesses, net of cash acquired.....	(411,319)	(955,574)
Purchases of property and equipment.....	<u>(14,090)</u>	<u>(35,463)</u>
Net cash used in investing activities.....	<u>(94,437)</u>	<u>(716,013)</u>
Financing activities		
Proceeds from the exercise of stock options and purchases of stock under employee stock purchase plan.....	28,687	21,443
Repurchase of common stock.....	<u>(500,000)</u>	<u>(50,009)</u>
Proceeds from term debt agreement.....	-	400,000
Payments on term debt agreement.....	(10,000)	-
Payments for debt issuance costs.....	-	(3,040)
Taxes paid related to net share settlement of equity awards.....	<u>(7,928)</u>	<u>-</u>
Net cash (used in) provided by financing activities.....	<u>(489,241)</u>	<u>368,394</u>
Net decrease in cash, cash equivalents and restricted cash.....	(317,839)	(21,799)
Effect of exchange rate changes on cash, cash equivalents and restricted cash.....	494	(1,090)
Cash, cash equivalents and restricted cash, beginning of period.....	852,826	602,254
Cash, cash equivalents and restricted cash, end of period.....	<u>\$ 535,481</u>	<u>\$ 579,365</u>
Supplemental disclosures of cash flow information		
Cash paid for amounts included in the measurement of lease liabilities.....	\$ 30,809	\$ 30,067
Cash paid for interest on long-term debt.....	2,724	\$ 2,089
Supplemental disclosures of non-cash activities		
Right-of-use assets obtained in exchange for lease obligations.....	\$ 9,523	\$ 399,203