

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

| | Years Ended September 30, | |
|--|------------------------------|-------------------|
| | 2022 | 2021 |
| Operating activities | | |
| Net income..... | \$ 322,160 | \$ 331,241 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Stock-based compensation..... | 249,216 | 243,279 |
| Depreciation and amortization..... | 115,609 | 115,424 |
| Non-cash operating lease costs..... | 38,735 | 38,375 |
| Deferred income taxes..... | (40,244) | (76,930) |
| Impairment of assets..... | 6,175 | 40,698 |
| Non-cash provisions for exit costs..... | - | - |
| Other..... | 1,267 | 737 |
| Changes in operating assets and liabilities (excluding effects of the acquisition of businesses): | | |
| Accounts receivable..... | (130,605) | (46,289) |
| Inventories..... | (46,310) | 5,843 |
| Other current assets..... | (144,628) | (84,328) |
| Other assets..... | (87,008) | (110,653) |
| Accounts payable and accrued liabilities..... | 19,163 | 22,933 |
| Deferred revenue..... | 191,147 | 216,431 |
| Lease liabilities..... | (52,046) | (51,565) |
| Net cash provided by operating activities..... | <u>442,631</u> | <u>645,196</u> |
| Investing activities | | |
| Purchases of investments..... | (61,284) | (472,165) |
| Maturities of investments..... | 260,357 | 197,279 |
| Sales of investments..... | 120,578 | 271,521 |
| Acquisition of businesses, net of cash acquired..... | (67,911) | (411,319) |
| Purchases of property and equipment..... | (33,624) | (30,651) |
| Net cash provided by (used in) investing activities..... | <u>218,116</u> | <u>(445,335)</u> |
| Financing activities | | |
| Proceeds from the exercise of stock options and purchases of stock under employee stock purchase plan..... | 64,540 | 65,752 |
| Repurchase of common stock..... | (500,023) | (500,000) |
| Proceeds from term debt agreement..... | - | - |
| Payments on term debt agreement..... | (20,000) | (20,000) |
| Payments for debt issuance costs..... | - | - |
| Taxes paid related to net share settlement of equity awards..... | (21,025) | (14,032) |
| Net cash used in financing activities..... | <u>(476,508)</u> | <u>(468,280)</u> |
| Net increase (decrease) in cash, cash equivalents and restricted cash..... | 184,239 | (268,419) |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash..... | (6,365) | (74) |
| Cash, cash equivalents and restricted cash, beginning of period..... | 584,333 | 852,826 |
| Cash, cash equivalents and restricted cash, end of period..... | <u>\$ 762,207</u> | <u>\$ 584,333</u> |
| Supplemental disclosures of cash flow information | | |
| Cash paid for taxes, net of refunds..... | \$ 110,036 | \$ 99,378 |
| Cash paid for amounts included in the measurement of lease liabilities..... | 58,592 | 61,504 |
| Cash paid for interest on long-term debt..... | 7,981 | 5,280 |
| Supplemental disclosures of non-cash activities | | |
| Right-of-use assets obtained in exchange for lease obligations..... | \$ 20,778 | \$ 13,051 |