

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

| | Six months ended | |
|---|-------------------|-------------------|
| | March 31, | |
| | 2024 | 2023 |
| Operating activities | | |
| Net income..... | \$ 257,403 | \$ 153,838 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Stock-based compensation..... | 111,143 | 126,913 |
| Depreciation and amortization..... | 57,284 | 54,817 |
| Non-cash operating lease costs..... | 16,596 | 20,231 |
| Deferred income taxes..... | (28,935) | (49,492) |
| Other..... | (2,829) | 1,878 |
| Changes in operating assets and liabilities (excluding effects of the acquisition of businesses): | | |
| Accounts receivable..... | 66,569 | (14,317) |
| Inventories..... | (33,886) | 17,620 |
| Other current assets..... | (34,398) | (43,547) |
| Other assets..... | (16,203) | 9,354 |
| Accounts payable and accrued liabilities..... | (20,930) | (59,534) |
| Deferred revenue..... | 36,855 | 102,933 |
| Lease liabilities..... | (21,714) | (22,140) |
| Net cash provided by operating activities..... | <u>386,955</u> | <u>298,554</u> |
| Investing activities | | |
| Purchases of investments..... | (1,000) | (689) |
| Maturities of investments..... | 5,420 | 95,773 |
| Sales of investments..... | - | 16,085 |
| Acquisition of businesses, net of cash acquired..... | (32,939) | (35,006) |
| Purchases of property and equipment..... | (18,503) | (23,793) |
| Net cash (used in) provided by investing activities..... | <u>(47,022)</u> | <u>52,370</u> |
| Financing activities | | |
| Proceeds from the exercise of stock options and | | |
| purchases of stock under employee stock purchase plan..... | 22,557 | 22,461 |
| Payments for repurchase of common stock..... | (250,029) | (40,005) |
| Payments on term debt agreement..... | - | (350,000) |
| Taxes paid related to net share settlement of equity awards..... | (8,667) | (9,825) |
| Net cash used in financing activities..... | <u>(236,139)</u> | <u>(377,369)</u> |
| Net increase (decrease) in cash, cash equivalents and restricted cash..... | 103,794 | (26,445) |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash..... | 1,779 | 2,979 |
| Cash, cash equivalents and restricted cash, beginning of period..... | 800,835 | 762,207 |
| Cash, cash equivalents and restricted cash, end of period..... | <u>\$ 906,408</u> | <u>\$ 738,741</u> |
| Supplemental disclosures of cash flow information | | |
| Cash paid for amounts included in the measurement of lease liabilities..... | \$ 26,169 | \$ 27,200 |
| Cash paid for interest on long-term debt..... | - | 2,970 |
| Supplemental disclosures of non-cash activities | | |
| Right-of-use assets obtained in exchange for lease obligations..... | \$ 7,267 | \$ 9,577 |