

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

	Six Months Ended March 31,	
	2020	2019
Operating activities		
Net income.....	\$ 159,906	\$ 246,992
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation.....	98,447	78,183
Depreciation and amortization.....	43,112	28,246
Non-cash operating lease costs.....	18,970	-
Other.....	54	(43)
Deferred income taxes.....	5,353	3,606
Changes in operating assets and liabilities (excluding effects of the acquisition of businesses):		
Accounts receivable.....	4,317	(24,419)
Inventories.....	3,459	(2,895)
Other current assets.....	(19,603)	(35,735)
Other assets.....	(4,298)	2,683
Accounts payable and accrued liabilities.....	(1,936)	16,746
Deferred revenue.....	43,987	78,046
Lease liabilities.....	(25,948)	-
Net cash provided by operating activities.....	325,820	391,410
Investing activities		
Purchases of investments.....	(195,123)	(211,087)
Maturities of investments.....	237,892	351,600
Sales of investments.....	232,255	2,499
Acquisition of businesses, net of cash acquired.....	(955,574)	-
Purchases of property and equipment.....	(35,463)	(50,056)
Net cash used in investing activities.....	(716,013)	92,956
Financing activities		
Proceeds from the exercise of stock options and purchases of stock under employee stock purchase plan.....	21,443	18,900
Repurchase of common stock.....	(50,009)	(201,045)
Proceeds from Term Debt Agreement.....	400,000	-
Payments for debt issuance costs.....	(3,040)	-
Net cash provided by (used in) financing activities.....	368,394	(182,145)
Net increase in cash, cash equivalents and restricted cash.....	(21,799)	302,221
Effect of exchange rate changes on cash and cash equivalents.....	(1,090)	(265)
Cash, cash equivalents and restricted cash, beginning of period.....	602,254	425,894
Cash, cash equivalents and restricted cash, end of period.....	\$ 579,365	\$ 727,850