

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

	Nine Months Ended June 30,	
	2013	2012
Operating activities		
Net income.....	\$ 201,083	\$ 207,469
Adjustments to reconcile net income to net cash provided by operating activities:		
Realized (gain) loss on disposition of assets and investments.....	(190)	552
Stock-based compensation.....	82,181	69,005
Provisions for doubtful accounts and sales returns.....	584	1,061
Depreciation and amortization.....	29,705	24,987
Deferred income taxes.....	(3,601)	(1,057)
Changes in operating assets and liabilities, net of amounts acquired:		
Accounts receivable.....	(20,550)	(28,229)
Inventories.....	(850)	111
Other current assets.....	(18,069)	(13,852)
Other assets.....	1,517	(244)
Accounts payable and accrued liabilities.....	7,420	(3,089)
Deferred revenue.....	72,468	90,168
Net cash provided by operating activities.....	351,698	346,882
Investing activities		
Purchases of investments.....	(744,557)	(780,493)
Maturities of investments.....	509,381	584,085
Sales of investments.....	138,171	76,444
Increase in restricted cash.....	(713)	(30)
Acquisition of intangible assets.....	-	(250)
Acquisition of businesses, net of cash acquired.....	(124,918)	(128,335)
Purchases of property and equipment.....	(21,434)	(18,544)
Net cash used in investing activities.....	(244,070)	(267,123)
Financing activities		
Excess tax benefit from stock-based compensation.....	3,656	9,426
Proceeds from the exercise of stock options and purchases of stock under employee stock purchase plan.....	29,405	24,942
Repurchase of common stock.....	(150,000)	(134,776)
Net cash used in financing activities.....	(116,939)	(100,408)
Net decrease in cash and cash equivalents.....	(9,311)	(20,649)
Effect of exchange rate changes on cash and cash equivalents.....	(3,590)	(528)
Cash and cash equivalents, beginning of period.....	211,181	216,784
Cash and cash equivalents, end of period.....	\$ 198,280	\$ 195,607