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

<table>
<thead>
<tr>
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<th>Years Ended September 30,</th>
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<tbody>
<tr>
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<td>2013</td>
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#### Operating activities
- **Net income**: $277,314 $275,186
- **Adjustments to reconcile net income to net cash provided by operating activities:**
  - Realized (gain) loss on disposition of assets and investments: $(187) 546
  - Stock-based compensation: 104,212 95,348
  - Provisions for doubtful accounts and sales returns: 1,025 1,572
  - Depreciation and amortization: 40,005 35,139
  - Deferred income taxes: 474 (4,293)
- **Changes in operating assets and liabilities, net of amounts acquired:**
  - Accounts receivable: $(18,867) (20,207)
  - Inventories: $(1,617) (262)
  - Other current assets: $(3,614) (998)
  - Other assets: 683 (134)
  - Accounts payable and accrued liabilities: 16,790 9,953
  - Deferred revenue: 83,475 103,587
- **Net cash provided by operating activities**: 499,693 495,437

#### Investing activities
- **Purchases of investments**: $(938,571) (1,059,853)
- **Maturities of investments**: 613,927 784,601
- **Sales of investments**: 212,011 81,444
- **Increase in restricted cash**: (612) (19)
- **Acquisition of intangible assets**: - (250)
- **Acquisition of businesses, net of cash acquired**: (212,642) (128,335)
- **Purchases of property and equipment**: (26,583) (29,867)
- **Net cash used in investing activities**: (352,470) (352,279)

#### Financing activities
- **Excess tax benefit from stock-based compensation**: 4,091 10,371
- **Proceeds from the exercise of stock options and purchases of stock under employee stock purchase plan**: 29,591 25,174
- **Repurchase of common stock**: (200,000) (184,776)
- **Net cash used in financing activities**: (166,318) (149,231)

Net decrease in cash and cash equivalents: $(19,095) (6,073)
- **Effect of exchange rate changes on cash and cash equivalents**: (2,393) 470
- **Cash and cash equivalents, beginning of period**: 211,181 216,784
- **Cash and cash equivalents, end of period**: $189,693 $211,181