

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

	Nine Months Ended June 30,	
	2015	2014
Operating activities		
Net income.....	\$ 267,977	\$ 217,162
Adjustments to reconcile net income to net cash provided by operating activities:		
Realized gain on disposition of assets and investments.....	(69)	(179)
Stock-based compensation.....	103,919	101,997
Provisions for doubtful accounts and sales returns.....	1,268	2,109
Depreciation and amortization.....	39,225	34,055
Deferred income taxes.....	(5,203)	(4,389)
Changes in operating assets and liabilities, net of amounts acquired:		
Accounts receivable.....	(20,094)	(40,964)
Inventories.....	(5,556)	(4,117)
Other current assets.....	(6,127)	(9,800)
Other assets.....	437	(1,056)
Accounts payable and accrued liabilities.....	19,625	(1,659)
Deferred revenue.....	105,796	85,968
Net cash provided by operating activities.....	501,198	379,127
Investing activities		
Purchases of investments.....	(347,683)	(387,147)
Maturities of investments.....	391,900	437,752
Sales of investments.....	198,401	144,790
(Increase) decrease in restricted cash.....	(401)	5
Acquisition of intangible assets.....	(6,224)	-
Acquisition of businesses, net of cash acquired.....	-	(49,439)
Purchases of property and equipment.....	(41,715)	(15,636)
Net cash provided by investing activities.....	194,278	130,325
Financing activities		
Excess tax benefit from stock-based compensation.....	6,611	8,155
Proceeds from the exercise of stock options and purchases of stock under employee stock purchase plan.....	40,426	35,247
Repurchase of common stock.....	(456,863)	(500,542)
Net cash used in financing activities.....	(409,826)	(457,140)
Net increase in cash and cash equivalents.....	285,650	52,312
Effect of exchange rate changes on cash and cash equivalents.....	(4,972)	(32)
Cash and cash equivalents, beginning of period.....	281,502	189,693
Cash and cash equivalents, end of period.....	\$ 562,180	\$ 241,973