

Cintas Corporation
Consolidated Condensed Statements of Cash Flows
(In thousands)

	Twelve Months Ended	
	May 31, 2016	May 31, 2015
<u>Cash flows from operating activities:</u>		
Net income	\$ 693,520	\$ 430,618
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	149,691	140,624
Amortization of intangible assets	15,588	14,458
Stock-based compensation	79,293	47,002
Gain on Storage Transactions	(15,786)	(38,573)
Loss on investment in Shred-it Partnership	24,288	3,851
Gain on sale of investment in Shred-it Partnership	(378,359)	-
Gain on sale of stock of an equity method investment	-	(21,739)
Deferred income taxes	(59,302)	20,866
Change in current assets and liabilities, net of acquisitions of businesses:		
Accounts receivable, net	(52,762)	(1,443)
Inventories, net	(17,917)	23,785
Uniforms and other rental items in service	(6,306)	(31,994)
Prepaid expenses and other current assets	(965)	(3,202)
Accounts payable	(564)	(33,445)
Accrued compensation and related liabilities	13,512	3,234
Accrued liabilities and other	22,714	33,066
Income taxes, current	(800)	(6,832)
Net cash provided by operating activities	465,845	580,276
<u>Cash flows from investing activities:</u>		
Capital expenditures	(275,385)	(217,720)
Proceeds from redemption of marketable securities	434,179	161,938
Purchase of marketable securities and investments	(494,146)	(195,471)
Proceeds from Storage Transactions, net of cash contributed	35,338	158,428
Proceeds from Shredding Transactions	580,837	3,344
Proceeds from sale of stock of an equity method investment	-	29,933
Dividends received on equity method investment	-	5,247
Dividends received on Shred-it Partnership investment	-	113,400
Acquisitions of businesses, net of cash acquired	(156,579)	(15,495)
Other, net	4,137	1,383
Net cash provided by investing activities	128,381	44,987
<u>Cash flows from financing activities:</u>		
Repayment of debt	(16)	(518)
Proceeds from exercise of stock-based compensation awards	28,226	40,230
Dividends paid	(115,273)	(201,891)
Repurchase of common stock	(780,151)	(551,970)
Other, net	490	1,589

Net cash used in financing activities	(866,724)	(712,560)
Effect of exchange rate changes on cash and cash equivalents	<u>(5,218)</u>	<u>(8,918)</u>
Net decrease in cash and cash equivalents	(277,716)	(96,215)
Cash and cash equivalents at beginning of year	<u>417,073</u>	<u>513,288</u>
Cash and cash equivalents at end of year	<u><u>\$ 139,357</u></u>	<u><u>\$ 417,073</u></u>