

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

| | Three Months Ended | |
|--|----------------------------|----------------------------|
| | August 31, 2017 | August 31, 2016 |
| <u>Cash flows from operating activities:</u> | | |
| Net income | \$ 217,211 | \$ 138,091 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation | 53,568 | 39,679 |
| Amortization of intangible assets | 14,941 | 3,489 |
| Stock-based compensation | 28,630 | 20,779 |
| Gain on sale of business | (100,269) | - |
| Deferred income taxes | 24,938 | 1,970 |
| Change in current assets and liabilities, net of acquisitions of businesses: | | |
| Accounts receivable, net | 8,955 | (22,946) |
| Inventories, net | (5,827) | (13,017) |
| Uniforms and other rental items in service | (13,058) | (1,872) |
| Prepaid expenses and other current assets | (16,011) | (5,655) |
| Accounts payable | 17,684 | 17,480 |
| Accrued compensation and related liabilities | (30,306) | (37,276) |
| Accrued liabilities and other | (16,218) | (23,676) |
| Income taxes, current | 70,128 | 40,542 |
| Net cash provided by operating activities | 254,366 | 157,588 |
| <u>Cash flows from investing activities:</u> | | |
| Capital expenditures | (62,517) | (78,580) |
| Proceeds from redemption of marketable securities and investments | 65,256 | 109,612 |
| Purchase of marketable securities and investments | (58,022) | (119,729) |
| Proceeds from sale of business | 128,511 | - |
| Acquisitions of businesses, net of cash acquired | (302) | (10,991) |
| Other, net | (304) | (918) |
| Net cash provided by (used in) investing activities | 72,622 | (100,606) |
| <u>Cash flows from financing activities:</u> | | |
| (Payments) issuance of commercial paper, net | (43,000) | 163,800 |
| Repayment of debt | (250,000) | (250,000) |
| Prepaid short-term debt financing fees | - | (8,625) |
| Proceeds from exercise of stock-based compensation awards | 17,256 | 16,282 |
| Repurchase of common stock | (35,040) | (18,870) |
| Other, net | (649) | 385 |
| Net cash used in financing activities | (311,433) | (97,028) |
| Effect of exchange rate changes on cash and cash equivalents | 6,593 | (102) |
| Net increase (decrease) in cash and cash equivalents | 22,148 | (40,148) |
| Cash and cash equivalents at beginning of year | 169,266 | 139,357 |
| Cash and cash equivalents at end of year | \$ 191,414 | \$ 99,209 |