

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

	Nine Months Ended	
	February 28, 2019	February 28, 2018
<u>Cash flows from operating activities:</u>		
Net income	\$ 658,862	\$ 656,415
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	164,380	157,319
Amortization of intangible assets and capitalized contract costs	101,949	47,583
Stock-based compensation	105,553	86,044
Gain on sale of a cost method investment	(69,373)	—
Gain on sale of business	(2,419)	(99,060)
Deferred income taxes	25,079	(120,428)
Change in current assets and liabilities, net of acquisitions of businesses:		
Accounts receivable, net	(61,102)	(40,046)
Inventories, net	(70,716)	4,011
Uniforms and other rental items in service	(72,336)	(44,050)
Prepaid expenses and other current assets and capitalized contract costs	(85,123)	(17,925)
Accounts payable	79	(580)
Accrued compensation and related liabilities	(3,866)	(2,209)
Accrued liabilities and other	3,614	10,997
Income taxes, current	(23,864)	22,793
Net cash provided by operating activities	670,717	660,864
<u>Cash flows from investing activities:</u>		
Capital expenditures	(207,805)	(196,040)
Proceeds from redemption of marketable securities and investments	—	146,302
Purchase of marketable securities and investments	(17,544)	(157,528)
Proceeds from sale of a cost method investment	73,342	—
Proceeds from sale of business	3,200	127,835
Acquisitions of businesses, net of cash acquired	(7,403)	(12,298)
Other, net	(6,804)	1,746
Net cash used in investing activities	(163,014)	(89,983)
<u>Cash flows from financing activities:</u>		
Issuance of commercial paper, net	217,500	137,000
Repayment of debt	—	(550,000)
Proceeds from exercise of stock-based compensation awards	54,274	35,838
Dividends paid	(220,760)	(175,589)
Repurchase of common stock	(608,224)	(37,050)
Other, net	(8,088)	(2,489)
Net cash used in financing activities	(565,298)	(592,290)
Effect of exchange rate changes on cash and cash equivalents	(270)	4,706
Net decrease in cash and cash equivalents	(57,865)	(16,703)
Cash and cash equivalents at beginning of period	138,724	169,266
Cash and cash equivalents at end of period	\$ 80,859	\$ 152,563