

**COMPUTER SERVICES, INC. & SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FY2010 - FY2020**  
*(Unaudited)*

(in thousands)

YEARS ENDED FEBRUARY 29 AND 28,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
		<i>Restated</i>	<i>Restated</i>								
<b>Operating Activities</b>											
Net income	\$ 52,846	\$ 47,027	\$ 39,176	\$ 30,921	\$ 29,140	\$ 27,839	\$ 26,656	\$ 25,839	\$ 25,506	\$ 24,016	\$ 21,635
Adjustments to reconcile net income to net cash provided by operating activities											
Depreciation	8,737	8,224	7,439	7,234	7,209	7,313	7,543	7,058	5,786	5,976	6,125
Amortization	14,478	10,625	8,883	8,255	7,815	7,263	7,981	7,874	7,743	8,248	7,412
Gain from reduction in earn-out provision related to acquisition	-	-	-	-	-	-	-	-	(2,000)	-	-
Restricted stock expense	3,188	2,400	1,267	1,153	1,566	1,233	1,316	1,266	1,199	1,001	793
Stock-based compensation expense	435	340	314	313	311	257	181	-	-	-	-
Impairment loss on intangible asset	-	-	25	-	-	180	-	-	-	-	-
Impairment loss on asset available for resale	-	-	-	-	-	193	-	-	-	-	-
(Gain)/Loss on sale of property and equipment	(34)	140	29	19	7	53	52	64	13	57	18
(Gain)/Loss from equity investment	(57)	(4,093)	-	-	-	-	-	-	-	-	-
Tax benefit of restricted stock vested	-	-	-	19	142	119	178	353	266	114	40
Tax benefit of restricted stock forfeited	-	-	-	-	-	3	-	-	-	-	-
Deferred income taxes	5,244	3,418	(5,421)	1,619	3,417	1,411	964	1,806	4,256	3,378	242
Changes in operating assets and liabilities, net of acquisitions											
Accounts receivable	(258)	(7,206)	(2,183)	(134)	(2,323)	265	(3,998)	(647)	203	409	(1,903)
Income tax receivable	315	2,185	(2,730)	(1,043)	2,915	(2,455)	259	1,647	(402)	(2,042)	-
Prepaid expenses and other current assets	(814)	6,638	(963)	(946)	(866)	96	(5,269)	(637)	403	(505)	(400)
Right of use asset/liabilities	(2,182)	-	-	-	-	-	-	-	-	-	-
Other assets	(259)	24,094	1,674	1,123	428	(2,224)	308	617	212	(442)	-
Accounts payable and accrued expenses	(679)	(11,085)	(879)	(1,218)	(3,725)	(2,910)	234	(3,458)	(461)	(1,229)	212
Deferred revenue	(2,660)	3,989	(431)	2,031	(1,051)	(167)	139	(759)	2,979	312	1,243
Changes in deferred contract liabilities	13,944	27,803	-	-	-	-	-	-	-	-	-
Changes in deferred contract assets	(29,370)	(55,850)	-	-	-	-	-	-	-	-	-
Changes in internally developed software	(1,532)	(2,807)	(345)	-	-	-	-	-	-	-	-
Income tax payable	-	-	-	-	-	-	-	-	-	(895)	895
Other liabilities	(1,967)	(521)	630	304	79	81	81	79	80	135	(726)
<b>Net cash from operating activities</b>	<b>59,375</b>	<b>55,321</b>	<b>46,485</b>	<b>49,650</b>	<b>45,064</b>	<b>38,550</b>	<b>36,625</b>	<b>41,102</b>	<b>45,783</b>	<b>38,533</b>	<b>35,586</b>
<b>Investing Activities</b>											
Proceeds from sale of property and equipment	38	-	-	42	6	389	9	46	15	236	48
Purchase of property and equipment	(12,286)	(12,784)	(9,090)	(8,030)	(8,794)	(5,766)	(7,794)	(10,565)	(7,066)	(6,605)	(4,485)
Purchase of software and software licenses	(8,581)	(5,381)	(11,540)	(5,690)	(11,126)	(6,030)	(5,636)	(10,506)	(3,331)	(10,360)	(6,203)
Purchase of subsidiary, net of cash received	-	-	-	-	-	-	-	-	(13,943)	(3,513)	(9,956)
Purchase of intangibles	-	-	-	(387)	-	-	(198)	-	-	-	-
(Purchase)/Sale of equity investment	1,050	4,601	-	-	-	-	-	-	(1,000)	(500)	-
<b>Net cash used in investing activities</b>	<b>(19,779)</b>	<b>(13,564)</b>	<b>(20,630)</b>	<b>(14,065)</b>	<b>(19,914)</b>	<b>(11,407)</b>	<b>(13,619)</b>	<b>(21,025)</b>	<b>(25,325)</b>	<b>(20,742)</b>	<b>(20,596)</b>
<b>Financing Activities</b>											
Proceeds from issuance of long-term debt	-	-	-	-	-	9,000	35,500	9,000	7,000	13,492	12,650
Payments on long-term debt	-	-	-	-	-	(9,007)	(35,560)	(9,155)	(10,963)	(18,680)	(11,970)
Dividends paid	(21,600)	(18,650)	(16,481)	(14,852)	(13,271)	(10,769)	(8,685)	(22,498)	(6,890)	(5,998)	(5,280)
Purchase of common stock	(3,895)	(6,783)	(3,046)	(3,387)	(6,034)	(5,277)	(13,242)	(5,068)	(4,692)	(6,451)	(8,476)
Tax withholding related to share-based compensation	(545)	(432)	(219)	(191)	(297)	(319)	(440)	(535)	-	-	-
Proceeds from the exercise of stock options, net	-	-	-	-	-	-	-	164	74	92	47
<b>Net cash used in financing activities</b>	<b>(26,040)</b>	<b>(25,865)</b>	<b>(19,746)</b>	<b>(18,430)</b>	<b>(19,602)</b>	<b>(16,372)</b>	<b>(22,427)</b>	<b>(28,092)</b>	<b>(15,471)</b>	<b>(17,545)</b>	<b>(13,029)</b>
Net change in cash	13,556	15,892	6,109	17,155	5,548	10,771	579	(8,015)	4,987	246	1,961
Cash, beginning of year	56,553	40,661	34,552	17,397	11,849	1,078	499	8,514	3,527	3,281	1,320
<b>Cash, end of year</b>	<b>\$ 70,109</b>	<b>\$ 56,553</b>	<b>\$ 40,661</b>	<b>\$ 34,552</b>	<b>\$ 17,397</b>	<b>\$ 11,849</b>	<b>\$ 1,078</b>	<b>\$ 499</b>	<b>\$ 8,514</b>	<b>\$ 3,527</b>	<b>\$ 3,281</b>