

CASH FLOWS STATEMENTS

(In millions)

Year Ended June 30,	2018	2017	2016
Operations			
Net income	\$ 16,571	\$ 25,489	\$ 20,539
Adjustments to reconcile net income to net cash from operations:			
Asset impairments	0	0	630
Depreciation, amortization, and other	10,261	8,778	6,622
Stock-based compensation expense	3,940	3,266	2,668
Net recognized gains on investments and derivatives	(2,212)	(2,073)	(223)
Deferred income taxes	(5,143)	(829)	2,479
Changes in operating assets and liabilities:			
Accounts receivable	(3,862)	(1,216)	562
Inventories	(465)	50	600
Other current assets	(952)	1,028	(1,212)
Other long-term assets	(285)	(917)	(1,110)
Accounts payable	1,148	81	88
Unearned revenue	5,922	3,820	2,565
Income taxes	18,183	1,792	(298)
Other current liabilities	798	356	(179)
Other long-term liabilities	(20)	(118)	(406)
Net cash from operations	<u>43,884</u>	<u>39,507</u>	<u>33,325</u>
Financing			
Proceeds from issuance (repayments) of short-term debt, maturities of 90 days or less, net	(7,324)	(4,963)	7,195
Proceeds from issuance of debt	7,183	44,344	13,884
Repayments of debt	(10,060)	(7,922)	(2,796)
Common stock issued	1,002	772	668
Common stock repurchased	(10,721)	(11,788)	(15,969)
Common stock cash dividends paid	(12,699)	(11,845)	(11,006)
Other, net	(971)	(190)	(369)
Net cash from (used in) financing	<u>(33,590)</u>	<u>8,408</u>	<u>(8,393)</u>
Investing			
Additions to property and equipment	(11,632)	(8,129)	(8,343)
Acquisition of companies, net of cash acquired, and purchases of intangible and other assets	(888)	(25,944)	(1,393)
Purchases of investments	(137,380)	(176,905)	(129,758)
Maturities of investments	26,360	28,044	22,054
Sales of investments	117,577	136,350	93,287
Securities lending payable	(98)	(197)	203
Net cash used in investing	<u>(6,061)</u>	<u>(46,781)</u>	<u>(23,950)</u>
Effect of foreign exchange rates on cash and cash equivalents	50	19	(67)
Net change in cash and cash equivalents	4,283	1,153	915
Cash and cash equivalents, beginning of period	7,663	6,510	5,595
Cash and cash equivalents, end of period	<u>\$ 11,946</u>	<u>\$ 7,663</u>	<u>\$ 6,510</u>

Refer to accompanying notes.