

CREE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

<i>(in millions of U.S. Dollars)</i>	Nine months ended	
	March 29, 2020	March 31, 2019
Operating activities:		
Net loss from continuing operations	(\$151.7)	(\$23.3)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	90.9	93.1
Amortization of debt issuance costs and discount	17.2	12.7
Stock-based compensation	41.3	34.5
Loss on disposal or impairment of long-lived assets	2.1	5.7
Amortization of premium/discount on investments	0.5	2.0
Realized (gain) loss on sale of investments	(1.3)	0.1
Loss on equity investment	9.2	12.4
Foreign exchange (gain) loss on equity investment	(1.2)	0.9
Deferred income taxes	(0.8)	(1.7)
Changes in operating assets and liabilities:		
Accounts receivable, net	(31.9)	(63.6)
Inventories	18.4	(20.2)
Prepaid expenses and other assets	1.9	(4.6)
Accounts payable, trade	(19.2)	18.4
Accrued salaries and wages and other liabilities	(20.6)	81.4
Accrued contract liabilities	5.7	31.9
Net cash (used in) provided by operating activities of continuing operations	(39.5)	179.7
Net cash provided by operating activities of discontinued operations	—	9.3
Cash (used in) provided by operating activities	(39.5)	189.0
Investing activities:		
Purchases of property and equipment	(168.9)	(93.3)
Purchases of patent and licensing rights	(5.2)	(7.0)
Proceeds from sale of property and equipment	1.8	0.3
Purchases of short-term investments	(425.2)	(251.7)
Proceeds from maturities of short-term investments	342.5	146.4
Proceeds from sale of short-term investments	102.8	28.2
Net cash used in investing activities of continuing operations	(152.2)	(177.1)
Net cash used in investing activities of discontinued operations	—	(15.4)
Cash used in investing activities	(152.2)	(192.5)
Financing activities:		
Proceeds from long-term debt borrowings	—	95.0
Payments on long-term debt borrowings, including finance lease obligations	(0.4)	(387.0)
Proceeds from convertible notes	—	575.0
Payments of debt issuance costs	—	(12.9)
Proceeds from issuance of common stock	31.0	83.3
Tax withholding on vested equity awards	(16.2)	(12.4)
Cash provided by financing activities	14.4	341.0
Effects of foreign exchange changes on cash and cash equivalents	(0.2)	(0.2)
Net change in cash and cash equivalents	(177.5)	337.3
Cash and cash equivalents, beginning of period	500.5	118.9
Cash and cash equivalents, end of period	\$323.0	\$456.2