

## Digital Products

### Consolidated Cash Flow Statements

(in thousands)

	Fiscal year ends January 31,		
	2006	2005	2004
<b>Operating Activities</b>			
Net Income	\$ 120,629	\$ 45,171	\$ 41,571
Adjustments to reconcile Net Income to net Cash from Operating Activities:			
Depreciation and amortization	63,177	49,947	34,833
Research and development	13,100	22,187	4,738
Litigation and related interest accrual reversal	(1,307)		
Changes in operating assets and liabilities:			
Accounts receivable	(30,991)	(5,572)	25,365
Inventories	(93)	534	2,345
Deferred income taxes	9,516	(10,947)	(785)
Prepaid expenses	(3,365)	1,501	890
Accounts payable	8,808	40,125	(4,318)
Accrued income taxes	14,620	1,265	9,544
<b>Net cash provided (used) by operating activities</b>	<b>194,094</b>	<b>144,211</b>	<b>114,183</b>
<b>Investing Activities</b>			
Purchases of marketable securities	(838,591)	(1,102,015)	(683,550)
Maturities of marketable securities	792,647	960,945	524,167
Equipment purchases	(30,396)	(15,000)	(17,409)
Building purchases	(69,279)	(5,766)	(9,908)
Proceeds from disposition of fixed assets	2,719		
Software purchases	(5,979)	(19,833)	(995)
Acquisition of other assets	(6,190)		
Other	(4,771)	(36)	(3,407)
<b>Net cash provided (used) by investing activities</b>	<b>(159,840)</b>	<b>(181,705)</b>	<b>(191,102)</b>
<b>Financing Activities</b>			
Proceeds from common stock	90,553	80,059	23,307
Dividends paid	(11,722)	(11,290)	(10,879)
<b>Net cash provided (used) in financing activities</b>	<b>78,831</b>	<b>68,769</b>	<b>12,428</b>
<b>Net change in cash and cash equivalents</b>	<b>113,085</b>	<b>31,275</b>	<b>(64,491)</b>
Cash and Cash equivalents at beginning of year	96,089	64,814	129,305
<b>Cash and Cash equivalents at end of year</b>	<b>209,174</b>	<b>96,089</b>	<b>64,814</b>