

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

<i>(in millions of U.S. Dollars)</i>	Three months ended	
	September 27, 2020	September 29, 2019
<b>Operating activities:</b>		
Net loss	(\$184.1)	(\$37.8)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	33.9	28.6
Amortization of debt issuance costs and discount, net of capitalized interest	9.4	5.6
Stock-based compensation	15.7	16.9
Goodwill impairment	105.7	—
Loss on disposal or impairment of long-lived assets	0.2	1.0
Amortization of premium/discount on investments	1.5	—
Loss (gain) on equity investment	3.4	(3.5)
Foreign exchange (gain) loss on equity investment	(0.5)	0.1
Deferred income taxes	0.3	—
Changes in operating assets and liabilities:		
Accounts receivable, net	5.5	(8.8)
Inventories	(7.7)	5.0
Prepaid expenses and other assets	3.5	7.9
Accounts payable, trade	(3.7)	(21.7)
Accrued salaries and wages and other liabilities	19.4	(20.5)
Accrued contract liabilities	(2.1)	7.2
<b>Cash provided by (used in) operating activities</b>	<b>0.4</b>	<b>(20.0)</b>
<b>Investing activities:</b>		
Purchases of property and equipment	(114.0)	(42.0)
Purchases of patent and licensing rights	(1.9)	(1.1)
Proceeds from sale of property and equipment	0.6	—
Purchases of short-term investments	(65.7)	(134.0)
Proceeds from maturities of short-term investments	157.8	93.0
Proceeds from sale of short-term investments	7.2	31.8
<b>Cash used in investing activities</b>	<b>(16.0)</b>	<b>(52.3)</b>
<b>Financing activities:</b>		
Payments on long-term debt borrowings, including finance lease obligations	(0.1)	—
Proceeds from issuance of common stock	16.5	18.6
Tax withholding on vested equity awards	(12.8)	(13.2)
Commitment fee on long-term incentive agreement	(0.5)	—
<b>Cash provided by financing activities</b>	<b>3.1</b>	<b>5.4</b>
Effects of foreign exchange changes on cash and cash equivalents	0.1	(0.3)
<b>Net change in cash and cash equivalents</b>	<b>(12.4)</b>	<b>(67.2)</b>
Cash and cash equivalents, beginning of period	448.8	500.5
<b>Cash and cash equivalents, end of period</b>	<b>\$436.4</b>	<b>\$433.3</b>