

CITRIX SYSTEMS, INC.
CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOW
(In thousands)

	Nine Months Ended September 30, 2004
OPERATING ACTIVITIES	
Net income	\$ 79,248
Adjustments to reconcile net income to net cash provided by operating activities:	
Amortization of intangible assets	14,504
Depreciation and amortization of property and equipment	15,572
Write-off of deferred debt issuance costs	7,219
Realized gain on investments	(537)
In-process research and development	18,700
Provision for doubtful accounts	832
Provision for product returns	4,374
Provision for inventory reserves	334
Tax benefit related to the exercise of non-statutory stock options and disqualified dispositions of incentive stock options	19,783
Accretion of original issue discount and amortization of financing cost	4,318
Other non-cash items	521
Total adjustments to reconcile net cash provided by operating activities	85,620
Changes in operating assets and liabilities, net of effects of acquisitions:	
Accounts receivable	(5,003)
Prepaid expenses and other current assets	14,662
Other assets	(298)
Deferred tax assets	1,168
Accounts payable and accrued expenses	(20,753)
Deferred revenues	32,237
Other liabilities	(1,809)
Total changes in operating assets and liabilities	20,204
Net cash provided by operating activities	185,072
Investing activities	
Purchase of investments	(77,641)
Proceeds from sales and maturities of investments	270,919
Purchases of property and equipment	(19,298)
Cash paid for licensing agreements and core technology	(16,784)
Cash paid for acquisitions, net of cash acquired	(90,750)
Net cash provided by investing activities	66,446
Financing activities	
Proceeds from issuance of common stock	25,262
Cash paid under stock repurchase programs	(82,808)
Cash paid to redeem convertible subordinated debentures	(355,660)
Net cash used in financing activities	(413,206)
Change in cash and cash equivalents	(161,688)
Cash and cash equivalents at beginning of period	359,343
Cash and cash equivalents at end of period	\$ 197,655