

LIQUIDITY AND CAPITAL RESOURCES

This data should be read in conjunction with our Consolidated Statements of Cash Flows.

(in millions)	As of	
	November 29, 2019	November 30, 2018
Cash and cash equivalents	\$ 2,650.2	\$ 1,642.8
Short-term investments	\$ 1,526.8	\$ 1,586.2
Working capital	\$ (1,696.0)	\$ 555.9
Stockholders' equity	\$ 10,530.2	\$ 9,362.1

Working Capital

Working capital as of November 29, 2019 and November 30, 2018 was \$1.70 billion of a deficit and \$555.9 million of a surplus, respectively. The decrease was primarily due to the reclassification of \$3.15 billion total carrying value of our \$2.25 billion term loan due April 30, 2020 ("Term Loan") and \$900 million 4.75% senior notes due February 1, 2020 ("2020 Notes") to current liabilities. We intend to refinance our Term Loan and 2020 Notes on or before the due dates.

A summary of our cash flows is as follows:

(in millions)	2019	2018	2017
Net cash provided by operating activities	\$ 4,421.8	\$ 4,029.3	\$ 2,912.9
Net cash used for investing activities	(455.6)	(4,685.3)	(442.9)
Net cash used for financing activities	(2,946.1)	(5.6)	(1,183.7)
Effect of foreign currency exchange rates on cash and cash equivalents	(12.7)	(1.7)	8.5
Net increase (decrease) in cash and cash equivalents	\$ 1,007.4	\$ (663.3)	\$ 1,294.8

Our primary source of cash is receipts from revenue and, to a lesser extent, proceeds from participation in the employee stock purchase plan. The primary uses of cash are our stock repurchase program as described below, payroll-related expenses, general operating expenses including marketing, travel and office rent, and cost of revenue. Other uses of cash include business acquisitions, purchases of property and equipment and payments for taxes related to net share settlement of equity awards.

Cash Flows from Operating Activities

For fiscal 2019, net cash provided by operating activities of \$4.42 billion was primarily comprised of net income adjusted for the net effect of non-cash items. The primary working capital sources of cash were net income coupled with an increase in deferred revenue, which was offset in large part by cash outflows due to an increase in prepaid expenses and other assets. The increase in deferred revenue was primarily driven by increases related to Digital Media offerings with cloud-enabled services and Digital Experience hosted services. The primary working capital use of cash was due to increases in prepaid expenses with certain vendors, sales commissions paid and capitalized, advanced payments related to income taxes and increase in long-term contract assets.

Cash Flows from Investing Activities

For fiscal 2019, net cash used for investing activities of \$455.6 million was primarily due to purchases of property and equipment and our acquisition of the remaining equity interest in Allegorithmic. These cash outflows were offset primarily by proceeds from sales and maturities of short-term investments, net of purchases. See Note 3 of our Notes to Consolidated Financial Statements for more detailed information regarding our acquisitions.

Cash Flows from Financing Activities

For fiscal 2019, net cash used for financing activities was \$2.95 billion primarily due to payments for our treasury stock repurchases and taxes related to net share settlement of equity awards, which were offset by proceeds from re-issuance of treasury stock for our employee stock purchase plan. See the section titled "Stock Repurchase Program" discussed below.

We expect to continue our investing activities, including short-term and long-term investments, facilities expansion and purchases of computer systems for research and development, sales and marketing, product support and administrative staff. Furthermore, cash reserves may be used to repurchase stock under our stock repurchase program and to strategically acquire companies, products or technologies that are complementary to our business.