

Consolidated Statements of Cash Flows

Mack-Cali Realty Corporation and Subsidiaries

In thousands Years Ended December 31,	2000	1999	1998
Cash Flows from Operating Activities			
Net income	\$ 185,338	\$ 119,739	\$ 116,578
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	92,088	87,209	78,916
Amortization of stock compensation	1,769	827	—
Amortization of deferred financing costs and debt discount	4,257	3,570	1,580
Stock options charge	1,550	—	—
Equity in earnings of unconsolidated joint ventures	(8,055)	(2,593)	(1,055)
Gain on sale of rental property	(85,353)	(1,957)	—
Minority interests	46,125	32,944	32,513
Extraordinary item—loss on early retirement of debt	—	—	2,373
Changes in operating assets and liabilities:			
Increase in unbilled rents receivable	(12,591)	(12,412)	(13,600)
Increase in deferred charges and other assets, net	(31,332)	(28,893)	(17,811)
Increase in accounts receivable, net	(1,436)	(2,882)	(192)
(Decrease) increase in accounts payable and accrued expenses	(9,786)	27,536	2,117
(Decrease) increase in rents received in advance and security deposits	(2,896)	6,170	8,585
Increase (decrease) in accrued interest payable	851	14,380	(1,243)
Net cash provided by operating activities	\$ 180,529	\$ 243,638	\$ 208,761
Cash Flows from Investing Activities			
Additions to rental property	\$(268,243)	\$(191,507)	\$ (692,766)
Issuance of mortgage note receivable	(14,733)	—	(20,000)
Repayment of mortgage note receivable	—	—	20,000
Investments in unconsolidated joint ventures	(17,587)	(40,567)	(58,844)
Distributions from unconsolidated joint ventures	13,338	20,551	1,725
Proceeds from sale of rental property	292,890	17,400	—
Decrease (increase) in restricted cash	524	(1,055)	818
Net cash provided by (used in) investing activities	\$ 6,189	\$(195,178)	\$ (749,067)
Cash Flows from Financing Activities			
Proceeds from senior unsecured notes	\$ 15,000	\$ 782,535	\$ —
Proceeds from revolving credit facilities	708,004	372,248	1,375,758
Proceeds from mortgages and loans payable	—	45,500	150,000
Repayments of revolving credit facilities	(536,164)	(866,848)	(826,258)
Repayments of mortgages and loans payable	(48,817)	(264,431)	(271,807)
Proceeds from minority interest of consolidated partially-owned properties	—	83,600	—
Distributions to minority interest in partially-owned properties	(88,672)	—	—
Repurchase of common stock	(55,514)	(27,500)	(25,058)
Redemption of common units	—	—	(3,163)
Payment of financing costs	(6,394)	(7,048)	(10,110)
Net proceeds from common stock offerings	—	—	288,393
Proceeds from stock options exercised	2,500	1,049	5,475
Proceeds from dividend reinvestment and stock purchase plan	—	32	—
Payment of dividends and distributions	(172,153)	(164,735)	(139,819)
Net cash (used in) provided by financing activities	\$(182,210)	\$ (45,598)	\$ 543,411
Net increase in cash and cash equivalents	\$ 4,508	\$ 2,862	\$ 3,105
Cash and cash equivalents, beginning of period	8,671	5,809	2,704
Cash and cash equivalents, end of period	\$ 13,179	\$ 8,671	\$ 5,809

The accompanying notes are an integral part of these consolidated financial statements.