



BlackBerry Investor Relations Income Statement Summary

GAAP Income Statement (Three Months Ended)

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16
Software and Services	\$ 54	\$ 62	\$ 57	\$ 74	\$ 247	\$ 137	\$ 73	\$ 154	\$ 130	\$ 494
Hardware	379	418	361	274	1,432	263	201	214	184	862
Service Access Fees	519	421	365	301	1,606	252	211	173	143	779
Other	14	15	10	11	50	6	5	7	7	25
Revenue	966	916	793	660	3,335	658	490	548	464	2,160
Cost of sales										
Cost of sales	502	491	365	311	1,669	329	301	304	251	1,186
Inventory write-down	23	7	24	41	95	21	4	9	3	36
Supply commitment charges (recovery)	(10)	(7)	(6)	(10)	(33)	(2)	—	(1)	—	(3)
Total cost of sales	515	491	383	342	1,731	348	305	312	254	1,219
Gross profit	451	425	410	318	1,604	310	185	236	210	941
Operating expenses										
Research and development	237	186	154	134	711	139	122	100	108	469
Selling, marketing and administration	400	195	171	138	904	173	186	175	179	712
Amortization	81	75	74	68	298	65	67	68	77	277
Abandonment/impairment of long-lived assets	—	—	—	34	34	1	5	2	127	136
Debentures fair value adjustment	(287)	167	150	50	80	(157)	(228)	(5)	(40)	(430)
Total operating expenses	431	623	549	424	2,027	221	152	340	451	1,164
Operating income (loss)	20	(198)	(139)	(106)	(423)	89	33	(104)	(241)	(223)
Investment income (loss), net	(26)	(20)	(21)	105	38	(16)	(12)	(16)	(15)	(59)
Income (loss) before income taxes	(6)	(218)	(160)	(1)	(385)	73	21	(120)	(256)	(282)
Income taxes (recovery)	(29)	(11)	(12)	(29)	(81)	5	(30)	(31)	(18)	(74)
Net income (loss)	\$ 23	\$ (207)	\$ (148)	\$ 28	\$ (304)	\$ 68	\$ 51	\$ (89)	\$ (238)	\$ (208)
Earnings (loss) per share										
Basic earnings (loss) per share	\$ 0.04	\$ (0.39)	\$ (0.28)	\$ 0.05	\$ (0.58)	\$ 0.13	\$ 0.10	\$ (0.17)	\$ (0.45)	\$ (0.40)
Diluted earnings (loss) per share	\$ (0.37)	\$ (0.39)	\$ (0.28)	\$ 0.05	\$ (0.58)	\$ (0.10)	\$ (0.24)	\$ (0.17)	\$ (0.45)	\$ (0.86)
Weighted-average number of common shares outstanding (000's)										
Basic	526,742	527,218	528,090	528,685	527,684	529,235	526,314	525,103	524,627	526,303
Diluted	658,228	527,218	528,090	543,556	527,684	670,539	667,321	525,103	524,627	651,303

Non-GAAP Adjustments (Pre-Tax)

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16
Rockstar sale adjustment	\$ —	\$ —	\$ —	\$ (115)	\$ (115)	\$ —	\$ —	\$ —	\$ —	\$ —
Debentures fair value adjustment	(287)	167	150	50	80	(157)	(228)	(5)	(40)	(430)
CORE program charges	226	33	5	58	322	9	6	(6)	2	11
RAP charges	—	—	—	—	—	52	79	33	180	344
Software deferred revenue acquired	—	—	—	—	—	—	1	9	23	33
Stock compensation expense	13	8	14	14	49	14	14	14	17	60
Acquired intangibles amortization	9	10	10	9	38	9	11	18	28	66
Business acquisition costs	—	—	2	1	3	1	—	11	10	22
Total Non-GAAP Adjustments (Pre-Tax)	\$ (39)	\$ 218	\$ 181	\$ 17	\$ 377	\$ (72)	\$ (117)	\$ 74	\$ 220	\$ 106

Non-GAAP Adjustments (After-Tax)

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16
Rockstar sale adjustment	\$ —	\$ —	\$ —	\$ (115)	\$ (115)	\$ —	\$ —	\$ —	\$ —	\$ —
Debentures fair value adjustment	(287)	167	150	50	80	(157)	(228)	(5)	(40)	(430)
CORE program charges	204	29	4	57	294	9	6	(6)	2	11
RAP charges	—	—	—	—	—	52	79	33	180	344
Software deferred revenue acquired	—	—	—	—	—	—	1	9	23	33
Stock compensation expense	13	8	14	14	49	14	14	14	17	60
Acquired intangibles amortization	9	10	10	9	38	9	11	18	28	66
Business acquisition costs	—	—	2	1	3	1	—	11	10	22
Total Non-GAAP Adjustments (After-Tax)	\$ (61)	\$ 214	\$ 180	\$ 16	\$ 349	\$ (72)	\$ (117)	\$ 74	\$ 220	\$ 106

Non-GAAP Gross Profit

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16
GAAP revenue	\$ 966	\$ 916	\$ 793	\$ 660	\$ 3,335	\$ 658	\$ 490	\$ 548	\$ 464	\$ 2,160
Software deferred revenue acquired	—	—	—	—	—	—	1	9	23	33
Non-GAAP revenue	966	916	793	660	3,335	658	491	557	487	2,193
Total cost of sales	(515)	(491)	(383)	(342)	(1,731)	(348)	(305)	(312)	(254)	(1,219)
Non-GAAP adjustments to cost of sales	13	10	—	2	25	21	15	5	4	45
Non-GAAP Gross Profit	\$ 464	\$ 435	\$ 410	\$ 320	\$ 1,629	\$ 331	\$ 201	\$ 250	\$ 237	\$ 1,019

Adjusted EBITDA

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16
GAAP operating income (loss)	\$ 20	\$ (198)	\$ (139)	\$ (106)	\$ (423)	\$ 89	\$ 33	\$ (104)	\$ (241)	\$ (223)
Non-GAAP adjustments to operating income	(39)	218	181	132	492	(72)	(117)	74	220	106
Non-GAAP operating income (loss)	(19)	20	42	26	69	17	(84)	(30)	(21)	(117)
Amortization	191	171	170	162	694	164	163	162	127	616
Acquired amortization intangibles	(9)	(10)	(10)	(9)	(38)	(9)	(11)	(18)	(28)	(66)
Adjusted EBITDA	\$ 163	\$ 181	\$ 202	\$ 179	\$ 725	\$ 172	\$ 68	\$ 114	\$ 78	\$ 433

Reconciliation from GAAP Net Income (Loss) to Non-GAAP Income (Loss) and Non-GAAP Earnings (Loss) per Share

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16
GAAP net income (loss)	\$ 23	\$ (207)	\$ (148)	\$ 28	\$ (304)	\$ 68	\$ 51	\$ (89)	\$ (238)	\$ (208)
Total Non-GAAP adjustments (after-tax)	(61)	214	180	16	349	(72)	(117)	74	220	106
Non-GAAP Net Income (Loss)	\$ (38)	\$ 7	\$ 32	\$ 44	\$ 45	\$ (4)	\$ (66)	\$ (15)	\$ (18)	\$ (102)
Non-GAAP Earnings (Loss) per Share	\$ (0.07)	\$ 0.01	\$ 0.06	\$ 0.08	\$ 0.08	\$ (0.01)	\$ (0.13)	\$ (0.03)	\$ (0.03)	\$ (0.19)
Shares outstanding for Non-GAAP EPS reconciliation	526,742	537,959	540,400	543,556	542,123	529,235	526,314	525,103	524,627	526,303

Non-GAAP revenue, non-GAAP income (loss) before income taxes, non-GAAP net income (loss), non-GAAP gross profit, adjusted EBITDA and non-GAAP earnings (loss) per share do not have a standardized meaning prescribed by GAAP and thus are not comparable to similarly titled measures presented by other issuers. The Company believes that the presentation of these non-GAAP measures enables the Company and its shareholders to better assess the Company's operating results relative to its operating results in prior periods and improves the comparability of the information presented. This non-GAAP information should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. You are encouraged to review the Company's filings on SEDAR and EDGAR. The Company makes no commitment to update the information above subsequently.



BlackBerry Investor Relations Pre-Tax CORE Program Charge (Recovery) Details

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	Q1 FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	Q1 FY16
Cost of sales	\$ 12	\$ 10	\$ —	\$ 1	\$ 23	\$ —	\$ —	\$ —	\$ —	\$ —
Research and development	41	19	4	6	70	2	—	—	—	2
Selling, marketing and administration	173	4	1	51	229	7	6	(6)	2	9
Total CORE Program Charges (Recoveries)	\$ 226	\$ 33	\$ 5	\$ 58	\$ 322	\$ 9	\$ 6	\$ (6)	\$ 2	\$ 11

BlackBerry Investor Relations Pre-Tax RAP Charge Details

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16
Cost of sales	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 21	\$ 14	\$ 5	\$ 4	\$ 44
Research and development	—	—	—	—	—	13	14	2	18	47
Selling, marketing and administration	—	—	—	—	—	18	51	26	158	253
Total RAP Charges	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 52	\$ 79	\$ 33	\$ 180	\$ 344

BlackBerry Investor Relations Amortization of Intangibles and Property, Plant and Equipment Details

	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16
In cost of sales										
Property, plant and equipment	\$ 27	\$ 16	\$ 14	\$ 16	\$ 73	\$ 16	\$ 10	\$ 13	\$ 12	\$ 51
Intangible assets	83	80	82	78	323	83	86	81	38	288
Total in cost of sales	110	96	96	94	396	99	96	94	50	339
In operating expenses amortization										
Property, plant and equipment	33	28	27	23	111	20	22	16	15	73
Intangible assets	48	47	47	45	187	45	45	52	62	204
Total in operating expenses amortization	81	75	74	68	298	65	67	68	77	277
Total amortization										
Property, plant and equipment	60	44	41	39	184	36	32	29	27	124
Intangible assets	131	127	129	123	510	128	131	133	100	492
Total amortization	\$ 191	\$ 171	\$ 170	\$ 162	\$ 694	\$ 164	\$ 163	\$ 162	\$ 127	\$ 616

The information above is supplied to provide meaningful supplemental information regarding the Company's operating results because such information excludes amounts that are not necessarily related to its operating results. The Company believes that the presentation of these non-GAAP measures enables the Company and its shareholders to better assess the Company's operating results relative to its operating results in prior periods and improves the comparability of the information presented. This non-GAAP information should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. You are encouraged to review the Company's filings on SEDAR and EDGAR. The Company makes no commitment to update the information above subsequently.