



BlackBerry Investor Relations Income Statement Summary

GAAP Income Statement

	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	FY17	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18
Enterprise software and services	\$ 82	\$ 84	\$ 87	\$ 91	\$ 344	\$ 92	\$ 91	\$ 97	\$ 108	\$ 388
BlackBerry Technology Solutions	35	38	43	35	151	36	38	43	46	163
Licensing, IP & other	25	16	30	56	127	32	56	50	58	196
Software and services	142	138	160	182	622	160	185	190	212	747
Handheld devices	152	105	62	55	374	37	16	9	2	64
Service access fees	106	91	67	49	313	38	37	27	19	121
Revenue	400	334	289	286	1,309	235	238	226	233	932
Cost of sales										
Cost of sales	200	139	94	110	542	85	63	58	56	262
Inventory write-down	46	97	2	4	150	—	—	—	—	—
Total cost of sales	246	236	96	114	692	85	63	58	56	262
Gross margin	154	98	193	172	617	150	175	168	177	670
Operating expenses										
Research and development	89	85	75	57	306	61	60	60	58	239
Selling, marketing and administration	129	138	141	144	553	109	110	118	131	467
Amortization	54	44	43	45	186	40	39	37	37	153
Impairment of goodwill	57	—	—	—	57	—	—	—	—	—
Impairment of long-lived assets	501	—	—	—	501	—	11	—	—	11
Loss on sale, disposal and abandonment of long-lived assets	3	124	46	(1)	171	1	3	2	2	9
Debentures fair value adjustment	(24)	62	2	(16)	24	218	(70)	77	(34)	191
Arbitration awards (charges)	—	—	—	—	—	(815)	—	132	—	(683)
Total operating expenses	809	453	307	229	1,798	(386)	153	426	194	387
Operating income (loss)	(655)	(355)	(114)	(57)	(1,181)	536	22	(258)	(17)	283
Investment income (loss), net	(15)	(16)	(4)	8	(27)	136	1	(17)	3	123
Income (loss) before income taxes	(670)	(371)	(118)	(49)	(1,208)	672	23	(275)	(14)	406
Provision for (recovery of) income taxes	—	1	(1)	(2)	(2)	1	4	—	(4)	1
Net income (loss)	(670)	(372)	(117)	(47)	(1,206)	671	19	(275)	(10)	405
Earnings (loss) per share										
Basic earnings (loss) per share	\$ (1.28)	\$ (0.71)	\$ (0.22)	\$ (0.09)	\$ (2.30)	\$ 1.26	\$ 0.04	\$ (0.52)	\$ (0.02)	\$ 0.76
Diluted earnings (loss) per share	\$ (1.28)	\$ (0.71)	\$ (0.22)	\$ (0.10)	\$ (2.30)	\$ 1.23	\$ (0.07)	\$ (0.52)	\$ (0.06)	\$ 0.74
Weighted-average number of common shares outstanding (000's)										
Basic	521,905	522,826	526,102	530,352	525,265	531,096	531,381	532,496	536,594	532,888
Diluted	521,905	522,826	526,102	590,852	525,265	544,077	606,645	532,496	597,094	545,886
Non-GAAP Adjustments (Pre-Tax)										
LLA impairment charge	\$ 501	\$ —	\$ —	\$ —	\$ 501	\$ —	\$ 11	\$ —	\$ —	\$ 11
Selective patent abandonments	2	—	1	1	4	1	2	—	2	4
Goodwill impairment charge	57	—	—	—	57	—	—	—	—	—
Inventory write-down	41	96	—	4	141	—	—	—	—	—
Debentures fair value adjustment	(24)	62	2	(16)	24	218	(70)	77	(34)	191
Write-down of assets held for sale	—	123	42	—	165	—	—	—	—	—
RAP charges	23	24	23	24	95	16	16	20	26	78
CORE program recoveries	(2)	(2)	(2)	—	(7)	—	—	—	—	—
Software deferred revenue acquired	24	18	12	11	65	9	11	9	6	35
Stock compensation expense	12	18	15	15	60	13	12	12	13	49
Acquired intangibles amortization	28	28	28	28	112	25	24	23	22	95
Business acquisition and integration	7	4	5	3	19	11	1	1	—	14
Arbitration charges (awards)	—	—	—	—	—	(954)	—	149	(1)	(806)
Legacy royalty adjustments	—	—	—	—	—	—	—	—	1	1
Total Non-GAAP Adjustments	\$ 669	\$ 371	\$ 126	\$ 70	\$ 1,236	\$ (661)	\$ 7	\$ 291	\$ 35	\$ (328)
Non-GAAP Gross Profit										
GAAP revenue	\$ 400	\$ 334	\$ 289	\$ 286	\$ 1,309	\$ 235	\$ 238	\$ 226	\$ 233	\$ 932
Software deferred revenue acquired	24	18	12	11	65	9	11	9	6	35
Non-GAAP revenue	424	352	301	297	1,374	244	249	235	239	967
Total cost of sales	(246)	(236)	(96)	(114)	(692)	(85)	(63)	(58)	(56)	(262)
Non-GAAP adjustments to cost of sales	48	103	5	11	167	4	4	3	5	16
Non-GAAP Gross Profit	\$ 226	\$ 219	\$ 210	\$ 194	\$ 849	\$ 163	\$ 190	\$ 180	\$ 188	\$ 721
Adjusted EBITDA										
GAAP operating income (loss)	\$ (655)	\$ (355)	\$ (114)	\$ (57)	\$ (1,181)	\$ 536	\$ 22	\$ (258)	\$ (17)	\$ 283
Non-GAAP adjustments to operating income (loss)	669	371	126	70	1,236	(522)	7	274	36	(205)
Non-GAAP operating income	14	16	12	13	55	14	29	16	19	78
Amortization	72	57	53	57	239	51	45	42	39	177
Acquired intangibles amortization	(28)	(28)	(28)	(28)	(112)	(25)	(24)	(23)	(22)	(95)
Adjusted EBITDA	\$ 58	\$ 45	\$ 37	\$ 42	\$ 182	\$ 40	\$ 50	\$ 35	\$ 36	\$ 160
Reconciliation from GAAP Net Income (Loss) to Non-GAAP Net Loss and Non-GAAP Loss per Share										
GAAP net income (loss)	\$ (670)	\$ (372)	\$ (117)	\$ (47)	\$ (1,206)	\$ 671	\$ 19	\$ (275)	\$ (10)	\$ 405
Total Non-GAAP adjustments (three months ended, after-tax)	669	371	126	70	1,236	(661)	7	291	35	(328)
Non-GAAP Net Income (Loss)	\$ (1)	\$ (1)	\$ 9	\$ 23	\$ 30	\$ 10	\$ 26	\$ 16	\$ 25	\$ 77
Non-GAAP Income (Loss) per Share	\$ 0.00	\$ 0.00	\$ 0.02	\$ 0.04	\$ 0.06	\$ 0.02	\$ 0.05	\$ 0.03	\$ 0.05	\$ 0.14
Shares outstanding for Non-GAAP Income per share reconciliation	521,905	522,826	526,102	530,352	525,265	531,096	531,381	532,496	536,594	532,888

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 Recovery Details

	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	FY17	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18
Selling, marketing and administration	\$ (2)	\$ (2)	\$ (2)	\$ —	\$ (7)	\$ —	\$ —	\$ —	\$ —	\$ —
Total CORE recoveries	\$ (2)	\$ (2)	\$ (2)	\$ —	\$ (7)	\$ —	\$ —	\$ —	\$ —	\$ —

BlackBerry Investor Relations Pre-Tax RAP Charge Details

	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	FY17	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18
Cost of sales	\$ 7	\$ 7	\$ 5	\$ 6	\$ 25	\$ 3	\$ 3	\$ 2	\$ 3	\$ 11
Research and development	2	—	(1)	3	4	3	1	1	—	5
Selling, marketing and administration	14	17	19	15	66	10	12	17	23	62
Total RAP charges	\$ 23	\$ 24	\$ 23	\$ 24	\$ 95	\$ 16	\$ 16	\$ 20	\$ 26	\$ 78

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

	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	FY17	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18
In cost of sales										
Property, plant and equipment	\$ 12	\$ 12	\$ 10	\$ 9	\$ 43	\$ 7	\$ 4	\$ 5	\$ 2	\$ 18
Intangible assets	6	1	—	3	10	4	2	—	—	6
Total in cost of sales	18	13	10	12	53	11	6	5	2	24
In operating expenses amortization										
Property, plant and equipment	12	8	6	7	33	5	5	3	5	18
Intangible assets	42	36	37	38	153	35	34	34	32	135
Total in operating expenses amortization	54	44	43	45	186	40	39	37	37	153
Total amortization										
Property, plant and equipment	24	20	16	16	76	12	9	8	7	36
Intangible assets	48	37	37	41	163	39	36	34	32	141
Total amortization	\$ 72	\$ 57	\$ 53	\$ 57	\$ 239	\$ 51	\$ 45	\$ 42	\$ 39	\$ 177

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.