ILMN Q3 2025 Earnings Call
Prepared Remarks – October 30, 2025

Conor McNamara, Head of Investor Relations

Hello everyone, and welcome to Illumina's third quarter 2025 earnings call.

I'm pleased to be joining you for my first earnings call as Illumina's Head of Investor Relations.

Today, we will review our financial results, released after market close, and provide prepared remarks before opening the line for Q&A. Our earnings release is available in the Investor Relations section of illumina.com.

Joining us on today's call are Jacob Thaysen, Chief Executive Officer, and Ankur Dhingra, Chief Financial Officer. Jacob will start with an update on Illumina's business, followed by Ankur's review of the company's financials.

We will be discussing certain non-GAAP financial measures on today's call, and a reconciliation to GAAP can be found in today's release and in the supplementary data available on our website.

Please note that, unless otherwise stated or when referring to our end markets, all year-over-year revenue growth rates discussed in our prepared remarks are presented on a constant currency basis, excluding the impact of foreign exchange fluctuations. In addition, all references to China refer to our Greater China Region, which also includes Taiwan and Hong Kong.

This call is being recorded, and the replay will be available in the Investor section of our website. It is our intent that all forward-looking statements made during today's call will be protected under the Private Securities Litigation Reform Act of 1995.

To better understand the risks and uncertainties that could cause actual results to differ, we refer you to the documents that Illumina files with the SEC, including our most recent forms 10-Q and 10-K.

With that, I will now turn the call over to Jacob.

Jacob Thaysen, Chief Executive Officer

Thank you, Conor, and good afternoon, everyone.

In the third quarter, we delivered another strong performance, with revenue, non-GAAP operating margin and diluted EPS all above our guidance ranges.

We reported total revenue of $1.08 billion, and we returned to growth ex-China, up about 2 percent year-over-year. Non-GAAP operating margin was 24.5 percent and non-GAAP diluted EPS was $1.34, both reflecting strong year-over-year expansion and above our guidance.

This performance reflects the momentum we're building through the NovaSeq X transition, especially in the clinical markets, where sequencing consumables revenue grew at a high-single digit rate year-over-year.

Given this strength, we are raising our total full year 2025 outlook while staying disciplined as we monitor macro and funding dynamics through year-end.

In our end markets, clinical continues to accelerate. Customers are advancing new assays that demand increased sequencing capacity and intensity, and the NovaSeq X is proving to be the ideal solution, delivering higher throughput with the same trusted accuracy and workflow as their existing NovaSeq 6000 instruments. Growing sequencing volumes are more than offsetting transitional pricing effects, driving a sequential and year-over-year increase in consumables revenue.

In research, we saw stabilization in demand, even as many labs continue to manage spending carefully in light of regulatory and funding uncertainty. Our teams remain closely engaged with customers to help sustain their work.

We were also encouraged by the resilience of our business in China, where revenue came in ahead of our guidance despite ongoing export restrictions. As a reminder, a fraction of our business is served by OEM partners that sell our instruments and consumables into specific customer segments. We have now received approval to serve those partners through manufacturing of select instruments locally in China. While this marks a measured step forward, we have not yet reached a long-term resolution related to our operations in China, but we remain in dialogue with the relevant agencies.

Now, turning to our strategy, in Q3 we made significant progress across the three pillars that underpin our long-term financial targets – growing our core sequencing business, scaling into multiomics, and expanding our services, data, and software capabilities.

Together, these pillars are shifting the conversation from cost per gigabase to delivering the highest-quality biological insights at the lowest end-to-end cost.

Starting with our core sequencing business.

In Q3, we had another strong quarter for the NovaSeq X, with more than 55 instruments placed, in line with our goal of 50 to 60 placements per quarter.

Most importantly, we achieved the milestones we set for our high-throughput transition to the NovaSeq X. Our goal was to reach approximately 75 percent of high-throughput gigabases shipped and 50 percent of high-throughput revenue on the X platform by year-end, and we exceeded both in Q3.

Our results highlight the strength and elasticity of sequencing demand. NovaSeq X consumables revenue growth accelerated even as conversion from the NovaSeq 6000 increased, demonstrating that our transition strategy is working.

Clinical remains the primary driver, supported by new assay approvals, positive reimbursement decisions, and growing demand for more sequencing-intensive tests – all trends that position us well for sustained growth.

As pricing headwinds ease and research end markets stabilize, we believe these dynamics will put us on track toward our long-term revenue growth targets.

Moving to our second pillar – scaling into multiomics.

Following our announced acquisition of SomaLogic in Q2 – which we continue to expect to close in 2026 – we launched Illumina Protein Prep in Q3. This co-developed proteomics assay brings the power of NGS to protein analysis through a simple, integrated workflow that delivers scale, precision and accessibility for labs of all sizes.

Illumina Protein Prep can measure up to 9,500 proteins per sample and provides highly consistent results in about two-and-a-half days with minimal hands-on time, at a lower cost per insight.

Importantly, Illumina Protein Prep integrates with DRAGEN and our upcoming Illumina Complete Multiomics software suite, extending our end-to-end capabilities from sample prep through data interpretation.

Beyond proteomics, earlier this month at ASHG we expanded our multiomics portfolio with the launch of our 5-base solution – an integrated library prep and software offering that simultaneously reads genetic variance and DNA methylation.

Using proprietary chemistry and a new DRAGEN algorithm, 5-base preserves both variant and methylation information in a single workflow, delivering accurate, single-base resolution while reducing complexity and cost.

Turning to our third pillar – expanding our services, data, and software capabilities.

Earlier this month, we introduced BioInsight, a new business created to accelerate the use of genomic and multiomics data in drug discovery and research.

BioInsight brings together our population sequencing programs, data partnerships, and software and AI capabilities under one structure, creating a more strategic platform to collaborate with governments, biopharma, and research institutions.

By combining advances in sequencing economics and AI, BioInsight enables customers to generate and interpret data at greater scale, positioning Illumina to capture new opportunities in this fast-growing space.

In the near term, BioInsight will focus on large-scale data-generation partnerships, with longer-term plans to further monetize data, software, and AI-enabled services – adding another layer of growth that supports our long-term financial targets.

Together, these initiatives show how we are executing on our strategy – expanding Illumina's reach from sequencing to multiomics, and from data generation to biological insights. They reflect an innovation roadmap that is delivering for customers today while setting the stage for what comes next.

Throughout the quarter and at ASHG, I met with many customers whose enthusiasm for our recent launches and upcoming solutions like Constellation was clear. These discussions are one of many ways we gather customer feedback, and we continuously integrate those insights into our roadmap. Customer focus and understanding are core to how we operate, and my own conversations are an extension of that discipline.

We are focused on what matters most to them – making sequencing easier, more accessible, and more affordable – which helps us build stronger partnerships and better solutions. As a result, customers are expanding into new sequencing-intensive applications, broadening the reach and impact of our technology.

At ASHG, these conversations reaffirmed our leadership position – built on end-to-end solutions, the quality and consistency of our data, and proven reliability and service – and highlighted the trust customers place in Illumina as a long-term partner. That feedback strengthens our conviction in the path ahead and our ability to extend our leadership for years to come.

Looking ahead, we remain focused on disciplined execution and building on the momentum from Q3. Clinical will continue to be our primary near-term driver of revenue growth, as NovaSeq X volume more than offsets conversion pricing headwinds.

We also anticipate a gradual return to growth in our research business as pricing headwinds abate and end markets stabilize.

Together, these dynamics position us well going into 2026, giving us confidence in our ability to achieve high-single digit revenue growth and 26 percent non-GAAP operating margins by 2027, excluding Greater China.

With that, I'll turn it over to Ankur to walk through our Q3 results and outlook before we move to Q&A.

Ankur Dhingra, Chief Financial Officer

Thank you, Jacob. And good afternoon, everyone.

I will give you an overview of our third quarter financial results, provide more color about revenue, expenses, earnings, and capital deployment, and then speak about our outlook going forward.

Before I get into the details of the financial performance, let me give you a high-level view of how the third quarter played out.

In Q3, our business outside of China returned to growth, an important milestone towards our long-term goals. We made significant progress in the NovaSeq X transition, with over 75% volume and over 50% revenue now transitioned to X. High throughput consumables had strong growth in our clinical business, driven by continued expansion of X. Revenue exceeded the top end of our guidance range, was roughly flat globally, and grew approximately 2% year-over-year ex-China. Non-GAAP Operating margin expanded by 190 basis points to 24.5% and non-GAAP Diluted EPS of $1.34 grew 20 cents YoY.

Now let me provide you details of our financial performance.

Third quarter revenue of $1.08 billion was approximately flat year-over-year on both a constant currency and reported basis, and ahead of the top end of our guidance range. Revenue excluding China, which makes up 95% of our revenue, grew approximately 2% YoY. Greater China revenue was $52 million.

Sequencing consumables revenue was $747 million, roughly flat year-over-year, and up about 3% excluding China both on reported and constant currency basis. High-throughput volumes continue to grow as customers across research and clinical take advantage of their NovaSeq X instruments. In clinical, momentum remained strong, with double-digit revenue growth outside of China, driven by broader adoption of comprehensive genomic profiling and growing use of sequencing-intensive applications like MRD. In research and applied, consumables sales declined high-single digits outside of China reflecting continued funding uncertainty and pricing dynamics tied to the X transition.

To give investors better visibility into these dynamics, we have added new disclosures for revenue outside China - showing instruments and consumables revenue and also consumables revenue growth by clinical and research segments. These can be found on slide 10.

The X transition progressed significantly in Q3, as roughly 78% of volumes and 51% of revenue in Q3 was sequenced on X. 91% of research volumes were sequenced on X. The clinical X transition has progressed to roughly 64% of volumes in the quarter. Our customers are taking advantage of X's capabilities to increase content on their assays, expand into new indications and taking whole genome-based approaches–as you may have seen with several product launches and approvals in last few months across therapy selection, MRD, and genetic disease indications.

Now that we've achieved this transition milestone, we thought it would be helpful to illustrate the conversion patterns with our clinical customers.

On slide 12 we look at the 40 customers that have fully transitioned to the X as of Q3, and we see how elasticity of demand played out. For this group of customers, volume offset price in year 1, and then revenue and volume both accelerated in year 2.

We continue to be in deep dialogue with our clinical customers about their growth trajectory and their 6k to X transition plans. These plans support a view of continued revenue growth in 2026 and beyond. Specifically, business with our largest customers is projected to grow faster than the overall company average, at least over our strategic plan period. Taken together with the range of new assays coming to market, and these discussions give us confidence that clinical demand will remain strong as the X transition advances.

On sequencing activity, total sequencing Gb output on our connected high- and mid-throughput instruments grew at a rate of more than 30% year-over-year, driven by robust strength in clinical, but more muted growth from our research customers.

Moving to sequencing instruments, revenue of $107 million was up approximately 3% year-over-year in Q3, and 6% ex-China on both a reported and constant currency basis, driven by the broad adoption of the MiSeq i100 in low-throughput. NovaSeq X placements were strong, at over 55 in Q3. In line with recent trends, over 50% of X's placed in Q3 were to clinical customers. In Greater China, our instruments business was down approximately 54%, due to restrictions on exportation into China.

Sequencing service and other revenue of $147 million was down approximately 3% year-over-year, below our expectations. The decrease was mainly due to the timing of certain strategic partnership revenues.

Moving to the rest of Illumina P&L:

Non-GAAP gross margin of 69.2% for the third quarter. Tariffs impacted gross margins by roughly 220 basis points on a YoY basis.

Non-GAAP operating expenses were $484 million, which is down approximately 6% or $33 million year-over-year, reflecting results of multi-year cost reduction programs, while prioritizing key growth investments.

Non-GAAP operating margin was 24.5% in Q3, expanding 190 basis points year-over-year. Non-GAAP Operating profit grew approximately 9% year-over-year, reflecting increased operating leverage from the improved cost structure.

Looking at our results below the line, Non-GAAP Other Expense, which is largely comprised of Net Interest Expense, was $13 million, and non-GAAP tax rate was slightly higher than expectations at 18.6%. We continue to assess longer-term tax structure optimization to balance U.S. R&D benefits with efficient credit utilization across jurisdictions. Our average diluted shares were approximately 154 million, approximately 3 million lower than last quarter, driven by an increased level of share repurchases, net of dilution from employee equity awards.

Altogether, non-GAAP earnings per diluted share of $1.34 grew approximately 18% YoY and came in well above our guidance range.

Moving to cash flow, balance sheet, and capital allocation items for the quarter:

- Cash flow provided by operations was a robust $284 million.
- Capital expenditures were $31 million and free cash flow was $253 million.
- In Q3, we repurchased approximately 1.24 million shares of Illumina stock at an average price of $97.10 per share for a total of $120 million. At quarter end we had approximately $684 million remaining on our share repurchase authorization, and we intend to continue to repurchase shares opportunistically.
- Additionally, last quarter we entered into a definitive agreement with Standard BioTools to acquire SomaLogic and other specified assets. We are working with regulatory authorities to obtain clearance, and still expect the deal to close in the first half of 2026.

We ended the quarter with approximately $1.28 billion in cash, cash equivalents and short-term investments, and gross leverage of approximately 1.6x gross debt to last twelve months EBITDA.

Now moving to guidance for the year 2025:

As you may have seen in the Press Release, we are increasing our guidance for 2025.

Starting with Revenue, we are raising our revenue guidance for the Greater China region by $20 million dollars to approximately $220 million for the year.

For Rest of World, we are projecting revenue growth between 0.5% to 1.5% on a constant currency basis, unchanged at mid-point. Hence, we now anticipate Total Illumina Constant Currency Revenues to decline in the range of (0.5%) to (1.5%). On a reported basis, that equates to Illumina Revenue in the range of $4.27 to $4.31 billion dollars, up $20 million at the midpoint relative to last guidance.

Now shifting into our product assumptions for Rest of World (excluding China):

- We now expect sequencing consumables growth between 2.5% and 3%, towards the higher end of our prior guidance of 1% to 3%. This increase reflects strong performance in Q3 driven by sequencing consumable volume growth from our clinical customers.

- We are re-iterating our guidance range for sequencing instruments decline of (6%) and (4%).

- The offset is services related to timing of certain strategic partnership revenues.

Moving down the P&L.

Reflecting our strong execution and results, as well as increased revenue expectation from China, we are increasing our non-GAAP Operating Margin guidance by approximately 60 basis points at the mid-point to a range of 22.75% – 23%.

We now expect our full-year 25 non-GAAP tax rate to be approximately 20.5% and our full-year 25 weighted average shares outstanding of approximately 156 million shares to reflect our Q3 repurchases.

Bringing it all together, we are raising our non-GAAP diluted EPS guidance by 20 cents at the midpoint to a range of $4.65 – $4.75, reflecting 13% growth year-over-year at mid-point.

This guidance implies that for Q4 2025, we expect our year-over-year revenue growth in rest of world ex-China to step up to the 4% with China contributing $33m in Q4.

As we close out 2025, we are quite encouraged by the momentum we've built. From the successful NovaSeq X transition and the continued strength of our clinical business to the progress we've made preparing for multiomics launches across single-cell, spatial and proteomics.

Looking ahead to 2026, we see three key trends. First, in clinical, we expect dynamics similar to this year – strong volume growth and continued transition to X. Second, in research and applied, we anticipate conditions to remain muted consistent with latter half of 2025, with pricing headwinds easing now that 91% of high-throughput volume has transitioned to X. And third, our planned 2026 multiomics launches will begin contributing to growth as and when research end-markets recover. Altogether, we expect the end markets in 2026 to look similar to the 2nd half of 2025. We'll provide detailed 2026 guidance when we report our Q4 results.

In closing, I want to once again express my sincere appreciation to the Illumina team for their continued focus and disciplined execution throughout the quarter. This quarter was extremely encouraging as we returned to growth and made significant progress towards our short- and long-term goals.

Thank you for joining our call today. I will now invite the Operator to open the line for Q&A.

Conor McNamara, Head of Investor Relations

Thank you for joining us today. A replay of this call will be available in the Investor section of our website. This concludes our call, and we look forward to seeing you at upcoming events.

Statement regarding use of non-GAAP financial measures

The company reports non-GAAP results for diluted earnings per share, net income, gross margin, operating expenses, including research and development expense, selling general and administrative expense, legal contingency and settlement, and goodwill and intangible impairment, operating income, operating margin, gross profit, other income (expense), tax provision, constant currency revenue and growth, and free cash flow (on a consolidated and, as applicable, segment basis) in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. The company's financial measures under GAAP include substantial charges such as amortization of acquired intangible assets among others that are listed in the reconciliations of GAAP and non-GAAP financial measures included in this press release, as well as the effects of currency translation. Management has excluded the effects of these items in non-GAAP measures to assist investors in analyzing and assessing past and future operating performance. Non-GAAP net income, diluted earnings per share and operating margin are key components of the financial metrics utilized by the company's board of directors to measure, in part, management's performance and determine significant elements of management's compensation.

The company encourages investors to carefully consider its results under GAAP, as well as its supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand its business. Reconciliations between GAAP and non-GAAP results are presented in the tables of this release.

The company provides forward-looking guidance on a non-GAAP basis, including on a constant currency basis for revenue and revenue growth rates. The company is unable to provide a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP reported financial measures because it is unable to predict with reasonable certainty the impact of items such as acquisition-related expenses, fair value adjustments to contingent consideration, gains and losses from strategic investments, potential future asset impairments, restructuring activities, the ultimate outcome of pending litigation, and currency exchange rate fluctuations without unreasonable effort. These items are uncertain, inherently difficult to predict, depend on various factors, and could have a material impact on GAAP reported results for the guidance period. For the same reasons, the company is unable to address the significance of the unavailable information, which could be material to future results.

Use of forward-looking statements

This release may contain forward-looking statements that involve risks and uncertainties. Among the important factors to which our business is subject that could cause actual results to differ materially from those in any forward-looking statements are: (i) changes in the rate of growth in the markets we serve, including the proteomics market; (ii) the volume, timing and mix of customer orders among our products and services; (iii) our ability to adjust our operating expenses to align with our revenue expectations; (iv) the completion of the proposed acquisition of SomaLogic, Inc. and certain other assets (the SomaLogic Business) from Standard BioTools Inc. on the anticipated terms and timeline, or at all, including the ability of the parties to obtain required regulatory approvals - such as under the Hart-Scott-Rodino Act in the United States or from government authorities that may have or assert jurisdiction outside the United States - and to satisfy other conditions to closing; (v) our ability to successfully integrate the SomaLogic Business into our existing operations and the SomaLogic Business' technology and products into our portfolio; (vi) our ability to successfully manage partner and customer relationships in the proteomics market; (vii) uncertainty regarding the impact of our recent inclusion on the "unreliable entities list" by regulatory authorities in China and the decision by regulatory authorities in China to not permit us to export sequencing instruments into China; (viii) tariffs recently imposed or threatened by the U.S. government and its trading partners, and other possible tariffs or trade protection measures and our efforts to mitigate the impact of such tariffs; (ix) our ability to manufacture robust instrumentation and consumables, including the SomaLogic Business' products; (x) the success of products and services competitive with our own; (xi) challenges inherent in developing, manufacturing, and launching new products and services, including expanding or modifying manufacturing operations and reliance on third-party suppliers for critical components; (xii) the impact of recently launched or pre-announced products and services on existing products and services; (xiii) our ability to modify our business strategies to accomplish our desired operational goals; (xiv) our ability to realize the anticipated benefits from prior or future actions to streamline and improve our R&D processes, reduce our operating expenses and maximize our revenue growth; (xv) our ability to further develop and commercialize our instruments, consumables, and products; (xvi) to deploy new products, services, and applications, and to expand the markets for our technology platforms; (xvii) the risk of additional litigation arising against us in connection with the GRAIL acquisition; (xviii) our ability to obtain approval by third-party payors to reimburse patients for our products; (xix) our ability to obtain regulatory clearance for our products from government agencies; (xx) our ability to successfully partner with other companies and organizations to develop new products, expand markets, and grow our business; (xxi) uncertainty, or adverse economic and business conditions, including as a result of slowing or uncertain economic growth or armed conflict; (xxii) the application of generally accepted accounting principles, which are highly complex and involve many subjective assumptions, estimates, and judgments; and (xxiii) legislative, regulatory and economic developments, together with other factors detailed in our filings with the Securities and Exchange Commission, including our most recent filings on Forms 10-K and 10-Q, or in information disclosed in public conference calls, the date and time of which are released beforehand. We undertake no obligation, and do not intend, to update these forward-looking statements, to review or confirm analysts' expectations, or to provide interim reports or updates on the progress of the current quarter.

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Illumina, Inc.
Condensed Statements of Cash Flows
(In millions)
(unaudited)

TABLE 1: CONSOLIDATED STATEMENTS OF CASH FLOWS AND FREE CASH FLOWS:

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Net cash provided by operating activities	**$ 284**	$ 316	**$ 758**	$ 473
Net cash used in investing activities	**(51)**	(42)	**(163)**	(130)
Net cash used in financing activities	**(115)**	(332)	**(681)**	(523)
Effect of exchange rate changes on cash and cash equivalents	**(2)**	7	**9**	1
Net increase (decrease) in cash and cash equivalents	**116**	(51)	**(77)**	(179)
Cash and cash equivalents, beginning of period	**934**	920	**1,127**	1,048
Cash and cash equivalents, end of period	**$ 1,050**	$ 869	**$ 1,050**	$ 869
Calculation of free cash flow:				
Net cash provided by operating activities	**$ 284**	$ 316	**$ 758**	$ 473
Purchases of property and equipment	**(31)**	(32)	**(93)**	(99)
Free cash flow (a)	**$ 253**	$ 284	**$ 665**	$ 374

The consolidated results for YTD 2024 include the results for GRAIL which was spun off on June 24, 2024.

TABLE 2: CORE ILLUMINA FREE CASH FLOWS:

	Three Months Ended		Nine Months Ended	
	September 28, 2025	September 29, 2024	September 28, 2025	September 29, 2024
Net cash provided by operating activities	**$ 284**	$ 316	**$ 758**	$ 843
Purchases of property and equipment	**(31)**	(32)	**(93)**	(95)
Free cash flow (a)	**$ 253**	$ 284	**$ 665**	$ 748

(a) Free cash flow, which is a non-GAAP financial measure, is calculated as net cash provided by operating activities reduced by purchases of property and equipment. Free cash flow is useful to management as it is one of the metrics used to evaluate our performance and to compare us with other companies in our industry. However, our calculation of free cash flow may not be comparable to similar measures used by other companies.

Illumina, Inc.
Results of Operations - Constant Currency Revenue
(Dollars in millions)
(unaudited)

	Three Months Ended		
	September 28, 2025	September 29, 2024	% Change
Revenue	**$ 1,084**	$ 1,080	— %
Less: Hedge effect	**(6)**	3	
Revenue, excluding hedge effect	**1,090**	1,077	
Less: Exchange rate effect	**14**	—	
Constant currency revenue (a)	**$ 1,076**	$ 1,077	— %

	Core Illumina			Consolidated		
	Nine Months Ended			Nine Months Ended		
	September 28, 2025	September 29, 2024	% Change	September 28, 2025	September 29, 2024	% Change
Revenue	**$ 3,184**	$ 3,228	(1)%	**$ 3,184**	$ 3,268	(3)%
Less: Hedge effect	**(1)**	10		**(1)**	10	
Revenue, excluding hedge effect	**3,185**	3,218		**3,185**	3,258	
Less: Exchange rate effect	**5**	—		**5**	—	
Constant currency revenue (a)	**$ 3,180**	$ 3,218	(1)%	**$ 3,180**	$ 3,258	(2)%

The consolidated results for YTD 2024 include the results for GRAIL which was spun off on June 24, 2024.

(a) Constant currency revenue growth, which is a non-GAAP financial measure, is calculated using comparative prior period foreign exchange rates to translate current period revenue, net of the effects of hedges.

Illumina, Inc.
Results of Operations - Revenue by Source
(Dollars in millions)
(unaudited)

TABLE 1: CORE ILLUMINA - REVENUE BY SOURCE:

	Three Months Ended			Nine Months Ended		
	September 28, 2025	September 29, 2024	% Change	September 28, 2025	September 29, 2024	% Change
Sequencing consumables revenue	**$ 747**	$ 741	1 %	**$ 2,183**	$ 2,176	—
Less: Hedge effect	**(5)**	2		**(1)**	8	
Sequencing consumables revenue, excluding hedge effect	**752**	739		**2,184**	2,168	
Less: Exchange rate effect	**11**	—		**4**	—	
Sequencing consumables constant currency revenue (a)	**$ 741**	$ 739	—	**$ 2,180**	$ 2,168	1 %
Sequencing instruments revenue	**$ 107**	$ 104	3 %	**$ 311**	$ 330	(6)%
Less: Hedge effect	**(1)**	1		**—**	2	
Sequencing instruments revenue, excluding hedge effect	**108**	103		**311**	328	
Less: Exchange rate effect	**2**	—		**—**	—	
Sequencing instruments constant currency revenue (a)	**$ 106**	$ 103	3 %	**$ 311**	$ 328	(5)%
Sequencing service and other revenue	**$ 147**	$ 150	(2)%	**$ 425**	$ 444	(5)%
Less: Hedge effect	**—**	—		**1**	—	
Sequencing service and other revenue, excluding hedge effect	**147**	150		**424**	444	
Less: Exchange rate effect	**1**	—		**—**	—	
Sequencing service and other constant currency revenue (a)	**$ 146**	$ 150	(3)%	**$ 424**	$ 444	(5)%

Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.

(a) Constant currency revenue growth, which is a non-GAAP financial measure, is calculated using comparative prior period foreign exchange rates to translate current period revenue, net of the effects of hedges.

Illumina, Inc.
Results of Operations - Revenue Excluding Greater China
(Dollars in millions)
(unaudited)

TABLE 1: CORE ILLUMINA REVENUE EXCLUDING GREATER CHINA:

	Three Months Ended		
	September 28, 2025	**September 29, 2024**	**% Change**
Revenue	**$ 1,032**	$ 1,005	3 %
Less: Hedge effect	**(6)**	1	
Revenue, excluding hedge effect	**1,038**	1,004	
Less: Exchange rate effect	**13**	—	
Constant currency revenue (a)	**$ 1,025**	$ 1,004	2 %
Sequencing consumables revenue	**$ 707**	$ 684	3 %
Less: Hedge effect	**(5)**	1	
Sequencing consumables revenue, excluding hedge effect	**712**	683	
Less: Exchange rate effect	**10**	—	
Sequencing consumables constant currency revenue (a)	**$ 702**	$ 683	3 %
Sequencing instrument revenue	**$ 104**	$ 98	6 %
Less: Hedge effect	**(1)**	—	
Sequencing instrument revenue, excluding hedge effect	**105**	98	
Less: Exchange rate effect	**1**	—	
Sequencing instrument constant currency revenue (a)	**$ 104**	$ 98	6 %

Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.

(a) Constant currency revenue growth, which is a non-GAAP financial measure, is calculated using comparative prior period foreign exchange rates to translate current period revenue, net of the effects of hedges. Greater China region includes revenue from China, Taiwan, and Hong Kong

Illumina, Inc.
Results of Operations - Revenue by Region
(Dollars in millions)
(unaudited)

TABLE 1: CORE ILLUMINA - REVENUE BY REGION:

	Three Months Ended			Nine Months Ended		
	September 28, 2025	September 29, 2024	% Change	September 28, 2025	September 29, 2024	% Change
AMR revenue	**$ 612**	$ 609	1 %	**$ 1,768**	$ 1,812	(2)%
Less: Hedge effect	**—**	—		**1**	—	
AMR revenue, excluding hedge effect	**612**	609		**1,767**	1,812	
Less: Exchange rate effect	**—**	—		**(6)**	—	
AMR constant currency revenue (a)	**$ 612**	$ 609	1 %	**$ 1,773**	$ 1,812	(2)%
AMEA revenue (b)	**$ 111**	$ 105	6 %	**$ 318**	$ 329	(3)%
Less: Hedge effect	**—**	2		**2**	4	
AMEA revenue, excluding hedge effect (b)	**111**	103		**316**	325	
Less: Exchange rate effect	**—**	—		**(4)**	—	
AMEA constant currency revenue (a)(b)	**$ 111**	$ 103	8 %	**$ 320**	$ 325	(1)%
Greater China revenue (c)	**$ 52**	$ 75	(31)%	**$ 187**	$ 228	(18)%
Less: Hedge effect	**1**	1		**2**	4	
Greater China revenue, excluding hedge effect (c)	**51**	74		**185**	224	
Less: Exchange rate effect	**—**	—		**(1)**	—	
Greater China constant currency revenue (a)(c)	**$ 51**	$ 74	(31)%	**$ 186**	$ 224	(17)%
Europe revenue	**$ 309**	$ 291	6 %	**$ 911**	$ 859	6 %
Less: Hedge effect	**(7)**	—		**(6)**	1	
Europe revenue, excluding hedge effect	**316**	291		**917**	858	
Less: Exchange rate effect	**15**	—		**16**	—	
Europe constant currency revenue (a)	**$ 301**	$ 291	3 %	**$ 901**	$ 858	5 %

Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.

(a) Constant currency revenue growth, which is a non-GAAP financial measure, is calculated using comparative prior period foreign exchange rates to translate current period revenue, net of the effects of hedges.
(b) Region includes revenue from Russia and Turkey.
(c) Region includes revenue from China, Taiwan, and Hong Kong.

Illumina, Inc.
Results of Operations - Non-GAAP
(In millions, except per share amounts)
(unaudited)

TABLE 1: RECONCILIATION OF GAAP AND NON-GAAP DILUTED EARNINGS (LOSS) PER SHARE:

	Three Months Ended			Nine Months Ended		
	September 28, 2025	September 29, 2024		September 28, 2025	September 29, 2024	
	Core/ Consolidated	Core Illumina	Consolidated	Core/ Consolidated	Core Illumina	Consolidated
GAAP diluted earnings (loss) per share	**$ 0.98**	$ 4.03	$ 4.42	**$ 3.29**	$ 4.88	$ (8.86)
Cost of revenue (b)	**0.11**	0.10	0.09	**0.48**	0.29	0.70
R&D expense (b)	**0.01**	0.03	0.03	**0.10**	0.04	0.04
SG&A expense (b)	**0.13**	(0.18)	(0.18)	**0.21**	(1.11)	(1.03)
Goodwill and intangible impairment (b)	**—**	—	—	**—**	0.02	11.87
Legal contingency and settlement (b)	**—**	(3.07)	(3.06)	**—**	(2.98)	(2.98)
Other (income) expense, net (b)	**(0.04)**	0.04	0.04	**(0.90)**	2.05	2.05
Provision for income taxes (b)	**0.15**	0.19	(0.20)	**0.31**	0.01	(0.20)
Non-GAAP diluted earnings per share (a)	**$ 1.34**	$ 1.14	$ 1.14	**$ 3.49**	$ 3.20	$ 1.59

TABLE 2: RECONCILIATION OF GAAP AND NON-GAAP NET INCOME (LOSS):

	Three Months Ended			Nine Months Ended		
	September 28, 2025	September 29, 2024		September 28, 2025	September 29, 2024	
	Core/ Consolidated	Core Illumina	Consolidated	Core/ Consolidated	Core Illumina	Consolidated
GAAP net income (loss)	**$ 150**	$ 642	$ 705	**$ 516**	$ 777	$ (1,410)
Cost of revenue (b)	**17**	16	16	**76**	47	112
R&D expense (b)	**1**	4	4	**16**	6	6
SG&A expense (b)	**21**	(29)	(30)	**31**	(176)	(163)
Goodwill and intangible impairment (b)	**—**	—	—	**—**	3	1,889
Legal contingency and settlement (b)	**—**	(488)	(488)	**—**	(474)	(474)
Other (income) expense, net (b)	**(6)**	7	7	**(141)**	326	326
Provision for income taxes (b)	**23**	29	(33)	**49**	1	(33)
Non-GAAP net income (a)	**$ 206**	$ 181	$ 181	**$ 547**	$ 510	$ 253

Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.

The consolidated results for Q3 2024 and YTD 2024 include the results for GRAIL which was spun off on June 24, 2024.

(a) Non-GAAP net income and diluted earnings per share exclude the effects of the pro forma adjustments detailed above. Non-GAAP net income and diluted earnings per share are key components of the financial metrics utilized by the company's board of directors to measure, in part, management's performance and determine significant elements of management's compensation. Management has excluded the effects of these items in these measures to assist investors in analyzing and assessing our past and future operating performance.
(b) Refer to Reconciliations between GAAP and Non-GAAP Results of Operations for details of amounts.

Illumina, Inc.
Results of Operations - Non-GAAP (continued)
(Dollars in millions)
(unaudited)

TABLE 3: RECONCILIATION OF GAAP AND NON-GAAP RESULTS OF OPERATIONS AS A PERCENT OF REVENUE:

	Three Months Ended					
	September 28, 2025			September 29, 2024		
GAAP gross profit (b)	**$**	**733**	**67.6 %**	$	745	68.9 %
Acquisition-related costs (c)		**16**	**1.5 %**		16	1.6 %
Transformational initiatives (d)		**1**	**0.1 %**		—	—
Non-GAAP gross profit (a)	**$**	**750**	**69.2 %**	$	761	70.5 %
GAAP R&D expense	**$**	**229**	**21.1 %**	$	253	23.4 %
Acquisition-related costs (c)		**—**	**—**		(3)	(0.2)%
Transformational initiatives (d)		**(1)**	**—**		(1)	(0.1)%
Non-GAAP R&D expense	**$**	**228**	**21.1 %**	$	249	23.1 %
GAAP SG&A expense	**$**	**277**	**25.5 %**	$	239	22.2 %
Acquisition-related costs (c)		**(11)**	**(1.0)%**		34	3.2 %
Transformational initiatives (d)		**(10)**	**(0.9)%**		(5)	(0.5)%
Non-GAAP SG&A expense	**$**	**256**	**23.6 %**	$	268	24.9 %
GAAP legal contingency and settlement	**$**	**—**	**—**	$	(488)	(45.3)%
Legal contingency and settlement (h)		**—**	**—**		488	45.3 %
Non-GAAP legal contingency and settlement	**$**	**—**	**—**	$	—	—
GAAP operating profit	**$**	**227**	**21.0 %**	$	741	68.6 %
Cost of revenue		**17**	**1.6 %**		16	1.5 %
R&D costs		**1**	**0.1 %**		4	0.4 %
SG&A costs		**20**	**1.8 %**		(29)	(2.6)%
Legal contingency and settlement		**—**	**—**		(488)	(45.3)%
Non-GAAP operating profit (a)	**$**	**265**	**24.5 %**	$	244	22.6 %
GAAP other expense, net	**$**	**(7)**	**(0.6)%**	$	(21)	(2.0)%
Strategic investment (gain) loss, net (e)		**(6)**	**(0.6)%**		12	1.2 %
Other (i)		**—**	**—**		(5)	(0.5)%
Non-GAAP other expense, net (a)	**$**	**(13)**	**(1.2)%**	$	(14)	(1.3)%

Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.

Illumina, Inc.
Results of Operations - Non-GAAP (continued)
(Dollars in millions)
(unaudited)

TABLE 3: RECONCILIATION OF GAAP AND NON-GAAP RESULTS OF OPERATIONS AS A PERCENT OF REVENUE:

	Nine Months Ended									
	September 28, 2025		September 29, 2024							
	Core/Consolidated		Core Illumina		GRAIL		Elims		Consolidated	
GAAP gross profit (loss) (b)	**$ 2,111**	**66.3 %**	$2,181	67.6 %	$	(38)	$ (10)		$ 2,133	65.3 %
Acquisition-related costs (c)	**50**	**1.6 %**	46	1.4 %		65	—		111	3.4 %
Transformational initiatives (d)	**3**	**0.1 %**	1	—		—	—		1	—
Intangible impairment (f)	**23**	**0.7 %**	—	—		—	—		—	—
Non-GAAP gross profit (a)	**$ 2,187**	**68.7 %**	$2,228	69.0 %	$	27	$ (10)		$ 2,245	68.7 %
GAAP R&D expense	**$ 728**	**22.9 %**	$ 732	22.7 %	$	189	$	(8)	$ 913	27.9 %
Acquisition-related costs (c)	**(1)**	**—**	(4)	(0.1)%		—		—	(4)	(0.1)%
Transformational initiatives (d)	**(15)**	**(0.5)%**	(2)	(0.1)%		—		—	(2)	—
Non-GAAP R&D expense	**$ 712**	**22.4 %**	$ 726	22.5 %	$	189	$	(8)	$ 907	27.8 %
GAAP SG&A expense	**$ 777**	**24.4 %**	$ 621	19.3 %	$	192	$	—	$ 813	24.8 %
Acquisition-related costs (c)	**6**	**0.2 %**	219	6.7 %		(13)		—	206	6.3 %
Transformational initiatives (d)	**(33)**	**(1.0)%**	(43)	(1.3)%		(1)		—	(44)	(1.3)%
Other (g)	**(5)**	**(0.2)%**	—	—		—		—	—	—
Non-GAAP SG&A expense	**$ 745**	**23.4 %**	$ 797	24.7 %	$	178	$	—	$ 975	29.8 %
GAAP goodwill and intangible impairment	**$ —**	**—**	$ 3	0.1 %	$	1,886	$	—	$ 1,889	57.8 %
Goodwill impairment (f)	**—**	**—**	—	—		(1,466)		—	(1,466)	(44.9)%
Intangible (IPR&D) impairment (f)	**—**	**—**	(3)	(0.1)%		(420)		—	(423)	(12.9)%
Non-GAAP goodwill and intangible impairment	**$ —**	**—**	$ —	—	$	—	$	—	$ —	—
GAAP legal contingency and settlement	**$ —**	**—**	$ (474)	(14.7)%	$	—	$	—	$ (474)	(14.4)%
Legal contingency and settlement (h)	**—**	**—**	474	14.7 %		—		—	474	14.4 %
Non-GAAP legal contingency and settlement	**$ —**	**—**	$ —	—	$	—	$	—	$ —	—
GAAP operating profit (loss)	**$ 606**	**19.0 %**	$1,298	40.2 %	$	(2,305)	$	(1)	$(1,008)	(30.8)%
Cost of revenue	**76**	**2.4 %**	47	1.5 %		65		—	112	3.4 %
R&D costs	**16**	**0.5 %**	6	0.2 %		—		—	6	0.2 %
SG&A costs	**31**	**1.0 %**	(176)	(5.5)%		13		—	(163)	(5.1)%
Goodwill and intangible impairment	**—**	**—**	3	0.1 %		1,886		—	1,889	57.8 %
Legal contingency and settlement	**—**	**—**	(474)	(14.7)%		—		—	(474)	(14.4)%
Non-GAAP operating profit (loss) (a)	**$ 729**	**22.9 %**	$ 704	21.8 %	$	(341)	$	(1)	$ 362	11.1 %
GAAP other income (expense), net	**$ 103**	**3.2 %**	$ (363)	(11.2)%	$	5	$	—	$ (358)	(11.0)%
Strategic investment (gain) loss, net (e)	**(141)**	**(4.4)%**	339	10.5 %		—		—	339	10.4 %
Other (i)	**—**	**—**	(13)	(0.4)%		—		—	(13)	(0.4)%
Non-GAAP other (expense) income, net (a)	**$ (38)**	**(1.2)%**	$ (37)	(1.1)%	$	5	$	—	$ (32)	(1.0)%

Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.
Percentages of revenue are calculated based on the revenue of the respective segment.

The consolidated results for YTD 2024 include the results for GRAIL which was spun off on June 24, 2024.

(a) Non-GAAP gross profit, included within non-GAAP operating profit (loss), is a key measure of the effectiveness and efficiency of manufacturing processes, product mix and the average selling prices of our products and services. Non-GAAP operating profit (loss) and non-GAAP other income (expense), net exclude the effects of the pro forma adjustments as detailed above. Non-GAAP operating margin is a key component of the financial metrics utilized by the company's board of directors to measure, in part, management's performance and determine significant elements of management's compensation. Management has excluded the effects of these items in these measures to assist investors in analyzing and assessing past and future operating performance.
(b) Reconciling amounts are recorded in cost of revenue.
(c) Amounts for Q3 2025 consist of $16 million for amortization of intangible assets (cost of revenue), $4 million related to a lease impairment (SG&A), $4 million for legal expenses primarily related to the pending SomaLogic acquisition (SG&A), and $3 million for fair value adjustments on our contingent consideration liabilities (SG&A). Amounts for YTD 2025 consist of $50 million for amortization of intangible assets (cost of revenue) and $23 million related primarily to legal expenses for the GRAIL acquisition and legal and other expenses for the pending SomaLogic acquisition and a lease impairment (SG&A), offset by $29 million for fair value adjustments on our contingent consideration liabilities (SG&A). Amounts for Q3 2024 consist of $49 million for fair value adjustments on our contingent consideration liabilities, offset by $16 million for amortization of intangible assets, and $18 million related primarily to legal and other expenses for the acquisition and divestiture of GRAIL and the acquisition of Fluent Biosciences. Consolidated amounts for YTD 2024 consist of $304 million for fair value adjustments on our contingent consideration liabilities, offset by $113 million for amortization of intangible assets, and $100 million primarily for legal and other expenses for the acquisition and divestiture of GRAIL.
(d) Amounts for Q3 2025 consist primarily of costs related to implementation efforts to upgrade our ERP system (SG&A). Amounts for YTD 2025 consist primarily of employee severance costs related to restructuring activities and costs related to the ERP upgrade. Amounts for Q3 2024 consist primarily of employee severance costs. Amounts for YTD 2024 consist primarily of lease and other asset impairments.
(e) Amounts consist primarily of mark-to-market adjustments and impairments on our strategic investments.
(f) Amounts for YTD 2025 consist of an intangible impairment related to Core Illumina. Amounts for YTD 2024 consist of goodwill and IPR&D impairments related to GRAIL and IPR&D impairment related to Core Illumina.
(g) Amounts consist of $3 million for board membership changes and $2 million for legal contingency accrual.
(h) Amounts for Q3 2024 and YTD 2024 primarily consist of the reversal of the EC fine, including accrued interest.
(i) Amounts for Q3 2024 consist of $4 million for fair value adjustments on our Helix contingent value right, which was settled in 2024, and $1 million for unrealized gains/losses related to foreign currency balance sheet remeasurement of the EC fine liability, that was reversed in 2024, and unrealized/realized mark-to-market gains/losses on hedge associated with the EC fine, for which such forward contracts were terminated in 2024. Consolidated amounts for YTD 2024 consist of $15 million for fair value adjustments on Helix contingent value right, offset by $2 million for unrealized gains/losses related to foreign currency balance sheet remeasurement of EC fine liability and unrealized/realized mark-to-market gains/losses on hedge associated with the EC fine.

Illumina, Inc.
Results of Operations - Non-GAAP (continued)
(Dollars in millions)
(unaudited)

TABLE 4: RECONCILIATION OF GAAP AND NON-GAAP TAX PROVISION:

	Three Months Ended					
	September 28, 2025		September 29, 2024			
	Core/Consolidated		Core Illumina		Consolidated	
GAAP tax provision	**$ 70**	**31.8 %**	$ 77	10.8 %	$ 15	2.1 %
Income tax provision (b)	**(1)**		(1)		(1)	
GILTI, US foreign tax credits, global minimum top-up tax (c)	**—**		(54)		(25)	
Non-GAAP tax expense (d)	**(22)**		26		59	
Non-GAAP tax provision (a)	**$ 47**	**18.6 %**	$ 48	21.0 %	$ 48	21.0 %

	Nine Months Ended					
	September 28, 2025		September 29, 2024			
	Core/Consolidated		Core Illumina		Consolidated	
GAAP tax provision	**$ 193**	**27.2 %**	$ 158	16.9 %	$ 44	(3.2)%
Income tax provision (b)	**(8)**		(3)		(3)	
GILTI, US foreign tax credits, global minimum top-up tax (c)	**—**		(87)		(141)	
Non-GAAP tax expense (d)	**(41)**		89		177	
Non-GAAP tax provision (a)	**$ 144**	**20.8 %**	$ 157	23.6 %	$ 77	23.4 %

The consolidated results for Q3 2024 and YTD 2024 include the results for GRAIL which was spun off on June 24, 2024.

(a) Non-GAAP tax provision excludes the effects of the pro forma adjustments detailed above, which have been excluded to assist investors in analyzing and assessing past and future operating performance.
(b) Amounts represent the difference between book and tax accounting related to stock-based compensation cost.
(c) Amounts represent the impact of GRAIL pre-acquisition net operating losses on GILTI, the utilization of US foreign tax credits, and the Pillar Two global minimum top-up tax, which no longer applies for 2025 since the GRAIL pre-acquisition net operating losses were fully utilized in prior years.
(d) Non-GAAP tax expense includes a one-time $42 million valuation allowance adjustment recorded in Q3 2025 against deferred tax assets associated with certain U.S. foreign tax credits as a result of the U.S. tax legislation that was signed on July 4, 2025 and the tax impact of the non-GAAP adjustments listed in Table 2.