### BlackBerry Investor Relations Income Statement Summary

#### Q1 FY17 | Q2 FY17 | Q3 FY17 | Q4 FY17 | FY17 | Q1 FY18 | Q2 FY18
---|---|---|---|---|---|---
**Enterprise software and services** | $82 | $84 | $87 | $82 | $344 | $35 | $91
BlackBerry Technology Solutions | 35 | 38 | 43 | 35 | 151 | 36 | 38
Licensing, IP & other | 25 | 16 | 30 | 56 | 127 | 32 | 56
Software and services | 142 | 138 | 160 | 183 | 622 | 106 | 185
Handheld devices | 152 | 105 | 62 | 55 | 374 | 37 | 16
Service access fees | 106 | 91 | 67 | 49 | 313 | 38 | 37

**Revenue** | 400 | 334 | 269 | 286 | 1,309 | 255 | 238

**Cost of sales**
- Cost of sales | 200 | 139 | 94 | 110 | 542 | 85 | 63
- Inventory write-down | 46 | 97 | 2 | 4 | 150 | — | —
- Total cost of sales | 246 | 236 | 96 | 114 | 692 | 85 | 63

**Gross margin** | 154 | 96 | 193 | 172 | 617 | 150 | 175

**Operating expenses**
- Research and development | 89 | 85 | 75 | 57 | 306 | 61 | 60
- Selling, marketing and administration | 129 | 138 | 141 | 144 | 553 | 109 | 110
- Amortization | 54 | 44 | 45 | 45 | 186 | 40 | 39
- Impairment of goodwill | 57 | — | — | — | 57 | — | —
- Impairment of long-lived assets | 501 | — | — | — | 501 | — | 11
- Loss on sale, disposal and abandonment of long-lived assets | 3 | 124 | 46 | 1 | 171 | 1 | 3
- Debt recognition fair value adjustment | (24) | 62 | 2 | (16) | 24 | 218 | (78)
- Qualcomm arbitration award | — | — | — | — | — | (815) | —
- Total operating expenses | 809 | 403 | 307 | 229 | 1,738 | (288) | 153

**Operating income (loss)** | (495) | (235) | (174) | (97) | (1,181) | 536 | 22

**Income (loss) before income taxes, non-GAAP** | $72 | — | — | $136 | 91 | — | 72

**Provision for (recovery of) income taxes** | (618) | (371) | (118) | (49) | (1,206) | 672 | 29

**Net income (loss)** | $(676) | $(372) | $(117) | $(47) | $(1,206) | 671 | 19

**Earnings (loss) per share**
- Basic earnings (loss) per share | $(1.28) | $(0.71) | $(0.22) | $(0.09) | $(2.30) | $1.26 | 0.04
- Diluted earnings (loss) per share | $(1.28) | $(0.71) | $(0.22) | $(0.10) | $(2.30) | $1.23 | (0.07)

**Weighted-average number of common shares outstanding (000's)**
- Basic: 521,905
- Diluted: 521,905

**Non-GAAP Adjustments (Pre-Tax)**

#### Q1 FY17 | Q2 FY17 | Q3 FY17 | Q4 FY17 | FY17 | Q1 FY18 | Q2 FY18
---|---|---|---|---|---|---
**LLA impairment charge** | $501 | $— | $— | $— | $501 | $— | $11
**Patent abandonments** | 2 | 1 | 4 | 1 | 4 | 1 | 12
**Goodwill impairment charge** | 57 | — | — | — | 57 | — | —
**Inventory write-down** | 41 | 96 | — | 4 | 141 | — | —
**Debentures fair value adjustment** | (24) | 62 | 2 | (16) | 24 | 218 | (70)
**Write-down of assets held for sale** | — | 123 | 42 | — | 165 | — | —
**R&D charges** | 23 | 24 | 23 | 24 | 95 | 16 | 16
**CORE program recovery** | (2) | (2) | (2) | — | (7) | — | —
**Software deferred revenue acquired** | 24 | 18 | 12 | 11 | 65 | 9 | 11
**Stock compensation expense** | 12 | 18 | 15 | 10 | 60 | 13 | 12
**Acquired intangibles amortization** | 28 | 28 | 28 | 28 | 112 | 25 | 24
**Business acquisition and integration** | 7 | 4 | 5 | 3 | 19 | 11 | 1
- **Total Non-GAAP Adjustments (Pre-Tax)** | $669 | $371 | $126 | $70 | $1,236 | $661 | $7

**Non-GAAP Gross Profit**

#### Q1 FY17 | Q2 FY17 | Q3 FY17 | Q4 FY17 | FY17 | Q1 FY18 | Q2 FY18
---|---|---|---|---|---|---
**GAAP revenue** | $400 | $394 | $289 | $286 | $1,309 | $235 | $238
**Software deferred revenue acquired** | 24 | 18 | 12 | 11 | 65 | 9 | 11
**Non-GAAP revenue** | 424 | 352 | 301 | 297 | 1,374 | 244 | 249
**Total cost of sales** | (246) | (236) | (96) | (114) | (692) | (85) | (63)
**Non-GAAP adjustments to cost of sales** | 46 | 103 | 5 | 11 | 167 | 4 | 8
**Non-GAAP Gross Profit** | $228 | $219 | $210 | $194 | $849 | $163 | $190

**Adjusted EBITDA**

#### Q1 FY17 | Q2 FY17 | Q3 FY17 | Q4 FY17 | FY17 | Q1 FY18 | Q2 FY18
---|---|---|---|---|---|---
**GAAP operating income (loss)** | $(655) | $(355) | $(114) | $(167) | $(1,181) | $(666) | $22
**Non-GAAP adjustments to operating income (loss)** | 669 | 371 | 126 | 70 | 1,236 | (522) | 7
**Non-GAAP operating income (loss)** | 14 | 16 | 12 | 13 | 55 | 14 | 29
**Amortization** | 72 | 57 | 53 | 57 | 239 | 51 | 45
**Adjusted EBITDA** | $58 | $45 | $37 | $42 | $182 | $40 | $59

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

#### Q1 FY17 | Q2 FY17 | Q3 FY17 | Q4 FY17 | FY17 | Q1 FY18 | Q2 FY18
---|---|---|---|---|---|---
**GAAP Net Income (Loss)** | $(676) | $(370) | $(117) | $(41) | $(1,206) | $(671) | $19
**Total Non-GAAP adjustments (three months ended, after-tax)** | 669 | 371 | 126 | 70 | 1,236 | (661) | 7
**Non-GAAP Net Income (Loss)** | $(11) | $(1) | $7 | $24 | $(30) | $(10) | $(26)
**Non-GAAP Income (Loss) per Share** | $0.00 | $0.00 | $0.02 | $0.04 | $0.06 | $0.02 | $0.05

Non-GAAP revenue, non-GAAP net 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

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<th>Q1 FY17</th>
<th>Q2 FY17</th>
<th>Q3 FY17</th>
<th>Q4 FY17</th>
<th>FY17</th>
<th>Q1 FY18</th>
<th>Q2 FY18</th>
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<td>(2)</td>
<td>(2)</td>
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BlackBerry Investor Relations Pre-Tax RAP Charge Details

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<td>$ 23</td>
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BlackBerry Investor Relations Amortization of Intangibles and Property, Plant and Equipment Details

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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.