

BLACKBERRY INVESTOR PRESENTATION

Q4 FY'19

BlackBerry Public

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STRATEGY

OUR VISION

A connected world, in which you are safe
and your data is yours

OUR MISSION

To be the world's leading provider of end-to-end
mobility solutions that are the most secure and trusted

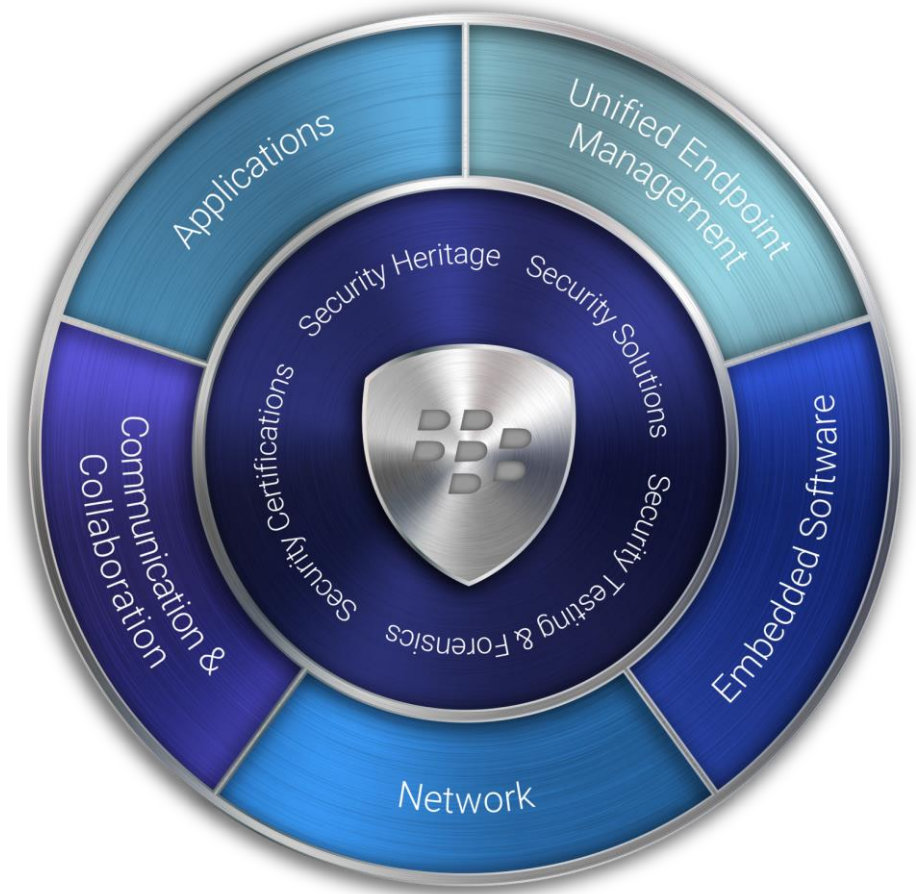
OUR VALUE PROPOSITION

BlackBerry provides the secure and trusted foundation
for the Enterprise of Things

OUR STRATEGY

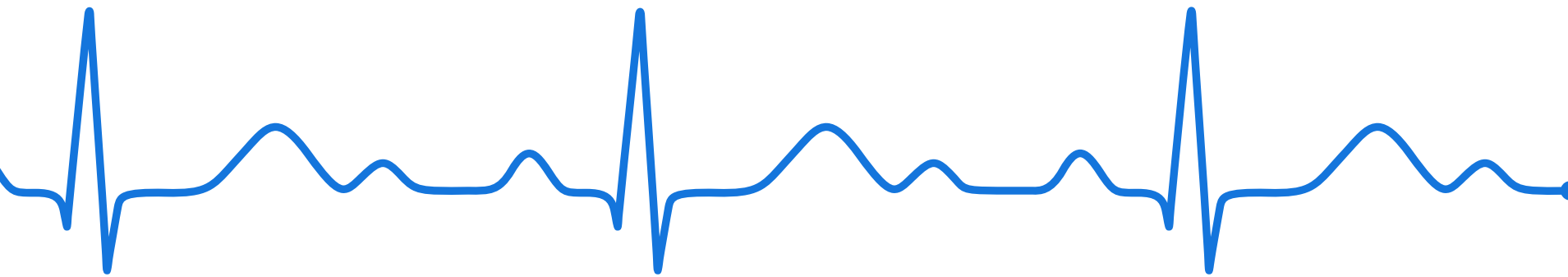
Four synergistic growth engines, delivering the most secure and comprehensive Enterprise of Things (EoT)

- 1 Endpoint management
- 2 Embedded software
- 3 Appliances
- 4 Technology & IP licensing



WE ARE WELL POSTIONED FOR GROWTH

The EoT era is upon us... Security and privacy are essential



8B

Human
population
By 2025

75B

Connected
Things By
2025

3T

Spend (USD)
on Connected
Things By 2025

1

Vulnerability
To Expose
All Things

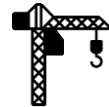
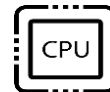
Sources: United Nations, IHS, Machina Research

CONNECTING THE ENTERPRISE OF THINGS

BlackBerry software is embedded in millions of Things

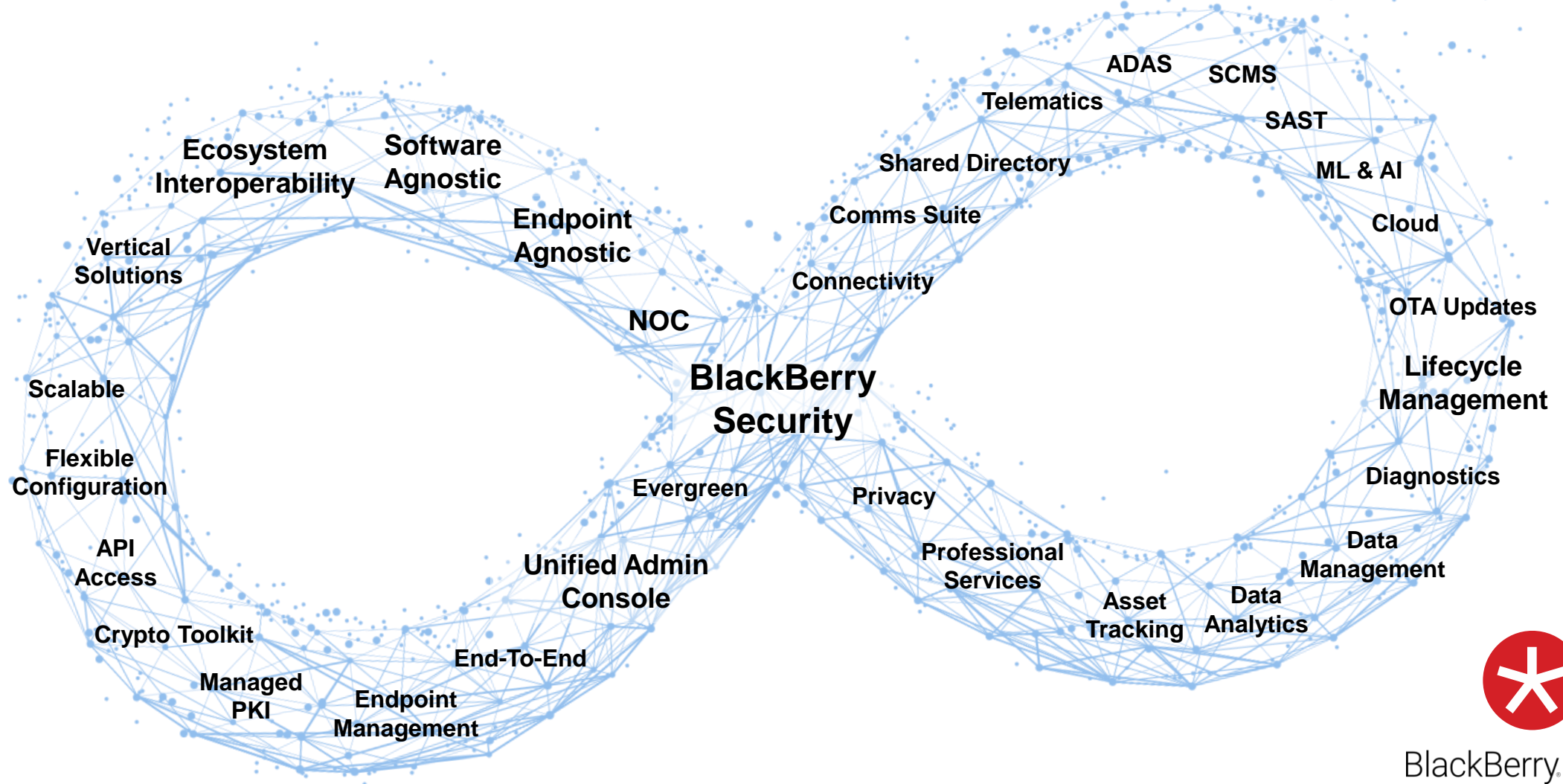
FROM 100M
SMARTPHONES

TO 100's OF MILLIONS OF THINGS



BLACKBERRY SPARK

One seamless platform for the Internet of Everything



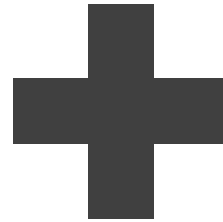
BlackBerry Spark

FORTIFYING THE LEADING EOT SECURE COMMUNICATION PLATFORM

BlackBerry



End-to-end mobility solutions
that are secure, trusted, and act
as the foundation for the
Enterprise of Things



CYLANCE

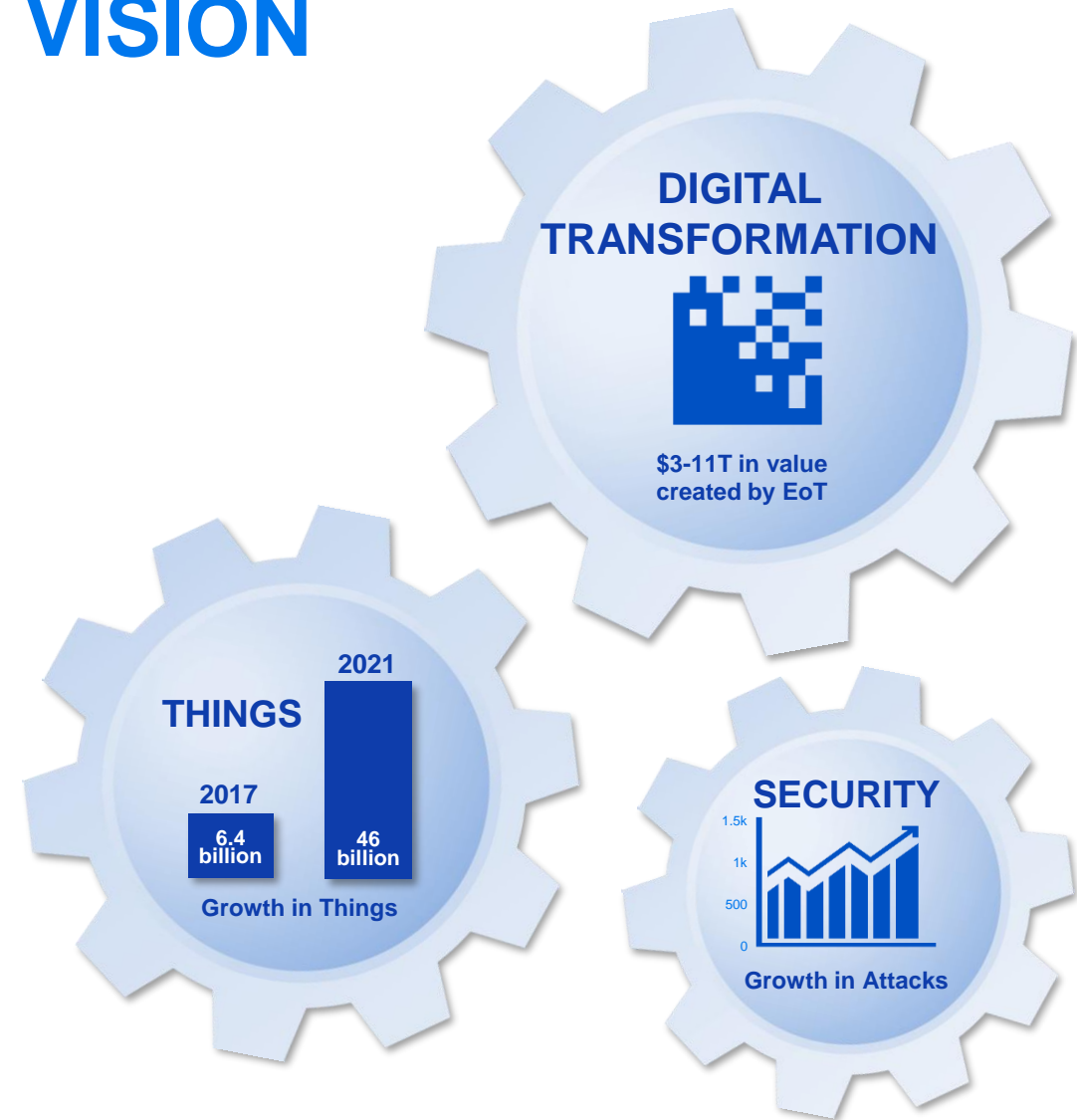


Leading next-gen AI-based
cybersecurity platform that
changes how organizations
approach endpoint security

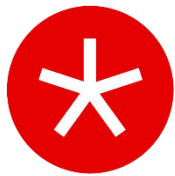
SECURING THE ENTERPRISE OF THINGS

THIS TRANSACTION ACCELERATES THE REALIZATION OF OUR EOT VISION

EoT enables digital transformation using hyperconnected “things” that are highly secure

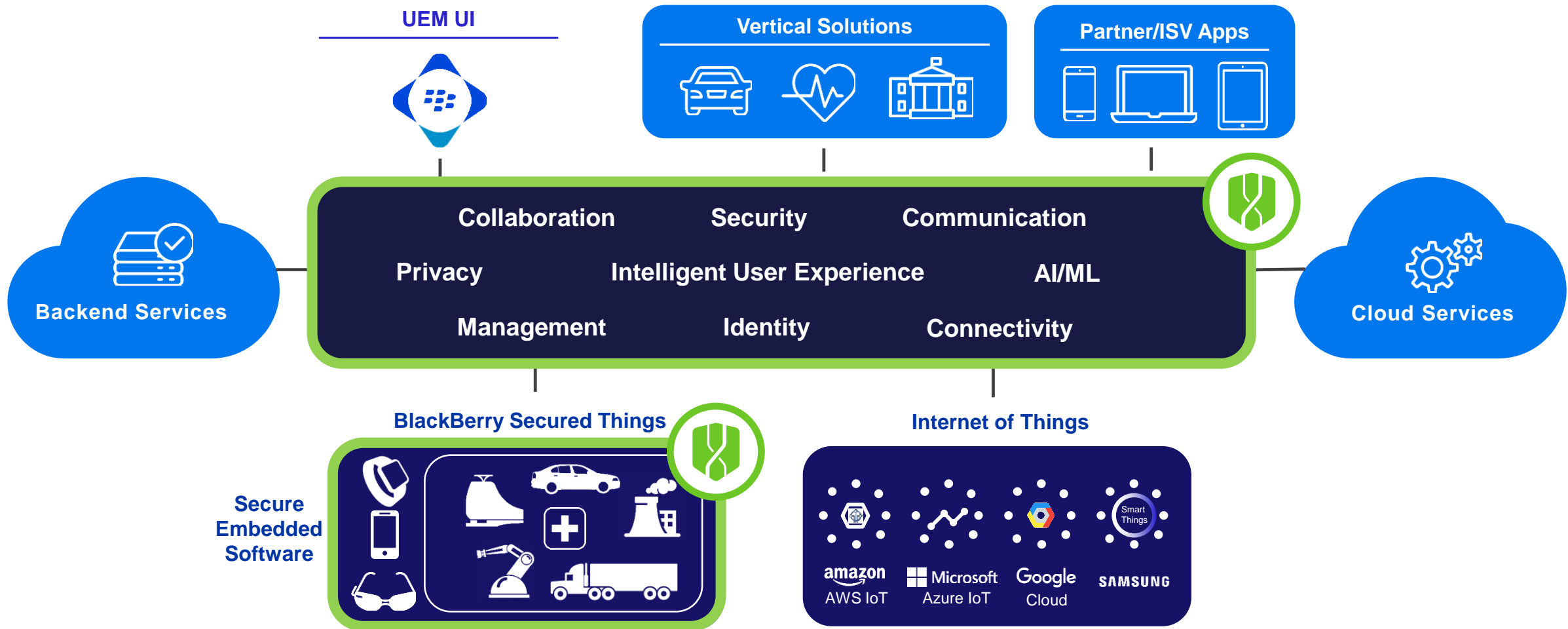


Source: McKinsey & Company, Gartner, Ericsson Mobility Report, 2016 Verizon Data Breach Investigations Report



BlackBerry Spark

Technology from **Cylance** will be leveraged in critical areas of our Spark Platform



SECURE, TRUSTED, AND PRIVATE ENDPOINTS AND DATA

Combination will bolster BlackBerry's leading position in securing the EoT

- Will complete BlackBerry's Spark vision with coveted AI and next-gen endpoint cybersecurity talent and capabilities
- End-to-end endpoint cybersecurity platform vision that will protect all types of endpoints from the chip to the edge across the security lifecycle
- Will add world-class technical team of 300+ software engineers and data scientists and ~100 patents in cybersecurity and machine learning⁽¹⁾
- Will expand BlackBerry's TAM into \$11B+ high-growth cybersecurity endpoint market⁽²⁾
- Efficient and complementary GTM channel across multiple industry verticals and enterprise sizes
- Will accelerate previously disclosed strategy to be the leader in secure endpoint communications across the EoT

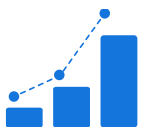
Notes: (1) Includes both granted and pending. (2) Source: IDC

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FINANCIALS

KEY OBJECTIVES FOR FY19 AND BEYOND

Continue building momentum



Double-digit growth in software and services billings



Positive EPS



Positive cash flows from continuing operations



Continue to drive toward our **timeless model**

Timeless model

Accelerated growth from EoT

Recurring software & services revenue **~90%**

Gross margin **~80-85%**

Operating Income **~20-25%**

Adjusted EBITDA **~25-30%**

Current performance

FY19 results

Recurring software & services revenue **~91%**

Gross margin **78%**

Operating Income **13%**

Adjusted EBITDA **20%**

Note: Non-GAAP Financials

GAAP INCOME STATEMENT (\$M)

	Q1-18	Q2-18	Q3-18	Q4-18	FY 2018	Q1-19	Q2-19	Q3-19	Q4-19	FY 2019
Enterprise Software and Services	92	91	97	108	388	79	88	96	92	355
BlackBerry Technology Solutions	36	38	43	46	163	47	49	53	55	204
Licensing, IP, & Other	32	56	50	58	196	63	56	68	99	286
Software & Services	\$ 160	\$ 185	\$ 190	\$ 212	\$ 747	\$ 189	\$ 193	\$ 217	\$ 246	\$ 845
Handheld Devices	37	16	9	2	64	8	5	-	-	13
Service Access Fees	38	37	27	19	121	16	12	9	9	46
Total GAAP Revenue	235	238	226	233	932	213	210	226	255	904
Cost of Sales	85	63	58	56	262	52	49	56	49	206
Gross Profit	150	175	168	177	670	161	161	170	206	698
Research and Development	61	60	60	58	239	61	51	55	52	219
Selling, Marketing and Admin	109	110	118	131	467	100	106	91	109	406
Amortization	40	39	37	37	153	37	35	33	31	136
Impairment of Long-lived Assets	-	11	-	-	11	-	-	-	-	-
Loss on Sale, Disposal and Abandonment of Long-live Assets	1	3	2	2	9	-	-	2	1	3
Debentures Fair Value Adjustment	218	(70)	77	(34)	191	28	(70)	(69)	(6)	(117)
Arbitration Award (Charges) and settlements, net	(815)	-	132	-	(683)	-	-	-	(9)	(9)
Total Operating Expenses	(386)	153	426	194	387	226	122	112	178	638
GAAP Operating Income (Loss)	536	22	(258)	(17)	283	(65)	39	58	28	60
Investment Income (Loss), Net	136	1	(17)	3	123	6	5	2	4	17
Income (Loss) before Income Taxes	672	23	(275)	(14)	406	(59)	44	60	32	77
Provision for (recovery of) income taxes	1	4	-	(4)	1	1	1	1	(19)	(16)
GAAP Net Income (Loss)	\$ 671	\$ 19	\$ (275)	\$ (10)	\$ 405	\$ (60)	\$ 43	\$ 59	\$ 51	\$ 93
Earning (Loss) per Share Basic	\$ 1.26	\$ 0.04	\$ (0.52)	\$ (0.02)	\$ 0.76	\$ (0.11)	\$ 0.08	\$ 0.11	\$ 0.09	\$ 0.17
Earning (Loss) per Share Diluted	\$ 1.23	\$ (0.08)	\$ (0.52)	\$ (0.06)	\$ 0.74	\$ (0.11)	\$ (0.04)	\$ (0.01)	\$ 0.08	\$0.00
Weighted-average number of common shares outstanding (000's)										
Basic	531,096	531,381	532,496	536,594	532,888	536,964	537,299	540,406	547,272	540,477
Diluted	544,077	591,881	532,496	597,094	545,886	536,964	597,799	600,906	615,593	616,467

NON-GAAP RECONCILIATION (\$M)

Non-GAAP Adjustments (Pre-Tax and After-Tax)	Q1-18	Q2-18	Q3-18	Q4-18	FY 2018	Q1-19	Q2-19	Q3-19	Q4-19	FY 2019
LLA Impairment Charges	-	11	-	-	11	-	-	-	-	-
Selective patent abandonment	1	2	-	2	4	-	-	-	-	-
Debentures Fair Value Adjustment	218	(70)	77	(34)	191	28	(70)	(69)	(6)	(117)
Restructuring Charges	16	16	20	26	78	4	3	1	3	11
Software Deferred Revenue Acquired	9	11	9	6	35	4	4	2	2	12
Stock Compensation Expense	13	12	12	13	49	18	21	15	14	68
Acquired Intangible Amortization	25	24	23	22	95	22	22	20	18	82
Business Acquisition and Integration Costs	11	1	1	-	14	1	(2)	5	8	12
Arbitration Charges (Awards) and settlements, net	(954)	-	149	(1)	(806)	-	-	-	(9)	(9)
Legacy Royalty Adjustments	-	-	-	1	1	-	-	-	-	-
Acquisition income tax recoveries									(21)	(21)
Total Non-GAAP Adjustment (Pre-Tax and After-Tax)	\$ (661)	\$ 7	\$ 291	\$ 35	\$ (328)	\$ 77	\$ (22)	\$ (26)	\$ 9	\$ 38

GAAP to non-GAAP Gross Profit	Q1-18	Q2-18	Q3-18	Q4-18	FY 2018	Q1-19	Q2-19	Q3-19	Q4-19	FY 2019
GAAP Revenue	\$ 235	\$ 238	\$ 226	\$ 233	\$ 932	\$ 213	\$ 210	\$ 226	\$ 255	\$ 904
Software Deferred Revenue Acquired	9	11	9	6	35	4	4	2	2	12
Non-GAAP Revenue	244	249	235	239	967	217	214	228	257	916
GAAP Cost of Sales	85	63	58	56	262	52	49	56	49	206
Non-GAAP Adjustments to Cost of Sales	(4)	(4)	(3)	(5)	(16)	(1)	(2)	(1)	(2)	(6)
Non-GAAP Cost of Sales	81	59	55	51	246	51	47	55	47	200
Non-GAAP Gross Profit	163	190	180	188	721	166	167	173	210	716

NON-GAAP RECONCILIATION (\$M) (CONT.)

<u>Adjusted EBITDA</u>	Q1-18	Q2-18	Q3-18	Q4-18	FY 2018	Q1-19	Q2-19	Q3-19	Q4-19	FY 2019
GAAP Operating Income (Loss)	\$ 536	\$ 22	\$ (258)	\$ (17)	\$ 283	\$ (65)	\$ 39	\$ 58	\$ 28	\$ 60
Non-GAAP Adjustments to Operating Income	(522)	7	274	36	(205)	77	(22)	(26)	30	59
Non-GAAP Operating Income	14	29	16	19	78	12	17	32	58	119
Amortization	51	45	42	39	177	41	38	37	33	149
Acquired Amortization Intangibles	(25)	(24)	(23)	(22)	(95)	(22)	(22)	(20)	(18)	(82)
Adjusted EBITDA	40	50	35	36	160	31	33	49	73	186

<u>Reconciliation from GAAP Net Income (Loss) to Non-GAAP Net Income and Non-GAAP Earnings per Share</u>	Q1-18	Q2-18	Q3-18	Q4-18	FY 2018	Q1-19	Q2-19	Q3-19	Q4-19	FY 2019
GAAP Net Income (Loss)	\$ 671	\$ 19	\$ (275)	\$ (10)	\$ 405	\$ (60)	\$ 43	\$ 59	\$ 51	\$ 93
Total Non-GAAP Adjustment (After-Tax)	(661)	7	291	35	(328)	77	(22)	(26)	9	38
Non-GAAP Net Income (Loss)	10	26	16	25	77	17	21	33	60	131
Non-GAAP Basic Earning (Loss) per Share	\$ 0.02	\$ 0.05	\$ 0.03	\$ 0.05	\$ 0.14	\$ 0.03	\$ 0.04	\$ 0.06	\$ 0.11	\$ 0.24
Shares outstanding for Non-GAAP income (loss) per share reconciliation ('000)	531,096	531,381	532,496	536,594	532,888	536,964	537,299	540,406	547,272	540,477

Non-GAAP Revenue, non-GAAP Loss Before Income Taxes, non-GAAP Net Loss, non-GAAP Gross Profit, Adjusted EBITDA, and non-GAAP 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.

AMORTIZATION AND RECONCILIATION DETAILS (\$M)

RAP Charges Details (Pre-Tax)

	Q1-18	Q2-18	Q3-18	Q4-18	FY 2018	Q1-19	Q2-19	Q3-19	Q4-19	FY 2019
Cost of Sales	\$ 3	\$ 3	\$ 2	\$ 3	\$ 11	\$ -	\$ 1	\$ -	\$ 1	\$ 2
Research and Development	3	1	1	-	5	2	-	-	-	2
Selling, General and Administration	10	12	17	23	62	2	2	1	2	7
Total RAP Charges	\$ 16	\$ 16	\$ 20	\$ 26	\$ 78	\$ 4	\$ 3	\$ 1	\$ 3	\$ 11

Amortization of Intangibles and PP&E Details

	Q1-18	Q2-18	Q3-18	Q4-18	FY 2018	Q1-19	Q2-19	Q3-19	Q4-19	FY 2019
In Cost of Sales										
Property, Plan and Equipment	\$ 7	\$ 4	\$ 5	\$ 2	\$ 18	\$ 2	\$ 1	\$ 2	\$ 1	\$ 6
Intangibles Assets	4	2	-	-	6	2	2	2	1	7
Total in Cost of Sales	11	6	5	2	24	4	3	4	2	13
In Operating Expenses										
Property, Plan and Equipment	\$ 5	\$ 5	\$ 3	\$ 5	\$ 18	\$ 3	\$ 3	\$ 4	\$ 4	\$ 14
Intangibles Assets	35	34	34	32	135	34	32	29	27	122
Total in Operating Expenses	40	39	37	37	153	37	35	33	31	136
Total Amortization										
Property, Plan and Equipment	\$ 12	\$ 9	\$ 8	\$ 7	\$ 36	\$ 5	\$ 4	\$ 6	\$ 5	\$ 20
Intangibles Assets	39	36	34	32	141	36	34	31	28	129
Total Amortization	51	45	42	39	177	41	38	37	33	149

Non-GAAP Revenue, non-GAAP Loss Before Income Taxes, non-GAAP Net Loss, non-GAAP Gross Profit, Adjusted EBITDA, and non-GAAP 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 EXECUTIVE TEAM



John Chen
Chief Executive Officer &
Executive Chair



Steve Capelli
Chief Financial Officer &
Chief Operating Officer



Randall Cook
Chief Legal Officer &
Corporate Secretary



Billy Ho
EVP, Enterprise Products
& VAS



Stuart McClure
President of
BlackBerry Cylance



Bryan Palma
President & Chief
Operating Officer



Nita White-Ivy
EVP, Human Resources



Mark Wilson
Chief Marketing Officer

THANK YOU