

BlackBerry Investor Relations Income Statement Summary

| GAAP Income Statement (Three Months Ended) | Q1 FY19 | Q2 FY19 | Q3 FY19 | Q4 FY19 | FY19 | Q1 FY20 | Q2 FY20 |
|---|----------------|----------------|----------------|----------------|---------------|----------------|----------------|
| IoT | \$ 126 | \$ 137 | \$ 149 | \$ 145 | \$ 557 | \$ 136 | \$ 133 |
| BlackBerry Cylance | — | — | — | 2 | 2 | 32 | 35 |
| Licensing | 63 | 56 | 68 | 99 | 286 | 72 | 71 |
| Software and services | 189 | 193 | 217 | 246 | 845 | 240 | 239 |
| Other | 24 | 17 | 9 | 9 | 59 | 7 | 5 |
| Revenue | 213 | 210 | 226 | 255 | 904 | 247 | 244 |
| Cost of sales | 52 | 49 | 56 | 49 | 206 | 70 | 68 |
| Gross margin | 161 | 161 | 170 | 206 | 698 | 177 | 176 |
| Operating expenses | | | | | | | |
| Research and development | 61 | 51 | 55 | 52 | 219 | 71 | 62 |
| Selling, marketing and administration | 100 | 106 | 93 | 110 | 409 | 121 | 132 |
| Amortization | 37 | 35 | 33 | 31 | 136 | 49 | 48 |
| Debentures fair value adjustment | 28 | (70) | (69) | (6) | (117) | (28) | (23) |
| Settlements, net | — | — | — | (9) | (9) | — | — |
| Total operating expenses | 226 | 122 | 112 | 178 | 638 | 213 | 219 |
| Operating income (loss) | (65) | 39 | 58 | 28 | 60 | (36) | (43) |
| Investment income, net | 6 | 5 | 2 | 4 | 17 | 3 | — |
| Income (loss) before income taxes | (59) | 44 | 60 | 32 | 77 | (33) | (43) |
| Provision for (recovery of) income taxes | 1 | 1 | 1 | (19) | (16) | 2 | 1 |
| Net income (loss) | \$ (60) | \$ 43 | \$ 59 | \$ 51 | \$ 93 | \$ (35) | \$ (44) |
| Earnings (loss) per share | | | | | | | |
| Basic earnings (loss) per share | \$ (0.11) | \$ 0.08 | \$ 0.11 | \$ 0.09 | \$ 0.17 | \$ (0.06) | \$ (0.08) |
| Diluted earnings (loss) per share | \$ (0.11) | \$ (0.04) | \$ (0.01) | \$ 0.08 | \$ 0.00 | \$ (0.09) | \$ (0.10) |
| Weighted-average number of common shares outstanding (000s) | | | | | | | |
| Basic | 536,964 | 537,299 | 540,406 | 547,272 | 540,477 | 551,845 | 552,343 |
| Diluted | 536,964 | 597,799 | 600,906 | 615,593 | 616,467 | 612,345 | 612,843 |
| Non-GAAP Adjustments (Three Months Ended, Pre-Tax and After Tax) | Q1 FY19 | Q2 FY19 | Q3 FY19 | Q4 FY19 | FY19 | Q1 FY20 | Q2 FY20 |
| Debentures fair value adjustment | 28 | (70) | (69) | (6) | (117) | (28) | (23) |
| Restructuring charges | 4 | 3 | 1 | 3 | 11 | 1 | 3 |
| Software deferred revenue acquired | 4 | 4 | 2 | 2 | 12 | 20 | 17 |
| Software deferred commission acquired | — | — | — | — | — | (5) | (4) |
| Stock compensation expense | 18 | 21 | 15 | 14 | 68 | 17 | 14 |
| Acquired intangibles amortization | 22 | 22 | 20 | 18 | 82 | 35 | 36 |
| Business acquisition and integration | 1 | (2) | 5 | 8 | 12 | 1 | 2 |
| Settlements, net | — | — | — | (9) | (9) | — | — |
| Acquisition valuation allowance | — | — | — | (21) | (21) | (1) | — |
| Total Non-GAAP Adjustments | \$ 77 | \$ (22) | \$ (26) | \$ 9 | \$ 38 | \$ 40 | \$ 45 |
| Non-GAAP Gross Profit | Q1 FY19 | Q2 FY19 | Q3 FY19 | Q4 FY19 | FY19 | Q1 FY20 | Q2 FY20 |
| GAAP revenue | \$ 213 | \$ 210 | \$ 226 | \$ 255 | \$ 904 | \$ 247 | \$ 244 |
| Software deferred revenue acquired | 4 | 4 | 2 | 2 | 12 | 20 | 17 |
| Non-GAAP revenue | 217 | 214 | 228 | 257 | 916 | 267 | 261 |
| Total cost of sales | 52 | 49 | 56 | 49 | 206 | 70 | 68 |
| Non-GAAP adjustments to cost of sales | (1) | (2) | (1) | (2) | (6) | (2) | (2) |
| Non-GAAP Gross Profit | \$ 166 | \$ 167 | \$ 173 | \$ 210 | \$ 716 | \$ 199 | \$ 195 |

| Adjusted EBITDA | Q1 FY19 | Q2 FY19 | Q3 FY19 | Q4 FY19 | FY19 | Q1 FY20 | Q2 FY20 |
|---|----------------|----------------|----------------|----------------|---------------|----------------|----------------|
| GAAP operating income (loss) | \$ (65) | \$ 39 | \$ 58 | \$ 28 | \$ 60 | \$ (36) | \$ (43) |
| Non-GAAP adjustments to operating income (loss) | 77 | (22) | (26) | 30 | 59 | 41 | 45 |
| Non-GAAP operating income | 12 | 17 | 32 | 58 | 119 | 5 | 2 |
| Amortization | 41 | 38 | 37 | 33 | 149 | 53 | 54 |
| Acquired intangibles amortization | (22) | (22) | (20) | (18) | (82) | (35) | (36) |
| Adjusted EBITDA | \$ 31 | \$ 33 | \$ 49 | \$ 73 | \$ 186 | \$ 23 | \$ 20 |

| Reconciliation from GAAP Net Income (Loss) to Non-GAAP Net Income and Non-GAAP Earnings per Share | Q1 FY19 | Q2 FY19 | Q3 FY19 | Q4 FY19 | FY19 | Q1 FY20 | Q2 FY20 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| GAAP net income (loss) | \$ (60) | \$ 43 | \$ 59 | \$ 51 | \$ 93 | \$ (35) | \$ (44) |
| Total Non-GAAP adjustments (three months ended, after-tax) | 77 | (22) | (26) | 9 | 38 | 40 | 45 |
| Non-GAAP Net Income | \$ 17 | \$ 21 | \$ 33 | \$ 60 | \$ 131 | \$ 5 | \$ 1 |
| Non-GAAP Earnings per Share | \$ 0.03 | \$ 0.04 | \$ 0.06 | \$ 0.11 | \$ 0.24 | \$ 0.01 | \$ 0.00 |
| Shares outstanding for Non-GAAP earnings per share reconciliation | 536,964 | 537,299 | 540,406 | 547,272 | 540,477 | 551,845 | 552,343 |

Non-GAAP revenue, non-GAAP income before income taxes, non-GAAP net income, non-GAAP gross profit, adjusted EBITDA and non-GAAP earnings 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 Restructuring Details

| | Q1 FY19 | Q2 FY19 | Q3 FY19 | Q4 FY19 | FY19 | Q1 FY20 | Q2 FY20 |
|---------------------------------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|
| Cost of sales | \$ — | \$ 1 | \$ — | \$ 1 | \$ 2 | \$ 1 | \$ 1 |
| Research and development | 2 | — | — | — | 2 | — | — |
| Selling, marketing and administration | 2 | 2 | 1 | 2 | 7 | — | 2 |
| Total restructuring charges | \$ 4 | \$ 3 | \$ 1 | \$ 3 | \$ 11 | \$ 1 | \$ 3 |

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

| | Q1 FY19 | Q2 FY19 | Q3 FY19 | Q4 FY19 | FY19 | Q1 FY20 | Q2 FY20 |
|--|--------------|--------------|--------------|--------------|---------------|--------------|--------------|
| Cost of sales amortization | | | | | | | |
| Property, plant and equipment | \$ 2 | \$ 1 | \$ 2 | \$ 1 | \$ 6 | \$ 1 | \$ 2 |
| Intangible assets | 2 | 2 | 2 | 1 | 7 | 3 | 4 |
| Total in cost of sales | 4 | 3 | 4 | 2 | 13 | 4 | 6 |
| Operating expenses amortization | | | | | | | |
| Property, plant and equipment | 3 | 3 | 4 | 4 | 14 | 5 | 4 |
| Intangible assets | 34 | 32 | 29 | 27 | 122 | 44 | 44 |
| Total in operating expenses amortization | 37 | 35 | 33 | 31 | 136 | 49 | 48 |
| Total amortization | | | | | | | |
| Property, plant and equipment | 5 | 4 | 6 | 5 | 20 | 6 | 6 |
| Intangible assets | 36 | 34 | 31 | 28 | 129 | 47 | 48 |
| Total amortization | \$ 41 | \$ 38 | \$ 37 | \$ 33 | \$ 149 | \$ 53 | \$ 54 |

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.