

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-Q**

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the Quarterly Period Ended September 28, 2025**

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from                      to

Commission File Number 001-35406



**Illumina, Inc.**

*(Exact name of registrant as specified in its charter)*

**Delaware**

*(State or other jurisdiction of incorporation or organization)*

**33-0804655**

*(I.R.S. Employer Identification No.)*

**5200 Illumina Way, San Diego, CA 92122**

*(Address of principal executive offices) (Zip code)*

**(858) 202-4500**

*(Registrant's telephone number, including area code)*

**N/A**

*(Former name, former address and former fiscal year, if changed since last report)*

**Securities registered pursuant to Section 12(b) of the Act:**

| <b>Title of each class</b>     | <b>Trading Symbol(s)</b> | <b>Name of each exchange on which registered</b> |
|--------------------------------|--------------------------|--------------------------------------------------|
| Common Stock, \$0.01 par value | ILMN                     | The Nasdaq Stock Market LLC                      |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13a of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 24, 2025, there were 152.8 million shares of the registrant's common stock outstanding.

**ILLUMINA, INC.**  
**FORM 10-Q**  
**FOR THE FISCAL QUARTER ENDED SEPTEMBER 28, 2025**  
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See "Form 10-Q Cross-Reference Index" within Other Key Information for a cross-reference to the parts and items requirements of the Securities and Exchange Commission Quarterly Report on Form 10-Q.

## Consideration Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains, and our officers and representatives may from time to time make, “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Words such as: “anticipate,” “intend,” “plan,” “goal,” “seek,” “believe,” “continue,” “project,” “estimate,” “expect,” “strategy,” “future,” “likely,” “may,” “potential,” “predict,” “should,” “will,” or similar words or phrases, or the negatives of these words, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward looking. Examples of forward-looking statements include, among others, statements we make regarding:

- our expectations as to our future financial performance, results of operations, or other operational results or metrics;
- the benefits that we expect will result from our business activities and certain transactions we have completed, or may complete, such as product introductions, increased revenue, decreased expenses, and avoided expenses and expenditures;
- our expectations of the effect on our financial condition of claims, litigation, contingent liabilities, and governmental investigations, proceedings, and regulations;
- our strategies or expectations for product development, market position, financial results, and reserves;
- our ability to successfully implement cost reduction plans in a timely manner and the possibility that costs associated with our cost reduction plans are greater than we anticipate;
- our expectations related to the proposed acquisition of SomaLogic, Inc. (SomaLogic) and certain other assets from Standard BioTools Inc. (Standard BioTools), including regarding regulatory approvals, timing, the future conduct and growth of the SomaLogic business and the proteomics market and our ability to successfully integrate SomaLogic into our existing operations and SomaLogic’s technology and products into our portfolio;
- our estimate of the cost impact on Illumina of the tariffs announced by the U.S. Government and other countries beginning in April 2025; and
- other expectations, beliefs, plans, strategies, anticipated developments, and other matters that are not historical facts.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following:

- our expectations and beliefs regarding prospects and growth for our business and the markets in which we operate;
- the timing and mix of customer orders among our products and services;
- challenges inherent in developing, manufacturing, and launching new products and services, including expanding manufacturing operations and reliance on third-party suppliers for critical components;
- 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;
- any reductions or potential reductions in funding for the National Institutes of Health (NIH), or targeted cancellations by the U.S. federal government of certain grants or contracts, could negatively impact our customers and reduce demand for our products and services;

- the impact of recently launched or pre-announced products and services on existing products and services;
- uncertainty regarding, or potential changes in, diplomatic and trade relationships, for example, as a result of the recent change in the U.S. government administration;
- risks and uncertainties regarding legal and regulatory proceedings;
- the impact of tariffs recently imposed by the U.S. government and its trading partners in response, other possible tariffs or trade protection measures, import or export licensing requirements, new or different customs duties, trade embargoes and sanctions and other trade barriers, as well as the impact of Illumina's efforts to mitigate the effect of such tariffs;
- risks associated with contracts or other agreements containing provisions that might be implicated by the divestiture of GRAIL, Inc. (f/k/a GRAIL, LLC) (GRAIL), including our ability to fully realize the anticipated economic benefits of our commercial arrangements with GRAIL and our obligations with respect to contingent value rights (the CVRs) issued by us in connection with the GRAIL acquisition, which may adversely affect us and our business and/or the market value of the CVRs;
- the risk of additional litigation arising against us in connection with the GRAIL acquisition;
- the completion of the proposed acquisition of SomaLogic and certain assets from Standard BioTools 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 the closing of the transaction;
- our ability to successfully integrate SomaLogic into our existing operations and SomaLogic's technology and products into our portfolio;
- the assumptions underlying our critical accounting policies and estimates;
- our assessments and estimates used to determine our expected effective tax rate;
- our assessments and beliefs regarding the outcome of pending legal proceedings and any liability that we may incur as a result of those proceedings, as well as the cost and potential diversion of management resources associated with these proceedings;
- uncertainty, or adverse economic and business conditions, including as a result of slowing or uncertain economic growth, competitive landscape, public health crisis, or armed conflict; and
- other factors detailed in our filings with the Securities and Exchange Commission (SEC), including the risks, uncertainties, and assumptions described in "Risk Factors" within the Business & Market Information section of our Annual Report on [Form 10-K](#) for the fiscal year ended December 29, 2024, the "Other Key Information" section of our Quarterly Report on [Form 10-Q](#) for the period ended March 30, 2025, and on [Form 10-Q](#) for the period ended June 29, 2025, the "Risk Factors" section below, or in information disclosed in public conference calls, the date and time of which are released beforehand.

Any forward-looking statement made by us in this Quarterly Report on Form 10-Q is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation, and do not intend, to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, or to review or confirm analysts' expectations, or to provide interim reports or updates on the progress of any current financial quarter, in each case whether as a result of new information, future developments, or otherwise.

## CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### ILLUMINA, INC. CONDENSED CONSOLIDATED BALANCE SHEETS (In millions)

|                                               | September 28,<br>2025<br>(Unaudited) | December 29,<br>2024 |
|-----------------------------------------------|--------------------------------------|----------------------|
| <b>ASSETS</b>                                 |                                      |                      |
| Current assets:                               |                                      |                      |
| Cash and cash equivalents                     | \$ 1,050                             | \$ 1,127             |
| Short-term investments                        | 228                                  | 93                   |
| Accounts receivable, net                      | 729                                  | 735                  |
| Inventory, net                                | 590                                  | 547                  |
| Prepaid expenses and other current assets     | 199                                  | 244                  |
| Total current assets                          | 2,796                                | 2,746                |
| Property and equipment, net                   | 748                                  | 815                  |
| Operating lease right-of-use assets           | 382                                  | 419                  |
| Goodwill                                      | 1,113                                | 1,113                |
| Intangible assets, net                        | 225                                  | 295                  |
| Deferred tax assets, net                      | 490                                  | 567                  |
| Other assets                                  | 423                                  | 348                  |
| Total assets                                  | \$ 6,177                             | \$ 6,303             |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>   |                                      |                      |
| Current liabilities:                          |                                      |                      |
| Accounts payable                              | \$ 218                               | \$ 221               |
| Accrued liabilities                           | 746                                  | 827                  |
| Term debt, current portion                    | 998                                  | 499                  |
| Total current liabilities                     | 1,962                                | 1,547                |
| Operating lease liabilities                   | 506                                  | 554                  |
| Term debt                                     | 994                                  | 1,490                |
| Other long-term liabilities                   | 334                                  | 339                  |
| Stockholders' equity:                         |                                      |                      |
| Common stock                                  | 2                                    | 2                    |
| Additional paid-in capital                    | 7,762                                | 7,525                |
| Accumulated other comprehensive (loss) income | (12)                                 | 22                   |
| Accumulated deficit                           | (726)                                | (1,242)              |
| Treasury stock, at cost                       | (4,645)                              | (3,934)              |
| Total stockholders' equity                    | 2,381                                | 2,373                |
| Total liabilities and stockholders' equity    | \$ 6,177                             | \$ 6,303             |

See accompanying notes to condensed consolidated financial statements.

**ILLUMINA, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)  
(In millions, except per share amounts)

|                                                     | Three Months Ended    |                       | Nine Months Ended     |                       |
|-----------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                     | September 28,<br>2025 | September 29,<br>2024 | September 28,<br>2025 | September 29,<br>2024 |
| Revenue:                                            |                       |                       |                       |                       |
| Product revenue                                     | \$ 927                | \$ 914                | \$ 2,719              | \$ 2,718              |
| Service and other revenue                           | 157                   | 166                   | 465                   | 550                   |
| Total revenue                                       | 1,084                 | 1,080                 | 3,184                 | 3,268                 |
| Cost of revenue:                                    |                       |                       |                       |                       |
| Cost of product revenue                             | 267                   | 235                   | 795                   | 739                   |
| Cost of service and other revenue                   | 68                    | 84                    | 228                   | 286                   |
| Amortization of acquired intangible assets          | 16                    | 16                    | 50                    | 110                   |
| Total cost of revenue                               | 351                   | 335                   | 1,073                 | 1,135                 |
| Gross profit                                        | 733                   | 745                   | 2,111                 | 2,133                 |
| Operating expense:                                  |                       |                       |                       |                       |
| Research and development                            | 229                   | 253                   | 728                   | 913                   |
| Selling, general and administrative                 | 277                   | 239                   | 777                   | 813                   |
| Goodwill and intangible impairment                  | —                     | —                     | —                     | 1,889                 |
| Legal contingency and settlement                    | —                     | (488)                 | —                     | (474)                 |
| Total operating expense                             | 506                   | 4                     | 1,505                 | 3,141                 |
| Income (loss) from operations                       | 227                   | 741                   | 606                   | (1,008)               |
| Other income (expense):                             |                       |                       |                       |                       |
| Interest income                                     | 9                     | 11                    | 30                    | 36                    |
| Interest expense                                    | (25)                  | (36)                  | (75)                  | (75)                  |
| Other income (expense), net                         | 9                     | 4                     | 148                   | (319)                 |
| Total other (expense) income, net                   | (7)                   | (21)                  | 103                   | (358)                 |
| Income (loss) before income taxes                   | 220                   | 720                   | 709                   | (1,366)               |
| Provision for income taxes                          | 70                    | 15                    | 193                   | 44                    |
| Net income (loss)                                   | \$ 150                | \$ 705                | \$ 516                | \$ (1,410)            |
| Earnings (loss) per share:                          |                       |                       |                       |                       |
| Basic                                               | \$ 0.98               | \$ 4.43               | \$ 3.30               | \$ (8.86)             |
| Diluted                                             | \$ 0.98               | \$ 4.42               | \$ 3.29               | \$ (8.86)             |
| Shares used in computing earnings (loss) per share: |                       |                       |                       |                       |
| Basic                                               | 153                   | 159                   | 156                   | 159                   |
| Diluted                                             | 154                   | 160                   | 157                   | 159                   |

*See accompanying notes to condensed consolidated financial statements.*

**ILLUMINA, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(Unaudited)  
(In millions)

|                                                                 | Three Months Ended    |                       | Nine Months Ended     |                       |
|-----------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                                 | September 28,<br>2025 | September 29,<br>2024 | September 28,<br>2025 | September 29,<br>2024 |
| Net income (loss)                                               | \$ 150                | \$ 705                | \$ 516                | \$ (1,410)            |
| Unrealized gain (loss) on cash flow hedges, net of deferred tax | 9                     | (19)                  | (34)                  | (4)                   |
| Total comprehensive income (loss)                               | <u>\$ 159</u>         | <u>\$ 686</u>         | <u>\$ 482</u>         | <u>\$ (1,414)</u>     |

*See accompanying notes to condensed consolidated financial statements.*

**ILLUMINA, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(Unaudited)  
(In millions)

|                                                          | Common Stock |        | Additional<br>Paid-In<br>Capital | Accumulated<br>Other<br>Comprehensive<br>Income (Loss) | Accumulated<br>Deficit | Treasury Stock |            | Total<br>Stockholders'<br>Equity |
|----------------------------------------------------------|--------------|--------|----------------------------------|--------------------------------------------------------|------------------------|----------------|------------|----------------------------------|
|                                                          | Shares       | Amount |                                  |                                                        |                        | Shares         | Amount     |                                  |
| Balance as of December 31, 2023                          | 199          | \$ 2   | \$ 9,555                         | \$ (1)                                                 | \$ (19)                | (40)           | \$ (3,792) | \$ 5,745                         |
| Net loss                                                 | —            | —      | —                                | —                                                      | (126)                  | —              | —          | (126)                            |
| Unrealized gain on cash flow hedges, net of deferred tax | —            | —      | —                                | 13                                                     | —                      | —              | —          | 13                               |
| Issuance of common stock, net of repurchases             | —            | —      | 36                               | —                                                      | —                      | —              | (1)        | 35                               |
| Share-based compensation                                 | —            | —      | 67                               | —                                                      | —                      | —              | —          | 67                               |
| Balance as of March 31, 2024                             | 199          | 2      | 9,658                            | 12                                                     | (145)                  | (40)           | (3,793)    | 5,734                            |
| Net loss                                                 | —            | —      | —                                | —                                                      | (1,988)                | —              | —          | (1,988)                          |
| Unrealized gain on cash flow hedges, net of deferred tax | —            | —      | —                                | 2                                                      | —                      | —              | —          | 2                                |
| Issuance of common stock, net of repurchases             | —            | —      | —                                | —                                                      | —                      | —              | (1)        | (1)                              |
| Share-based compensation                                 | —            | —      | 88                               | —                                                      | —                      | —              | —          | 88                               |
| Spin-Off of GRAIL                                        | —            | —      | (2,399)                          | —                                                      | —                      | —              | —          | (2,399)                          |
| Balance as of June 30, 2024                              | 199          | 2      | 7,347                            | 14                                                     | (2,133)                | (40)           | (3,794)    | 1,436                            |
| Net income                                               | —            | —      | —                                | —                                                      | 705                    | —              | —          | 705                              |
| Unrealized loss on cash flow hedges, net of deferred tax | —            | —      | —                                | (19)                                                   | —                      | —              | —          | (19)                             |
| Issuance of common stock, net of repurchases             | —            | —      | 19                               | —                                                      | —                      | (1)            | (99)       | (80)                             |
| Share-based compensation                                 | —            | —      | 83                               | —                                                      | —                      | —              | —          | 83                               |
| Balance as of September 29, 2024                         | 199          | 2      | 7,449                            | (5)                                                    | (1,428)                | (41)           | (3,893)    | 2,125                            |
| Net income                                               | —            | —      | —                                | —                                                      | 186                    | —              | —          | 186                              |
| Unrealized gain on cash flow hedges, net of deferred tax | —            | —      | —                                | 27                                                     | —                      | —              | —          | 27                               |
| Issuance of common stock, net of repurchases             | 1            | —      | (4)                              | —                                                      | —                      | —              | (41)       | (45)                             |
| Share-based compensation                                 | —            | —      | 80                               | —                                                      | —                      | —              | —          | 80                               |
| Balance as of December 29, 2024                          | 200          | \$ 2   | \$ 7,525                         | \$ 22                                                  | \$ (1,242)             | (41)           | \$ (3,934) | \$ 2,373                         |

*See accompanying notes to condensed consolidated financial statements.*

**ILLUMINA, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(Unaudited)  
(In millions)

|                                                          | Common Stock |        | Additional<br>Paid-In<br>Capital | Accumulated<br>Other<br>Comprehensive<br>Income (Loss) | Accumulated<br>Deficit | Treasury Stock |            | Total<br>Stockholders'<br>Equity |
|----------------------------------------------------------|--------------|--------|----------------------------------|--------------------------------------------------------|------------------------|----------------|------------|----------------------------------|
|                                                          | Shares       | Amount |                                  |                                                        |                        | Shares         | Amount     |                                  |
| Balance as of December 29, 2024                          | 200          | \$ 2   | \$ 7,525                         | \$ 22                                                  | \$ (1,242)             | (41)           | \$ (3,934) | \$ 2,373                         |
| Net income                                               | —            | —      | —                                | —                                                      | 131                    | —              | —          | 131                              |
| Unrealized loss on cash flow hedges, net of deferred tax | —            | —      | —                                | (14)                                                   | —                      | —              | —          | (14)                             |
| Issuance of common stock, net of repurchases             | 1            | —      | 10                               | —                                                      | —                      | (1)            | (205)      | (195)                            |
| Share-based compensation                                 | —            | —      | 73                               | —                                                      | —                      | —              | —          | 73                               |
| Balance as of March 30, 2025                             | 201          | 2      | 7,608                            | 8                                                      | (1,111)                | (42)           | (4,139)    | 2,368                            |
| Net income                                               | —            | —      | —                                | —                                                      | 235                    | —              | —          | 235                              |
| Unrealized loss on cash flow hedges, net of deferred tax | —            | —      | —                                | (29)                                                   | —                      | —              | —          | (29)                             |
| Issuance of common stock, net of repurchases             | —            | —      | (1)                              | —                                                      | —                      | (5)            | (384)      | (385)                            |
| Share-based compensation                                 | —            | —      | 69                               | —                                                      | —                      | —              | —          | 69                               |
| Balance as of June 29, 2025                              | 201          | 2      | 7,676                            | (21)                                                   | (876)                  | (47)           | (4,523)    | 2,258                            |
| Net income                                               | —            | —      | —                                | —                                                      | 150                    | —              | —          | 150                              |
| Unrealized gain on cash flow hedges, net of deferred tax | —            | —      | —                                | 9                                                      | —                      | —              | —          | 9                                |
| Issuance of common stock, net of repurchases             | —            | —      | 16                               | —                                                      | —                      | (1)            | (122)      | (106)                            |
| Share-based compensation                                 | —            | —      | 70                               | —                                                      | —                      | —              | —          | 70                               |
| Balance as of September 28, 2025                         | 201          | \$ 2   | \$ 7,762                         | \$ (12)                                                | \$ (726)               | (48)           | \$ (4,645) | \$ 2,381                         |

*See accompanying notes to condensed consolidated financial statements.*

**ILLUMINA, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Unaudited)**  
**(In millions)**

|                                                                                               | Nine Months Ended     |                       |
|-----------------------------------------------------------------------------------------------|-----------------------|-----------------------|
|                                                                                               | September 28,<br>2025 | September 29,<br>2024 |
| <b>Cash flows from operating activities:</b>                                                  |                       |                       |
| Net income (loss)                                                                             | \$ 516                | \$ (1,410)            |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities:      |                       |                       |
| Depreciation expense                                                                          | 153                   | 170                   |
| Amortization of intangible assets                                                             | 51                    | 113                   |
| Share-based compensation expense                                                              | 212                   | 291                   |
| Deferred income taxes                                                                         | 82                    | (161)                 |
| Net (gains) losses on strategic investments                                                   | (137)                 | 342                   |
| Change in fair value of contingent consideration liabilities                                  | (29)                  | (304)                 |
| Goodwill and intangible impairment                                                            | 23                    | 1,889                 |
| Property and equipment and right-of-use asset impairment                                      | 4                     | 32                    |
| Gain on Helix contingent value right                                                          | —                     | (15)                  |
| Other                                                                                         | 18                    | 11                    |
| Changes in operating assets and liabilities:                                                  |                       |                       |
| Accounts receivable                                                                           | 13                    | 20                    |
| Inventory                                                                                     | (43)                  | (9)                   |
| Prepaid expenses and other current assets                                                     | (1)                   | (11)                  |
| Operating lease right-of-use assets and liabilities, net                                      | (25)                  | (21)                  |
| Other assets                                                                                  | (13)                  | (14)                  |
| Accounts payable                                                                              | (13)                  | (35)                  |
| Accrued liabilities                                                                           | (69)                  | (406)                 |
| Other long-term liabilities                                                                   | 16                    | (9)                   |
| Net cash provided by operating activities                                                     | <u>758</u>            | <u>473</u>            |
| <b>Cash flows from investing activities:</b>                                                  |                       |                       |
| Net purchases of property and equipment                                                       | (93)                  | (99)                  |
| Net purchases of strategic investments                                                        | (63)                  | (33)                  |
| Cash paid for acquisitions and intangible assets, net of cash required                        | (7)                   | (81)                  |
| Cash received for Helix contingent value right                                                | —                     | 83                    |
| Net cash used in investing activities                                                         | <u>(163)</u>          | <u>(130)</u>          |
| <b>Cash flows from financing activities:</b>                                                  |                       |                       |
| Common stock repurchases                                                                      | (700)                 | (99)                  |
| Taxes paid related to net share settlement of equity awards                                   | (24)                  | (2)                   |
| Proceeds from issuance of common stock                                                        | 44                    | 56                    |
| Payments on contingent consideration liabilities                                              | (1)                   | (1)                   |
| Proceeds from debt, net of issuance costs                                                     | —                     | 1,241                 |
| Payments on debt obligations                                                                  | —                     | (750)                 |
| GRAIL cash deconsolidated as a result of spin-off                                             | —                     | (968)                 |
| Net cash used in financing activities                                                         | <u>(681)</u>          | <u>(523)</u>          |
| Effect of exchange rate changes on cash and cash equivalents                                  | 9                     | 1                     |
| Net decrease in cash and cash equivalents                                                     | <u>(77)</u>           | <u>(179)</u>          |
| Cash and cash equivalents at beginning of period                                              | 1,127                 | 1,048                 |
| Cash and cash equivalents at end of period                                                    | <u>\$ 1,050</u>       | <u>\$ 869</u>         |
| <b>Supplemental cash flow information:</b>                                                    |                       |                       |
| GRAIL net assets, excluding cash and cash equivalents, deconsolidated as a result of spin-off | <u>\$ —</u>           | <u>\$ 1,770</u>       |

*See accompanying notes to condensed consolidated financial statements.*

**ILLUMINA, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

*Unless the context requires otherwise, references in this report to “Illumina,” the “Company,” “we,” “us,” and “our” refer to Illumina, Inc. and its consolidated subsidiaries.*

## **1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

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### **Business Overview**

We are a provider of sequencing- and array-based solutions for genetic and genomic analysis, serving customers in the research, clinical and applied markets. Our products are used for applications in the life sciences, oncology, reproductive health, agriculture and other emerging segments. Our customers include leading genomic research centers, academic institutions, government laboratories, and hospitals, as well as pharmaceutical, biotechnology, commercial molecular diagnostic laboratories, and consumer genomics companies.

On June 24, 2024, we completed the separation (the Spin-Off) of GRAIL into a new public company through the distribution of 26,547,021 shares of GRAIL common stock to Illumina stockholders on a pro rata basis. The distribution reflected approximately 85.5% of the outstanding common stock of GRAIL as of 5:00 p.m. New York time on June 13, 2024, the record date for the distribution (the Record Date). We retained approximately 14.5% of the shares of GRAIL common stock immediately following the Spin-Off. The disposition of GRAIL did not meet the criteria to be reported as a discontinued operation and GRAIL's results of operations and cash flows have not been reclassified. As part of the Spin-Off, we contributed to GRAIL an amount, in cash, to cover 2.5 years of GRAIL's operations (the Disposal Funding), which was determined to be \$974 million, less the cash and cash equivalents held by GRAIL. In planning for and executing the Spin-Off, we incurred \$53 million in separation-related transaction costs during YTD 2024, which were recorded in selling, general and administrative expense.

### **Basis of Presentation**

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. Interim financial results are not necessarily indicative of results anticipated for the full year. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and footnotes included in the Annual Report on Form [10-K](#) for the fiscal year ended December 29, 2024, from which the prior year balance sheet information herein was derived. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expense, and related disclosure of contingent assets and liabilities. Although recently imposed tariffs, reductions in the U.S. government's funding of the National Institutes of Health, our inclusion on the unreliable entities list by regulatory authorities in China and the prohibition of our export of sequencing instruments into China, as well as macroeconomic factors such as inflation, exchange rate fluctuations, and concerns about an economic downturn present additional uncertainty, we continue to use the best information available to form our critical accounting estimates. Actual results could differ from those estimates.

The unaudited condensed consolidated financial statements include our accounts, our wholly-owned subsidiaries, and majority-owned or controlled companies. All intercompany transactions and balances have been eliminated in consolidation. Certain prior period amounts have been reclassified to conform to the current period presentation. In management's opinion, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, consisting of normal recurring adjustments, considered necessary for a fair presentation of the results for the interim periods presented.

### **Fiscal Year**

Our fiscal year is the 52 or 53 weeks ending the Sunday closest to December 31, with quarters of 13 or 14 weeks ending the Sunday closest to March 31, June 30, September 30, and December 31. References to Q3 2025 and Q3 2024 refer to the three months ended September 28, 2025 and September 29, 2024, respectively, which were both 13 weeks. References to year-to-date (YTD) 2025 and 2024 refer to the nine months ended September 28, 2025 and September 29, 2024, respectively, which were both 39 weeks.

## Significant Accounting Policies

During YTD 2025, there were no changes to our significant accounting policies as described in our Annual Report on Form [10-K](#) for the fiscal year ended December 29, 2024.

### Accounting Pronouncements Pending Adoption

In December 2023, the FASB issued ASU 2023-09, *Income Taxes - Improvements to Income Tax Disclosures*. The new standard includes enhanced income tax disclosures, specifically related to the rate reconciliation and income taxes paid for annual periods. We will adopt the standard and provide the additional disclosures on the effective date, in our fourth quarter of fiscal year 2025, and expect the standard to be applied retrospectively, as permitted.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses - Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures*. The new standard requires a company to provide disaggregated disclosures, in the notes to the financial statements, of specified categories of expenses that are included in line items on the face of the income statement. The standard is effective for us beginning in fiscal year 2027 and interim periods within fiscal year 2028, with early adoption permitted. The new standard is expected to be applied prospectively, but retrospective application is permitted. We are currently evaluating the impact of ASU 2024-03 on the consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*. The new standard is intended to modernize the recognition and disclosure framework for capitalized internal-use software costs, removing the previous “development stage” model and introducing a more judgment-based approach. The standard is effective for us beginning in our first quarter of fiscal year 2028, with early adoption permitted, and can be applied using a prospective, retrospective, or modified transition approach. We are currently evaluating the impact of ASU 2025-06 on the consolidated financial statements.

### Earnings (Loss) per Share

Basic earnings (loss) per share is computed based on the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share is computed based on the sum of the weighted average number of common shares and potentially dilutive common shares outstanding during the period. In loss periods, basic and diluted loss per share are identical since the effect of potentially dilutive common shares is antidilutive and therefore excluded. Potentially dilutive common shares from equity awards are determined using the average share price for each period under the treasury stock method. In addition, proceeds from exercise of equity awards and the average amount of unrecognized compensation expense for equity awards are assumed to be used to repurchase shares.

The weighted average shares used to calculate basic and diluted earnings (loss) per share were as follows:

| <i>In millions</i>                                                               | Q3 2025 | Q3 2024 | YTD 2025 | YTD 2024 |
|----------------------------------------------------------------------------------|---------|---------|----------|----------|
| Weighted average shares outstanding                                              | 153     | 159     | 156      | 159      |
| Effect of potentially dilutive common shares from:                               |         |         |          |          |
| Equity awards                                                                    | 1       | 1       | 1        | —        |
| Weighted average shares used in calculating diluted earnings (loss) per share    | 154     | 160     | 157      | 159      |
| Antidilutive shares:                                                             |         |         |          |          |
| Equity awards                                                                    | 2       | 2       | 3        | 4        |
| Potentially dilutive shares excluded from calculation due to antidilutive effect | 2       | 2       | 3        | 4        |

## 2. PENDING ACQUISITION

On June 22, 2025, we entered into a Stock Purchase Agreement (the Purchase Agreement) with Standard BioTools to acquire SomaLogic and other specified assets for \$350 million in cash, subject to customary adjustments. The Purchase Agreement further provides for, in connection with the revenues generated from certain products and services, (i) royalty streams and (ii) up to \$75 million in potential milestone payments to Standard BioTools. The transaction, which is expected to close in the first half of 2026, is subject to customary closing conditions, including the receipt of required regulatory approvals. The Purchase Agreement contains certain termination rights if the consummation of the acquisition does not occur on or before March 23, 2026, subject to three automatic three-month extensions related to obtaining required regulatory approvals. Upon termination of the Purchase Agreement under specified circumstances relating to the failure to obtain regulatory approvals, we would be required to pay Standard BioTools a termination fee of \$14.5 million. The purchase agreement also contemplates that, immediately prior to or at the close of the transaction, Illumina and Standard BioTools will enter into several ancillary agreements, including (i) a transition services agreement, pursuant to which Standard BioTools will provide certain transition services for a period following the closing and (ii) a license agreement, pursuant to which we will grant to Standard BioTools a non-transferable, non-sublicensable license to certain intellectual property owned by us.

## 3. REVENUE

Our revenue is generated from the sale of products and services. Product revenue consists of sales of instruments and consumables used in genetic analysis. Service and other revenue consists of revenue generated from genotyping and sequencing services, instrument service contracts, development and licensing agreements, and, prior to the Spin-Off of GRAIL on June 24, 2024, cancer detection testing services related to the GRAIL business.

### Revenue by Source

| <i>In millions</i>        | Q3 2025    |            |          | Q3 2024    |            |          |
|---------------------------|------------|------------|----------|------------|------------|----------|
|                           | Sequencing | Microarray | Total    | Sequencing | Microarray | Total    |
| Consumables               | \$ 747     | \$ 69      | \$ 816   | \$ 741     | \$ 66      | \$ 807   |
| Instruments               | 107        | 4          | 111      | 104        | 3          | 107      |
| Total product revenue     | 854        | 73         | 927      | 845        | 69         | 914      |
| Service and other revenue | 147        | 10         | 157      | 150        | 16         | 166      |
| Total revenue             | \$ 1,001   | \$ 83      | \$ 1,084 | \$ 995     | \$ 85      | \$ 1,080 |

  

| <i>In millions</i>        | YTD 2025   |            |          | YTD 2024   |            |          |
|---------------------------|------------|------------|----------|------------|------------|----------|
|                           | Sequencing | Microarray | Total    | Sequencing | Microarray | Total    |
| Consumables               | \$ 2,183   | \$ 212     | \$ 2,395 | \$ 2,160   | \$ 216     | \$ 2,376 |
| Instruments               | 311        | 13         | 324      | 330        | 12         | 342      |
| Total product revenue     | 2,494      | 225        | 2,719    | 2,490      | 228        | 2,718    |
| Service and other revenue | 425        | 40         | 465      | 499        | 51         | 550      |
| Total revenue             | \$ 2,919   | \$ 265     | \$ 3,184 | \$ 2,989   | \$ 279     | \$ 3,268 |

### Revenue by Geographic Area

| <i>Based on region of destination (in millions)</i>  | Q3 2025  | Q3 2024  | YTD 2025 | YTD 2024 |
|------------------------------------------------------|----------|----------|----------|----------|
| Americas                                             | \$ 612   | \$ 609   | \$ 1,768 | \$ 1,852 |
| Europe                                               | 309      | 291      | 911      | 859      |
| Greater China <sup>(1)</sup>                         | 52       | 75       | 187      | 228      |
| Asia-Pacific, Middle East, and Africa <sup>(2)</sup> | 111      | 105      | 318      | 329      |
| Total revenue                                        | \$ 1,084 | \$ 1,080 | \$ 3,184 | \$ 3,268 |

<sup>(1)</sup> Region includes revenue from China, Taiwan, and Hong Kong.

<sup>(2)</sup> Region includes revenue from Russia and Turkey.

## Performance Obligations

We regularly enter into contracts with multiple performance obligations. These contracts are believed to be firm as of the balance sheet date. However, we may allow customers to make product substitutions as we launch new products. The timing of shipments depends on several factors, including agreed upon shipping schedules, which may span multiple quarters. Most performance obligations are generally satisfied within approximately three to six months after the contract execution date. As of September 28, 2025, the aggregate amount of the transaction price allocated to remaining performance obligations was \$747 million, of which 77% is expected to be converted to revenue in the next twelve months, 11% in the following twelve months, and the remainder thereafter.

## Contract Assets and Liabilities

Contract assets, which consist of revenue recognized and performance obligations satisfied or partially satisfied in advance of customer billing, were \$22 million and \$16 million as of September 28, 2025 and December 29, 2024, respectively, and were recorded in prepaid expenses and other current assets.

Contract liabilities, which consist of deferred revenue and customer deposits, as of September 28, 2025 and December 29, 2024, were \$307 million and \$327 million, respectively, of which \$234 million and \$260 million, respectively, was short-term and recorded in accrued liabilities and the remaining long-term portions were recorded in other long-term liabilities. Revenue recorded in Q3 2025 and YTD 2025 included \$47 million and \$214 million, respectively, of previously deferred revenue that was included in contract liabilities as of December 29, 2024.

## 4. INVESTMENTS AND FAIR VALUE MEASUREMENTS

### Strategic Investments

#### Marketable Equity Securities

Our short-term investments consist of marketable equity securities, primarily our retained investment in GRAIL subsequent to the Spin-Off. As of September 28, 2025 and December 29, 2024, the fair value of our marketable equity securities totaled \$228 million and \$93 million, respectively.

Gains (losses) recognized in other income (expense), net on marketable equity securities were as follows:

| <i>In millions</i>                                                                                        | Q3 2025 | Q3 2024 | YTD 2025 | YTD 2024 |
|-----------------------------------------------------------------------------------------------------------|---------|---------|----------|----------|
| Net gains (losses) recognized during the period <sup>(1)</sup>                                            | \$ 7    | \$ (4)  | \$ 135   | \$ (333) |
| Less: Net gains (losses) recognized during the period on securities sold during the period                | —       | —       | —        | —        |
| Net unrealized gains (losses) recognized during the period on securities still held at the reporting date | \$ 7    | \$ (4)  | \$ 135   | \$ (333) |

<sup>(1)</sup> Subsequent to the Spin-Off of GRAIL, we recognized a loss of \$332 million in YTD 2024 on our retained investment.

#### Non-Marketable Equity Securities

As of September 28, 2025 and December 29, 2024, non-marketable equity securities, without readily determinable fair values, included in other assets, were \$58 million and \$26 million, respectively.

#### Venture Funds

We invest in three venture capital investment funds (the Funds), which are accounted for as equity-method investments. The aggregate carrying amount of the Funds, included in other assets, was \$215 million and \$201 million as of September 28, 2025 and December 29, 2024, respectively. Gains and losses are recorded in other income (expense), net. We recorded net gains of \$2 million and \$10 million in Q3 2025 and YTD 2025, respectively. We recorded net losses of \$6 million and \$3 million in Q3 2024 and YTD 2024, respectively.

Our commitments to the Funds are as follows:

| <i>Dollars in millions</i> | Capital commitments | Callable through date | Remaining callable as of September 28, 2025 <sup>(1)</sup> |
|----------------------------|---------------------|-----------------------|------------------------------------------------------------|
| Fund I                     | \$ 100              | April 2026            | \$ 3                                                       |
| Fund II                    | \$ 150              | July 2029             | \$ 39                                                      |
| Fund III                   | \$ 60               | December 2034         | \$ 27                                                      |

<sup>(1)</sup> Fund I also had approximately \$10 million of distributions that are recallable through December 31, 2025.

Revenue recognized from transactions with our strategic investees was \$7 million and \$22 million for Q3 2025 and YTD 2025, respectively, and \$7 million and \$13 million for Q3 2024 and YTD 2024, respectively.

## Fair Value Measurements

The following table presents the hierarchy for assets and liabilities measured at fair value on a recurring basis:

| <i>In millions</i>                       | September 28, 2025 |              |              |                 | December 29, 2024 |              |              |                 |
|------------------------------------------|--------------------|--------------|--------------|-----------------|-------------------|--------------|--------------|-----------------|
|                                          | Level 1            | Level 2      | Level 3      | Total           | Level 1           | Level 2      | Level 3      | Total           |
| <b>Assets:</b>                           |                    |              |              |                 |                   |              |              |                 |
| Money market funds (cash equivalents)    | \$ 851             | \$ —         | \$ —         | \$ 851          | \$ 931            | \$ —         | \$ —         | \$ 931          |
| Marketable equity securities             | 228                | —            | —            | 228             | 93                | —            | —            | 93              |
| Other investments                        | —                  | —            | 32           | 32              | —                 | —            | 17           | 17              |
| Deferred compensation plan assets        | —                  | 78           | —            | 78              | —                 | 70           | —            | 70              |
| Total assets measured at fair value      | <u>\$ 1,079</u>    | <u>\$ 78</u> | <u>\$ 32</u> | <u>\$ 1,189</u> | <u>\$ 1,024</u>   | <u>\$ 70</u> | <u>\$ 17</u> | <u>\$ 1,111</u> |
| <b>Liabilities:</b>                      |                    |              |              |                 |                   |              |              |                 |
| Contingent consideration liabilities     | \$ —               | \$ —         | \$ 43        | \$ 43           | \$ —              | \$ —         | \$ 73        | \$ 73           |
| Deferred compensation plan liabilities   | —                  | 70           | —            | 70              | —                 | 65           | —            | 65              |
| Total liabilities measured at fair value | <u>\$ —</u>        | <u>\$ 70</u> | <u>\$ 43</u> | <u>\$ 113</u>   | <u>\$ —</u>       | <u>\$ 65</u> | <u>\$ 73</u> | <u>\$ 138</u>   |

Marketable equity securities are measured at fair value based on quoted trade prices in active markets. For other investments, which are included in other assets and consist primarily of convertible notes, we elected the fair value option. Fair value of the convertible notes is derived using a probability-weighted scenario approach with changes in fair value recognized in other income (expense), net. Deferred compensation plan assets consist primarily of investments in life insurance contracts carried at cash surrender value, which reflects the net asset value of the underlying publicly traded mutual funds. We corroborate the fair value of our holdings, comparing valuations obtained from our investment service provider to valuations reported by our asset custodians, validating pricing sources and models, and reviewing key model inputs.

## Contingent Consideration Liabilities

We reassess the fair value of contingent consideration related to acquisitions on a quarterly basis, with changes in the fair value subsequent to the acquisition date, recognized in selling, general and administrative expense.

Changes in the estimated fair value of our contingent consideration liabilities during YTD 2025 were as follows:

*In millions*

|                                  |    |      |
|----------------------------------|----|------|
| Balance as of December 29, 2024  | \$ | 73   |
| Change in estimated fair value   |    | (29) |
| Cash payments                    |    | (1)  |
| Balance as of September 28, 2025 | \$ | 43   |

The fair value of our contingent consideration liability related to GRAIL was \$43 million and \$71 million as of September 28, 2025 and December 29, 2024, respectively, of which \$42 million and \$70 million, respectively, was included in other long-term liabilities, with the remaining balances included in accrued liabilities. The contingent value rights issued as part of the GRAIL acquisition entitle the holders to receive future cash payments on a quarterly basis (Covered Revenue Payments) representing a pro rata portion of certain GRAIL-related revenues (Covered Revenues) each year for a 12-year period through August 2033. As defined in the [Contingent Value Rights Agreement](#), this will reflect a 2.5% payment right to the first \$1 billion of revenue each year for 12 years. Revenue above \$1 billion each year will be subject to a 9% contingent payment right during this same period. Covered Revenues for the periods Q4 2024 through Q2 2025 and Q4 2023 through Q2 2024 were \$106 million and \$89 million, respectively, driven primarily by sales of GRAIL's Galleri test. Covered Revenue Payments relating to such periods were \$994,000 and \$836,000, respectively, which were paid in YTD 2025 and YTD 2024, respectively.

We use a Monte Carlo simulation to estimate the fair value of our GRAIL contingent consideration. Estimates and assumptions used in the Monte Carlo simulation include forecasted revenues for GRAIL, a revenue risk premium, a revenue volatility estimate, an operational leverage ratio and a counterparty credit spread. These unobservable inputs represent a Level 3 measurement because they are supported by little or no market activity and reflect our own assumptions in measuring fair value. Subsequent to the GRAIL Spin-Off, we no longer have access to GRAIL management's forecasts. Therefore, we rely on information made public by GRAIL and information published in analyst reports to estimate forecasted revenues through August 2033. To estimate the liability as of September 28, 2025, we selected a revenue risk premium of 3%. Given volatility in GRAIL's market capitalization, the revenue risk premium is derived from reconciling forecasted revenues for GRAIL to GRAIL's market capitalization, primarily using a 60-day trailing average, and consideration of a Capital Asset Pricing Model and comparable company betas.

The assumptions used in estimating the fair value of our contingent consideration liability related to GRAIL are inherently subject to uncertainty and we note that small changes in these assumptions could have a significant impact on the concluded value. For example, an increase or decrease of 20%, in each year, to the forecasted revenues would have resulted in an increase of \$13 million and a decrease of \$11 million, respectively, in the liability as of September 28, 2025. Additionally, an increase or decrease of 250 basis points to the selected revenue risk premium would have resulted in a decrease of \$8 million and an increase of \$10 million, respectively. We expect high levels of volatility in the GRAIL contingent consideration liability are possible in future periods.

## 5. DEBT

### Summary of Term Debt Obligations

| <i>In millions</i>                              | September 28,<br>2025 | December 29,<br>2024 |
|-------------------------------------------------|-----------------------|----------------------|
| Principal amount of 2025 Term Notes outstanding | \$ 500                | \$ 500               |
| Principal amount of 2026 Term Notes outstanding | 500                   | 500                  |
| Principal amount of 2027 Term Notes outstanding | 500                   | 500                  |
| Principal amount of 2031 Term Notes outstanding | 500                   | 500                  |
| Unamortized discounts and debt issuance costs   | (8)                   | (11)                 |
| Net carrying amount of term debt                | 1,992                 | 1,989                |
| Less: current portion                           | 998                   | 499                  |
| Term debt, non-current                          | \$ 994                | \$ 1,490             |
| Fair value of term debt outstanding (Level 2)   | \$ 1,964              | \$ 1,940             |

Interest expense, which included amortization of debt discounts and issuance costs, was \$24 million and \$73 million in Q3 2025 and YTD 2025, respectively, and \$36 million and \$74 million in Q3 2024 and YTD 2024, respectively.

#### **4.650% Term Notes due 2026 (2026 Term Notes)**

In September 2024, we issued \$500 million aggregate principal amount of 2026 Term Notes, which mature on September 9, 2026 and accrue interest at a rate of 4.650% per annum, payable semi-annually on March 9 and September 9 of each year, beginning on March 9, 2025. We may redeem for cash all or any portion of the notes, at our option, at any time prior to maturity at make-whole premium redemption prices defined in the form of the notes.

#### **5.800% Term Notes due 2025 (2025 Term Notes) and 5.750% Term Notes due 2027 (2027 Term Notes)**

In December 2022, we issued \$500 million aggregate principal amount of 2025 Term Notes and \$500 million aggregate principal amount of 2027 Term Notes. The 2025 Notes, which mature on December 12, 2025, and the 2027 Notes, which mature on December 13, 2027, accrue interest at a rate of 5.800% and 5.750% per annum, respectively, payable semi-annually. Interest for the 2025 Notes is payable on June 12 and December 12 of each year and interest for the 2027 Notes is payable on June 13 and December 13 of each year.

We may redeem for cash all or any portion of the 2025 or 2027 Term Notes, at our option, at any time prior to maturity. Prior to November 12, 2025 for the 2025 Notes and prior to November 13, 2027 for the 2027 Notes, the notes are redeemable at make-whole premium redemption prices as defined in the applicable forms of note. After November 12, 2025 and November 13, 2027, respectively, the notes are redeemable at a redemption price equal to 100% of the principal to be redeemed, plus accrued and unpaid interest up to, but excluding, the redemption date.

#### **2.550% Term Notes due 2031 (2031 Term Notes)**

In March 2021, we issued \$500 million aggregate principal amount of 2031 Term Notes, which mature on March 23, 2031 and accrue interest at a rate of 2.550% per annum, payable semi-annually on March 23 and September 23 of each year. We may redeem for cash all or any portion of the notes, at our option, at any time prior to maturity. Prior to December 23, 2030, the notes are redeemable at make-whole premium redemption prices as defined in the form of the notes. After December 23, 2030, the notes are redeemable at a redemption price equal to 100% of the principal to be redeemed, plus accrued and unpaid interest up to, but excluding, the redemption date.

#### **Revolving Credit Agreement**

On January 4, 2023, we entered into a credit agreement (the Revolving Credit Agreement), which provides us with a \$750 million senior unsecured five-year revolving credit facility, including a \$40 million sublimit for swingline borrowings and a \$50 million sublimit for letters of credit (the Revolving Credit Facility). Proceeds of the loans under the Revolving Credit Facility may be used to finance working capital needs and for general corporate purposes.

The Revolving Credit Facility matures, and all amounts outstanding become due and payable in full, on January 4, 2028, subject to two one-year extensions at our option, the consent of the extending lenders and certain other conditions. We may prepay amounts borrowed and terminate commitments under the Revolving Credit Facility at any time without premium or penalty. As of September 28, 2025, there were no borrowings or letters of credit outstanding under the credit facility, and we were in compliance with all financial and operating covenants.

Loans under the Revolving Credit Facility will have a variable interest rate based on either the term secured overnight financing rate (SOFR) or the alternate base rate, plus an applicable rate that varies with our debt rating and, in the case of loans bearing interest based on term SOFR, a credit spread adjustment equal to 0.10% per annum. The Revolving Credit Agreement includes an option for us to elect to increase commitments under the credit facility or enter into one or more tranches of term loans in the aggregate principal amount of up to \$250 million, subject to consent of the lenders providing the additional commitments or loans and certain other conditions.

The Revolving Credit Agreement contains financial and operating covenants. Pursuant to the Revolving Credit Agreement, we are required to maintain a ratio of total debt to adjusted annual earnings before interest, taxes, depreciation and amortization (EBITDA), calculated based on the four consecutive fiscal quarters ending with the most recent fiscal quarter, of not greater than 3.50 to 1.00 as of the end of each fiscal quarter. Upon the consummation of any Qualified Acquisition (as defined in the Revolving Credit Agreement) and us providing notice to the Administrative Agent, the ratio increases to 4.00 to 1.00 for the fiscal quarter in which the acquisition is consummated and the three consecutive fiscal quarters thereafter. The operating covenants include, among other things, limitations on (i) the incurrence of indebtedness by our subsidiaries, (ii) liens on our and our subsidiaries assets, and (iii) certain fundamental changes and the disposition of assets by us and our subsidiaries. The Credit Agreement contains other customary covenants, representations and warranties, and events of default.

## 6. STOCKHOLDERS' EQUITY

In Q2 2025, the Company's stockholders approved an amendment and restatement of the Amended and Restated 2015 Stock and Incentive Compensation Plan (2015 Stock Plan) to, among other things, increase the maximum number of shares authorized for issuance by 7.9 million shares. As of September 28, 2025, approximately 11.5 million shares remained available for future grants under the Second Amended and Restated 2015 Stock Plan.

### Restricted Stock

Restricted stock activity was as follows:

| Units in thousands                | Restricted Stock Units (RSU) | Performance Stock Units (PSU) <sup>(1)</sup> | Weighted-Average Grant Date Fair Value per Share |           |
|-----------------------------------|------------------------------|----------------------------------------------|--------------------------------------------------|-----------|
|                                   |                              |                                              | RSU                                              | PSU       |
| Outstanding at December 29, 2024  | 3,879                        | 700                                          | \$ 158.60                                        | \$ 164.87 |
| Awarded                           | 1,781                        | 198                                          | \$ 86.35                                         | \$ 98.60  |
| Vested                            | (815)                        | —                                            | \$ 149.95                                        | \$ —      |
| Cancelled                         | (560)                        | (180)                                        | \$ 144.92                                        | \$ 158.32 |
| Outstanding at September 28, 2025 | 4,285                        | 718                                          | \$ 132.01                                        | \$ 128.83 |

<sup>(1)</sup> We issue PSU for which the number of shares issuable is based on our performance relative to specified operating margin targets (OM PSU) and PSU with a market condition that vest based on the Company's relative total shareholder return as compared to a peer group of companies (rTSR PSU). Beginning in fiscal year 2025, we no longer issue PSU for which the number of shares issuable is based on our performance relative to specified earnings per share targets. For OM PSU, the number of units reflect the estimated number of shares to be issued at the end of the performance period. For rTSR PSU, the number of units reflect the estimated number of shares to be issued based on performance as of the current reporting period. Awarded units are presented net of performance adjustments.

### Employee Stock Purchase Plan (ESPP)

The price at which common stock is purchased under the ESPP is equal to 85% of the fair market value of the common stock on the first day of the offering period or purchase date, whichever is lower. During YTD 2025, approximately 0.6 million shares were issued under the plan. As of September 28, 2025, approximately 11.8 million shares remained available for issuance under the ESPP.

The assumptions used and the resulting estimate of weighted-average fair value per share for stock purchased under the ESPP during YTD 2025 were as follows:

|                                                  |                |
|--------------------------------------------------|----------------|
| Risk-free interest rate                          | 3.82% - 4.94%  |
| Expected volatility                              | 41% - 48%      |
| Expected term                                    | 0.5 - 1.0 year |
| Expected dividends                               | 0%             |
| Weighted-average grant-date fair value per share | \$ 25.94       |

## Share-Based Compensation

Share-based compensation expense reported in our consolidated statements of operations was as follows:

| <i>In millions</i>                             | Q3 2025 | Q3 2024 | YTD 2025 | YTD 2024 <sup>(1)</sup> |
|------------------------------------------------|---------|---------|----------|-------------------------|
| Cost of product revenue                        | \$ 5    | \$ 7    | \$ 16    | \$ 19                   |
| Cost of service and other revenue              | 1       | 1       | 2        | 5                       |
| Research and development                       | 26      | 33      | 84       | 115                     |
| Selling, general and administrative            | 38      | 43      | 110      | 152                     |
| Share-based compensation expense, before taxes | 70      | 84      | 212      | 291                     |
| Related income tax benefits                    | (15)    | (18)    | (46)     | (66)                    |
| Share-based compensation expense, net of taxes | \$ 55   | \$ 66   | \$ 166   | \$ 225                  |

<sup>(1)</sup> We recognized expense related to GRAIL liability-classified awards of \$52 million in YTD 2024.

As of September 28, 2025, unrecognized compensation cost, related to restricted stock and ESPP shares issued to date, of \$462 million was expected to be recognized over a weighted-average period of approximately 2.3 years.

## Share Repurchases

In August 2024, our Board of Directors authorized a share repurchase program, which canceled and superseded all prior and available repurchase authorizations, to repurchase up to \$1.5 billion of our outstanding common stock. The repurchases may be completed through open market purchases, pursuant to Rule 10b5-1 or Rule 10b-18, or through an accelerated share repurchase program. Authorizations to repurchase up to approximately \$684 million of our outstanding common stock remained available as of September 28, 2025.

Share repurchase activity was as follows:

| <i>In millions, except shares in thousands</i>  | Q3 2025 | Q3 2024 | YTD 2025 | YTD 2024 |
|-------------------------------------------------|---------|---------|----------|----------|
| Number of shares repurchased                    | 1,236   | 770     | 7,453    | 770      |
| Total cost of shares repurchased <sup>(1)</sup> | \$ 121  | \$ 99   | \$ 706   | \$ 99    |

<sup>(1)</sup> Total cost of shares repurchased includes the 1% excise tax imposed as part of the Inflation Reduction Act of 2022, which is calculated based on share repurchases, net of certain share issuances, and was immaterial for all periods presented.

## 7. SUPPLEMENTAL BALANCE SHEET DETAILS

### Accounts Receivable

| <i>In millions</i>               | September 28, 2025 | December 29, 2024 |
|----------------------------------|--------------------|-------------------|
| Trade accounts receivable, gross | \$ 738             | \$ 744            |
| Allowance for credit losses      | (9)                | (9)               |
| Total accounts receivable, net   | \$ 729             | \$ 735            |

## Inventory

| <i>In millions</i>   | September 28,<br>2025 | December 29,<br>2024 |
|----------------------|-----------------------|----------------------|
| Raw materials        | \$ 251                | \$ 225               |
| Work in process      | 418                   | 404                  |
| Finished goods       | 50                    | 31                   |
| Inventory, gross     | 719                   | 660                  |
| Inventory reserve    | (129)                 | (113)                |
| Total inventory, net | \$ 590                | \$ 547               |

## Accrued Liabilities

| <i>In millions</i>                           | September 28,<br>2025 | December 29,<br>2024 |
|----------------------------------------------|-----------------------|----------------------|
| Contract liabilities, current portion        | \$ 234                | \$ 260               |
| Accrued compensation expenses <sup>(1)</sup> | 232                   | 252                  |
| Accrued taxes payable                        | 84                    | 101                  |
| Operating lease liabilities, current portion | 78                    | 79                   |
| Other, including warranties <sup>(2)</sup>   | 118                   | 135                  |
| Total accrued liabilities                    | \$ 746                | \$ 827               |

<sup>(1)</sup> Includes employee separation costs related to restructuring activities.

<sup>(2)</sup> See table below for changes in the reserve for product warranties.

Changes in the reserve for product warranties were as follows:

| <i>In millions</i>                           | Q3 2025 | Q3 2024 | YTD 2025 | YTD 2024 |
|----------------------------------------------|---------|---------|----------|----------|
| Balance at beginning of period               | \$ 16   | \$ 17   | \$ 18    | \$ 21    |
| Additions charged to cost of product revenue | 3       | 8       | 17       | 30       |
| Repairs and replacements                     | (5)     | (9)     | (21)     | (35)     |
| Balance at end of period                     | \$ 14   | \$ 16   | \$ 14    | \$ 16    |

We generally provide a one-year warranty on instruments. Additionally, we provide a warranty on consumables through the expiration date, which generally ranges from six to twelve months after the manufacture date. At the time revenue is recognized, an accrual is established for estimated warranty expenses based on historical experience as well as anticipated product performance. We periodically review the warranty reserve for adequacy and adjust the warranty accrual, if necessary, based on actual experience and estimated costs to be incurred. Warranty expense is recorded as a component of cost of product revenue.

## Restructuring

In 2023, we implemented a cost reduction initiative that included workforce reductions, consolidation of certain facilities, and other actions to reduce expenses as part of a plan to realign operating expenses while maintaining focus on our innovation roadmap and sustainable long-term growth. In Q1 2025, we implemented an incremental cost reduction initiative that included optimizing stock-based compensation and non-labor spending, as well as workforce reductions, to help mitigate the expected impact of a reduction in revenue and operating income from our Greater China business and the uncertainty in the U.S. government's funding of the National Institutes of Health.

A summary of the pre-tax restructuring charges is as follows:

| <i>In millions</i>                         | Q3 2025     | Q3 2024     | YTD 2025     | YTD 2024     | Cumulative charges recorded since inception |
|--------------------------------------------|-------------|-------------|--------------|--------------|---------------------------------------------|
| Employee separation costs                  | \$ 2        | \$ 6        | \$ 41        | \$ 13        | \$ 101                                      |
| Asset impairment charges <sup>(1)</sup>    | —           | —           | —            | 32           | 146                                         |
| Other costs                                | —           | —           | —            | 1            | 8                                           |
| Total restructuring charges <sup>(2)</sup> | <u>\$ 2</u> | <u>\$ 6</u> | <u>\$ 41</u> | <u>\$ 46</u> | <u>\$ 255</u>                               |

<sup>(1)</sup> For YTD 2024, primarily relates to impairment of right-of-use assets and leasehold improvements for our Foster City campus.

<sup>(2)</sup> For Q3 2025, \$1 million was recorded in R&D expense and \$1 million in SG&A expense.

For YTD 2025, \$23 million was recorded in SG&A expense, \$15 million in R&D expense, with remainder in cost of revenue.

For Q3 2024, \$5 million was recorded in SG&A expense and \$1 million in R&D expense. For YTD 2024, \$43 million was recorded in SG&A expense, \$2 million in R&D expense, with remainder in cost of revenue. Charges for YTD 2024 primarily related to Core Illumina segment.

In Q1 2024, we recorded right-of-use asset impairments of \$18 million related to our campus in Foster City, California and another property in San Diego, California. The impairments were determined by comparing the fair values of the impacted right-of-use assets to the carrying values of the assets as of the impairment measurement date. The fair values of the right-of-use assets were estimated using the discounted future cash flows method, which includes estimates and assumptions for future sublease rental rates that reflect current sublease market conditions, as well as discount rates. The estimates and assumptions used in our assessments represent Level 3 measurements because they are supported by little or no market activity and reflect our own assumptions in measuring fair value. We also recorded \$14 million of leasehold improvement impairments, in Q1 2024, related to our Foster City campus. The impairments were recognized in selling, general and administrative expense.

A summary of restructuring liability activity during YTD 2025 is as follows:

| <i>In millions</i>                                              | Employee Separation Costs <sup>(1)</sup> | Other Costs | Total       |
|-----------------------------------------------------------------|------------------------------------------|-------------|-------------|
| Amount recorded in accrued liabilities as of December 29, 2024  | \$ 2                                     | \$ 2        | \$ 4        |
| Additional expense recorded                                     | 41                                       | —           | 41          |
| Cash payments                                                   | (39)                                     | (2)         | (41)        |
| Adjustments to accrual                                          | —                                        | —           | —           |
| Amount recorded in accrued liabilities as of September 28, 2025 | <u>\$ 4</u>                              | <u>\$ —</u> | <u>\$ 4</u> |

<sup>(1)</sup> It is expected that substantially all of the employee separation costs will be paid by the end of Q4 2025.

## Goodwill and Intangible Assets

Goodwill is reviewed for impairment annually, during the second quarter, or more frequently if an event occurs indicating the potential for impairment. We performed our annual assessment in Q2 2025, noting no impairment.

We regularly perform reviews to determine if an event has occurred that may indicate identifiable intangible assets are potentially impaired. During Q2 2025, we performed a recoverability test when the planned use of a finite-lived intangible asset changed, resulting in an impairment charge of \$23 million recorded in Q2 2025 in cost of product revenue. We concluded the carrying value of the intangible asset exceeded its estimated fair value, which was determined using a discounted cash flow model that included estimates and assumptions for projected future cash flows. The estimates and assumptions used in our assessment of fair value represent Level 3 measurements as they are supported by little or no market activity and reflect our own assumptions in measuring fair value.

## Derivative Financial Instruments

We are exposed to foreign exchange rate risks in the normal course of business and use derivative financial instruments to partially offset this exposure. We do not use derivative financial instruments for speculative or trading purposes. Foreign exchange contracts are carried at fair value in other current assets, other assets, accrued liabilities, or other long-term liabilities, as appropriate, on the condensed consolidated balance sheets. The cash flows associated with such foreign exchange contracts are classified as cash flows from operating activities in the condensed consolidated statements of cash flows, which is the same category as the hedged transaction.

We use foreign exchange forward contracts to manage foreign currency risks related to monetary assets and liabilities denominated in currencies other than the U.S. dollar. These derivative financial instruments have terms of one month or less and are not designated as hedging instruments. Changes in fair value are recognized in other income (expense), net, along with the re-measurement gain or loss on the foreign currency denominated assets or liabilities. As of September 28, 2025, we had foreign exchange forward contracts in place to hedge exposures in the euro, Japanese yen, Australian dollar, Canadian dollar, Singapore dollar, Chinese Yuan Renminbi, and British pound. As of September 28, 2025 and December 29, 2024, the total notional amounts of outstanding forward contracts in place for these foreign currency purchases were \$508 million and \$477 million, respectively.

We use foreign currency forward contracts to hedge portions of our foreign currency exposure associated with forecasted revenue transactions. These derivative financial instruments have terms up to 24 months and are designated as cash flow hedges. Changes in fair value are recorded as a component of accumulated other comprehensive (loss) income and are reclassified to revenue in the same period the underlying hedged transactions are recorded. We regularly review the effectiveness of our hedges and consider them to be ineffective if it becomes probable that the forecasted transactions will not occur in the identified period. Changes in fair value of the ineffective portions, if any, are recognized in other income (expense), net. As of September 28, 2025, we had foreign currency forward contracts in place to hedge exposures associated with forecasted revenue transactions denominated in the euro, Japanese yen, Australian dollar, Canadian dollar, and Chinese Yuan Renminbi. As of September 28, 2025 and December 29, 2024, the total notional amounts of outstanding cash flow hedge contracts in place for these foreign currency purchases were \$670 million and \$621 million, respectively. We recognized losses of \$6 million and \$1 million in revenue in Q3 2025 and YTD 2025, respectively. We recognized gains of \$3 million and \$10 million in revenue in Q3 2024 and YTD 2024, respectively. As of September 28, 2025, the fair value of foreign currency forward contracts recorded in total assets and total liabilities was \$2 million and \$20 million, respectively. As of December 29, 2024, the fair value of foreign currency forward contracts was \$27 million, recorded in total assets. Estimated losses reported in accumulated other comprehensive (loss) income expected to be recognized into earnings in the next 12 months are \$15 million as of September 28, 2025.

## Indemnification Liability

In connection with the GAIL acquisition, we assumed a performance-based award for which vesting was based on GAIL's future revenues and had an aggregate potential value of up to \$78 million. This award was assumed by GAIL in connection with the Spin-Off. For a period of 2.5 years following the Spin-Off, we are obligated to indemnify GAIL for cash payments that become earned and payable related to the award. The indemnification is accounted for in accordance with ASC 460. As of both September 28, 2025 and December 29, 2024, we recognized a non-contingent liability of \$1 million related to this indemnification.

## 8. LEGAL PROCEEDINGS

We are involved in various lawsuits and claims arising in the ordinary course of business, including actions with respect to intellectual property, employment, and contractual matters. In connection with these matters, we assess, on a regular basis, the probability and range of possible loss based on the developments in these matters. A liability is recorded in the condensed consolidated financial statements if it is believed to be probable that a loss has been incurred and the amount of the loss can be reasonably estimated. Because litigation is inherently unpredictable and unfavorable resolutions could occur, assessing contingencies is highly subjective and requires judgments about future events. We regularly review outstanding legal matters to determine the adequacy of the liabilities accrued and related disclosures in consideration of many factors, which include, but are not limited to, past history, scientific and other evidence, and the specifics and status of each matter. We may change our estimates if our assessment of the various factors changes and the amount of ultimate loss may differ from our estimates, resulting in a material effect on our business, financial condition, results of operations, and/or cash flows.

## Shareholder Derivative Complaints

On October 17, 2023, a stockholder derivative and class action complaint captioned *Icahn Partners LP, et al. v. deSouza, et al.*, purportedly brought on behalf of Illumina and public holders of Illumina's common stock, was filed in the Delaware Court of Chancery against certain current and former directors (including our former Chief Executive Officer). We are named as a nominal defendant in the complaint. The lawsuit alleges the named directors breached their fiduciary duties by knowingly causing Illumina to unlawfully close the GRAIL acquisition, concealing material facts related to the GRAIL acquisition and making inadequate disclosures. Before the filing of the complaint, the purported stockholders did not make a demand that our Board of Directors pursue the claims asserted therein. The complaint seeks damages, costs and expenses, including attorney fees, the certification and consolidation of a putative class, the issuance of amended disclosures, the removal of conflicted directors and declaratory and other equitable relief.

On November 1, 2023, the defendants filed a motion to dismiss the complaint. On the same day, Illumina-joined by the director defendants-moved to strike portions of the complaint that contain improperly included confidential and privileged information. On January 16, 2024, the Court granted the motion to strike. On December 5, 2023, the plaintiffs moved to expedite the proceedings with respect to their direct claims. The director defendants opposed that motion and Illumina joined their opposition. On January 19, 2024, the Court denied plaintiffs' motion to expedite. On January 23, 2024, the plaintiffs filed a motion for reargument of the Court's January 16 opinion, which the Court denied on February 19, 2024. On February 29, 2024, the plaintiffs filed an application to the trial court to certify the orders granting the motion to strike and denying the motion for reargument for interlocutory appeal. The Court refused the application on March 20, 2024. On March 14, 2024, the plaintiffs filed an application for interlocutory appeal with the Supreme Court of Delaware, which the Court denied on April 11, 2024.

On February 26, 2024, a stockholder derivative complaint captioned *City of Omaha Police and Firefighters Retirement System v. deSouza, et al.*, purportedly brought on behalf of Illumina, was filed in the Delaware Court of Chancery against certain current and former directors. On April 16, 2024, a stockholder derivative complaint captioned *City of Roseville General Employees Retirement System, et al. v. deSouza, et al.*, purportedly brought on behalf of Illumina, was filed in the Delaware Court of Chancery against certain current and former directors and officers.

On March 26, 2024, the defendants filed a motion to dismiss the complaint in the lawsuit filed by City of Omaha Police and Firefighters Retirement System. On May 16, 2024, the defendants filed a motion to dismiss the complaint in the lawsuit filed by City of Roseville General Employees Retirement System, et al.

On December 23, 2024, a stockholder derivative complaint captioned *The Pavers and Road Builders Benefit Funds v. deSouza, et al.*, purportedly brought on behalf of Illumina, was filed in the Delaware Court of Chancery against certain current and former directors and officers. Like the complaints described above, the lawsuits allege the named directors and officers breached their fiduciary duties by knowingly causing Illumina to unlawfully close the GRAIL acquisition. The stockholder previously made requests to inspect certain books and records under Delaware law and litigated a books and records action against the Company (described below), and it purports to base its complaint in part on documents obtained from Illumina in response to those requests and that litigation. Before the filing of the complaint, the purported stockholder did not make a demand that our Board of Directors pursue the claim asserted therein. The complaint seeks damages against the individual defendants and other equitable relief.

On January 21, 2025, the defendants filed a motion to dismiss the complaint in the lawsuit filed by The Pavers and Road Builders Benefit Funds.

On March 27, 2025, the parties in the *Icahn Partners LP, et al. v. deSouza, et al.*, *City of Omaha Police and Firefighters Retirement System v. deSouza, et al.*, *City of Roseville General Employees Retirement System, et al. v. deSouza, et al.* and *The Pavers and Road Builders Benefit Funds v. deSouza, et al.* Delaware shareholder derivative actions filed a stipulation to consolidate those actions. On April 11, 2025, the parties to the *Icahn Partners LP, et al. v. deSouza, et al.* action informed the court that they had agreed to a settlement in principle of that action involving a release of claims and no payment by any party. On April 17, 2025, the court held a teleconference on the consolidated action, during which it directed the parties to (i) refile the consolidation stipulation once the *Icahn Partners LP, et al. v. deSouza, et al.* settlement was finalized and (ii) proceed with the briefing on the motion to dismiss the operative complaint in the consolidated action, which is the complaint filed in *The Pavers and Road Builders Benefit Funds v. deSouza, et al.*

On June 2, 2025, (i) Alex Aravanis filed his opening brief in support of his motion to dismiss, (ii) Francis deSouza, John W. Thompson, Frances Arnold, Caroline Dorsa, Robert Epstein, Scott Gottlieb, Gary Guthart, Philip Schiller and Susan Siegel (Director Defendants) filed their opening brief in support of their motion to dismiss and (iii) Illumina filed a joinder to the Director Defendants' motion. On July 17, 2025, the court granted a stipulation filed by the parties giving plaintiffs until August 8, 2025, to file an amended complaint. On August 8, 2025, plaintiffs filed an amended complaint and a stipulation to dismiss without prejudice all claims against Alex Aravanis, and the court granted the stipulation the same day. In a settlement agreement dated August 21, 2025, the parties in *Icahn Partners LP, et al. v. deSouza, et al.* agreed that the matter would be dismissed with a full release of claims and no payment by any party. On September 19, 2025, the parties in *Icahn Partners LP, et al. v. deSouza, et al.* filed a stipulation and proposed order of dismissal in that case, which has not yet been granted.

On October 3, 2025, the Director Defendants filed their opening brief in support of defendants' motion to dismiss the amended complaint filed in the consolidated *Pavers* action. Illumina filed a joinder to the opening brief. Any answering brief is due by November 20, 2025, any reply brief is due by December 19, 2025, and any hearing on the motion to dismiss will be held February 13, 2026.

In light of the fact that these lawsuits are in an early stage, we cannot predict the ultimate outcome of the suits. We deny the allegations in the complaints and intend to vigorously defend the litigations.

On May 1, 2024, stockholder Michael Warner sent a litigation demand to our Board of Directors requesting that a civil action for monetary damages be brought by the Board of Directors on behalf of Illumina against officers and directors involved with the GRAIL acquisition. On July 30, 2024, the Board unanimously determined that it was in the best interest of the Company and its shareholders to defer a final decision on the demand given, among other things, the pending stockholder lawsuits described herein and the similarity of issues raised in the demand and those lawsuits. Our Board will monitor the stockholder lawsuits and revisit the demand as warranted as the lawsuits progress.

On August 21, 2024, an additional stockholder, Jane Davidson, sent a litigation demand to our Board of Directors requesting that a civil action for breaches of fiduciary duty, indemnification, contribution and other appropriate claims be brought by the Board of Directors on behalf of Illumina against officers and directors involved with the GRAIL acquisition. On October 29, 2024, the Board unanimously determined that it was in the best interest of the Company and its shareholders to defer a final decision on the demand given, among other things, the pending stockholder lawsuits described herein and the similarity of issues raised in the demand and those lawsuits. Our Board will monitor the stockholder lawsuits and revisit the demand as warranted as the lawsuits progress.

## Securities Class Actions

**Federal Securities Class Actions.** On November 11, 2023, the first of three securities class action complaints was filed against Illumina and certain of its current and former executive officers in the United States District Court for the Southern District of California. The first-filed case is captioned *Kangas v. Illumina, Inc. et al.*, the second-filed case is captioned *Roy v. Illumina, Inc. et al.*, and the third-filed case is captioned *Louisiana Sheriffs' Pension & Relief Fund v. Illumina, Inc. et al.* (collectively, the Actions). The complaints generally allege, among other things, that defendants made materially false and misleading statements and omitted material facts relating to Illumina's acquisition of GRAIL. The complaints seek unspecified damages, interest, fees, and costs. On January 9, 2024, four movants filed motions to consolidate the Actions and to appoint a lead plaintiff (Lead Plaintiff Motions). On April 11, 2024, the Court issued an order consolidating the Actions into a single action (captioned in re Illumina, Inc. Securities Litigation No. 23-cv-2082-LL-MMP), and appointed Universal-Investment-Gesellschaft mbH, UI BVK Kapitalverwaltungsgesellschaft mbH, and ACATIS Investment Kapitalverwaltungsgesellschaft mbH as lead plaintiffs (the Lead Plaintiffs). On June 21, 2024, the Lead Plaintiffs filed their consolidated amended complaint. The complaint alleges that Illumina and GRAIL and certain of their current and former directors and officers violated Sections 10(b) and 20(a) of the Securities Exchange Act and SEC Rule 10b-5 in connection with Illumina's acquisition of GRAIL. On September 13, 2024, the Lead Plaintiffs filed a second amended consolidated complaint. On November 12, 2024, the Company and other defendants filed a motion to dismiss the second amended consolidated complaint. On December 20, 2024, the Lead Plaintiffs filed their opposition to the motion to dismiss. The defendants' final reply brief was filed on February 3, 2025. On September 26, 2025, the Court granted the defendants' motion to dismiss for failure to state a claim, but granted plaintiffs leave to file an amended complaint by October 27, 2025. On October 27, 2025, the Plaintiffs filed a Third Amended Complaint. The Company's response is due December 11, 2025.

**State Securities Class Actions.** On February 2, 2024, the first of two additional securities class actions was filed against Illumina, certain of its officers and directors, and several other individuals and entities in the Superior Court of the State of California, County of San Mateo, captioned *Loren Scott Mar v. Illumina, et al. and Scott Zerzanek v. Illumina, Inc. et al.* Both complaints generally allege, among other things, that defendants made materially false and misleading statements and omitted material facts in the November 2020 and February 2021 registration statements and prospectus relating to Illumina's acquisition of GRAIL. The complaints seek unspecified damages, interest, fees, and costs. On March 29, 2024, the parties to the actions filed a Joint Stipulation to Consolidate the actions and to appoint co-lead counsel for plaintiffs, which the Court granted on April 5, 2024. On August 12, 2024, the Plaintiffs filed their consolidated complaint. On February 28, 2025, the defendants filed demurrers seeking dismissal of the litigation. On April 30, 2025, Plaintiffs filed their oppositions to the demurrers, and defendants filed their reply briefs on May 30, 2025. On September 3, 2025, the Court overruled Illumina's demurrer. On September 16, 2025, Illumina filed its answer to the consolidated complaint denying the allegations.

On October 28, 2025, Illumina filed a writ with the California Court of Appeal seeking interlocutory appellate review of the Court's order overruling Illumina's demurrer.

In light of the fact that the lawsuits are in an early stage, we cannot predict the ultimate outcome of the suits. We deny the allegations in the complaints and intend to vigorously defend the litigation.

## 9. INCOME TAXES

Our effective tax rate may vary from the U.S. federal statutory tax rate due to the change in the mix of earnings in tax jurisdictions with different statutory rates, benefits related to tax credits, and the tax impact of non-deductible expenses and other permanent differences between income (loss) before income taxes and taxable income.

Our effective tax rate for Q3 2025 and YTD 2025 was 31.8% and 27.2%, respectively, compared to 2.1% and (3.2)% in Q3 2024 and YTD 2024, respectively. The variance from the U.S. federal statutory tax rate of 21% in Q3 2025 and YTD 2025 was primarily due to the implications of the U.S. tax legislation that was signed on July 4, 2025, which included changes to no longer require capitalization of U.S. based research and development expenses. While the changes from the recent U.S. tax legislation were favorable, based on the available evidence, the increased U.S. tax deductions resulted in a determination that it is more likely than not the future realization of deferred tax assets associated with certain U.S. foreign tax credits may not be achieved. Therefore, a valuation allowance of \$42 million was recorded as a one-time adjustment in Q3 2025 against the deferred tax assets associated with certain U.S. foreign tax credits that were generated in prior years that were not previously utilized. The tax rate in Q3 2025 and YTD 2025 was favorably impacted by the mix of earnings in jurisdictions with lower statutory tax rates than the U.S. federal statutory tax rate, such as Singapore.

As of September 28, 2025 and December 29, 2024, prepaid income taxes, included within prepaid expenses and other current assets on the condensed consolidated balance sheets, were \$53 million and \$74 million, respectively.

## 10. SEGMENT INFORMATION

As of September 28, 2025, we have one reportable segment, Core Illumina. Prior to the Spin-Off of GRAIL, on June 24, 2024, our reportable segments included both Core Illumina and GRAIL. We continue to disclose certain historical information for GRAIL prior to the Spin-Off. Segment information is consistent with how our Chief Operating Decision Maker (CODM), who is our Chief Executive Officer, reviews financial information, makes operating decisions, allocates resources, and assesses performance. We also consider the way budgets and forecasts are prepared and reviewed and the basis on which executive compensation is determined.

**Core Illumina:** Core Illumina's products and services serve customers in the research, clinical and applied markets, and enable the adoption of a variety of genomic solutions. Core Illumina sells products and provides services to GRAIL, and vice versa, in accordance with contractual agreements between the entities.

**GRAIL:** GRAIL is a healthcare company focused on early detection of multiple cancers. Prior to the Spin-Off of GRAIL into a separate, independent public company, GRAIL was required to be held and operated separately and independently from Illumina pursuant to the transitional measures ordered by the European Commission.

Our CODM allocates resources and evaluates business performance based on revenues and net income (loss). Net income (loss) is used in the annual budgeting and monthly forecasting processes and to monitor and assess budgeted/forecasted versus actual results. Our CODM does not evaluate segments using asset information.

The following tables present selected financial information with respect to segments for the periods presented:

| <i>In millions</i>                       | Q3 2025  | Q3 2024  | YTD 2025 | YTD 2024   |
|------------------------------------------|----------|----------|----------|------------|
| <b>Core Illumina:</b>                    |          |          |          |            |
| Revenue <sup>(1)</sup>                   | \$ 1,084 | \$ 1,080 | \$ 3,184 | \$ 3,228   |
| Less:                                    |          |          |          |            |
| Cost of revenue                          | 351      | 335      | 1,073    | 1,048      |
| Research and development                 | 229      | 253      | 728      | 732        |
| Selling and marketing                    | 148      | 163      | 458      | 480        |
| General and administrative               | 129      | 76       | 319      | 141        |
| Goodwill and intangible impairment       | —        | —        | —        | 3          |
| Legal contingency and settlement         | —        | (488)    | —        | (474)      |
| Core Illumina income from operations     | 227      | 741      | 606      | 1,298      |
| <b>GRAIL:</b>                            |          |          |          |            |
| Revenue                                  | —        | —        | —        | 55         |
| Total operating expenses <sup>(2)</sup>  | —        | —        | —        | 2,360      |
| Consolidated other (expense) income, net | (7)      | (21)     | 103      | (358)      |
| Consolidated provision for income taxes  | 70       | 15       | 193      | 44         |
| Intersegment eliminations                | —        | —        | —        | (1)        |
| Consolidated net income (loss)           | \$ 150   | \$ 705   | \$ 516   | \$ (1,410) |

<sup>(1)</sup> Core Illumina revenue included intercompany revenue of \$15 million in YTD 2024.

<sup>(2)</sup> GRAIL operating expenses are inclusive of cost of revenue, research and development, selling and marketing, general and administrative, and goodwill and intangible impairment for the comparative period prior to the Spin-Off on June 24, 2024.

| <i>In millions</i>                         | Q3 2025 | Q3 2024 | YTD 2025 | YTD 2024 |
|--------------------------------------------|---------|---------|----------|----------|
| <b>Depreciation and amortization:</b>      |         |         |          |          |
| Core Illumina                              | \$ 67   | \$ 70   | \$ 204   | \$ 207   |
| GRAIL                                      | —       | —       | —        | 76       |
| Consolidated depreciation and amortization | \$ 67   | \$ 70   | \$ 204   | \$ 283   |

## MANAGEMENT'S DISCUSSION & ANALYSIS

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Our Management's Discussion and Analysis (MD&A) is designed to help readers understand our results of operations, financial condition, and cash flow. It is provided in addition to the accompanying condensed consolidated financial statements and notes. This MD&A is organized as follows:

- *Management's Overview and Outlook.* High level discussion of our operating results and significant known trends that affect our business.
- *Results of Operations.* Discussion of our revenues and expenses.
- *Liquidity and Capital Resources.* Discussion of key aspects of our condensed consolidated statements of cash flows, changes in our financial position, and our financial commitments.
- *Critical Accounting Policies and Estimates.* Discussion of significant changes since our most recent Annual Report on Form [10-K](#) that we believe are important to understanding the assumptions and judgments underlying our condensed consolidated financial statements.
- *Recent Accounting Pronouncements.* Summary of recent accounting pronouncements applicable to our condensed consolidated financial statements.
- *Quantitative and Qualitative Disclosure About Market Risk.* Discussion of our financial instruments' exposure to market risk.

Our discussion of our results of operations, financial condition, and cash flow for Q3 2024 and YTD 2024 can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" within our filing of [Form 10-Q](#) for the fiscal quarter ended September 29, 2024.

This MD&A discussion contains forward-looking statements that involve risks and uncertainties. See [Consideration Regarding Forward-Looking Statements](#) preceding the Condensed Consolidated Financial Statements section of this report for additional factors relating to such statements. This MD&A should be read in conjunction with our condensed consolidated financial statements and accompanying notes included in this report and our Annual Report on Form [10-K](#) for the fiscal year ended December 29, 2024. Operating results are not necessarily indicative of results that may occur in future periods.

## MANAGEMENT'S OVERVIEW AND OUTLOOK

This overview and outlook provide a high-level discussion of our operating results and significant known trends that affect our business. We believe an understanding of these trends is important to understanding our financial results for the periods being reported herein as well as our future financial performance. This summary is not intended to be exhaustive, nor is it intended to be a substitute for the detailed discussion and analysis provided elsewhere.

### About Illumina

Our focus on innovation has established us as a global leader in DNA sequencing and array-based technologies, serving customers in the research, clinical and applied markets. Our products are used for applications in the life sciences, oncology, reproductive health, agriculture and other emerging segments. Our customers include leading genomic research centers, academic institutions, government laboratories, and hospitals, as well as pharmaceutical, biotechnology, commercial molecular diagnostic laboratories, and consumer genomics companies. Our comprehensive line of products addresses the scale of experimentation and breadth of functional analysis to advance disease research, drug development, and the development of molecular tests. This portfolio of leading-edge sequencing and array-based solutions addresses a range of genomic complexity and throughput, enabling researchers and clinical practitioners to select the best solution for their scientific challenge.

On June 24, 2024, we completed the Spin-Off of GRAIL into a new public company through the distribution of approximately 85.5% of the outstanding shares of common stock of GRAIL to Illumina stockholders on a pro rata basis. We retained 14.5% of the shares of GRAIL common stock immediately following the Spin-Off. The disposition of GRAIL did not meet the criteria to be reported as a discontinued operation and GRAIL's results of operations and cash flows have not been reclassified. In connection with the Spin-Off, Illumina's stockholders received one share of GRAIL common stock for every six shares of Illumina common stock held on the Record Date.

We have one reportable segment as of September 28, 2025. Prior to the GRAIL Spin-Off, our reportable segments included Core Illumina and GRAIL. See note [10. Segment Information](#) for details on our segments.

On June 22, 2025, we entered into a Stock Purchase Agreement (the Purchase Agreement) with Standard BioTools to acquire SomaLogic and other specified assets for \$350 million in cash, subject to customary adjustments. The Purchase Agreement further provides for, in connection with the revenues generated from certain products and services, (i) royalty streams and (ii) up to \$75 million in potential milestone payments to Standard BioTools. We believe our acquisition of SomaLogic will enhance our presence in the expanding proteomics market and advance our multiomics strategy. The transaction is subject to customary closing conditions, including applicable regulatory approvals, and is expected to close in the first half of 2026. See note [2. Pending Acquisition](#) for further details.

Our financial results have been, and will continue to be, impacted by several significant trends, which are described below. While these trends are important to understanding and evaluating our financial results, this discussion should be read in conjunction with our condensed consolidated financial statements and the notes thereto within the Condensed Consolidated Financial Statements section of this report, and the other transactions, events, and trends discussed in [Risk Factors](#) within the Other Key Information section of this report.

## Financial Overview

Macroeconomic factors such as tariffs, inflation, exchange rate fluctuations and concerns about an economic downturn, competitive challenges in our China region, the sanctions imposed on Russia as a result of the armed conflict between Russia and Ukraine, and reductions in the U.S. government's funding of the NIH have impacted both Illumina directly and our customers' behavior. Some customers, specifically research customers, continue to manage inventory and capital more conservatively and some labs are delaying projects due to funding concerns. In Q1 2025, we were added to the unreliable entities list by regulatory authorities in China and received notice that we are not permitted to export sequencing instruments into China. See the risk factor "Regulatory Authorities in China have added Illumina to the List of Unreliable Entities" described in our Quarterly Report on [Form 10-Q](#) for the period ended March 30, 2025 for more information. We expect these factors to continue to impact our sales and results of operations for the remainder of 2025 and beyond, the size and duration of which is significantly uncertain.

We have made significant progress towards our strategic goals. During 2024 and 2025, we focused on our operational excellence initiatives to improve productivity and achieve cost savings, including expanding operating margins, and on our capital allocation strategy, including significant share repurchases. In Q1 2025, we implemented an incremental \$100 million cost reduction program for 2025, including optimizing stock-based compensation and non-labor spending and accelerating certain productivity measures, as well as workforce reductions, to help mitigate the expected impact of a reduction in revenue and related operating income from our Greater China business and the uncertainty in the U.S. government's funding of the NIH. We expect to continue to make further progress towards our strategic goals, including a focus on returning to revenue growth.

Beginning in April 2025, the U.S. government and several other countries enacted tariffs. Under the current tariff environment, the largest cost impact to us relates to importation from our manufacturing facility in Singapore. The remainder is a mix of importation of parts and sub-assemblies to our manufacturing operations in the United States and importation into China. We have and will continue to take several actions to fully mitigate the impact of these tariffs, expecting to partially mitigate the impact in 2025, through supply chain optimization, cost measures, and pricing actions. Based on the current tariff environment, our aim is to more fully mitigate the impact in 2026.

Financial highlights for YTD 2025 included the following:

- Revenue decreased 3% in YTD 2025 to \$3,184 million compared to \$3,268 million in YTD 2024 primarily due to a decrease in service and other revenue, driven by a decrease in GRAIL service and other revenue of \$55 million as a result of the Spin-Off in Q2 2024, and a decrease in Core Illumina service and other revenue, primarily driven by decreased revenue from our strategic partnerships. The decrease was also driven by a decrease in instruments revenue, primarily due to fewer shipments of our high- and mid-throughput sequencing instruments, offset by an increase in consumables revenue.
- Gross margin was 66.3% in YTD 2025 compared to 65.3% in YTD 2024. The increase in gross margin was driven by the Spin-Off of GRAIL in Q2 2024. Core Illumina gross margin decreased in YTD 2025 primarily due to higher costs related to tariffs and a \$23 million impairment of an intangible asset, partially offset by lower strategic partnership revenue, that is lower margin. Our gross margin depends on many factors, including: market conditions that may impact our pricing; sales mix changes among consumables, instruments, services, and strategic partnership revenue; product mix changes between established products and new products; excess and obsolete inventories; royalties; our cost structure for manufacturing operations relative to volume; freight costs; tariffs; and product support obligations.
- Income from operations was \$606 million in YTD 2025 compared to loss from operations of \$1,008 million in YTD 2024. The change was due to a decrease in operating expense of \$1,636 million, offset by a decrease in gross profit of \$22 million. The decrease in operating expense was primarily driven by a decrease in GRAIL operating expense of \$2,267 million, primarily due to the \$1,886 million goodwill and intangible impairment recognized in YTD 2024, partially offset by an increase in Core Illumina operating expense of \$623 million. The increase in operating expense was primarily due to a gain of \$474 million recognized in YTD 2024 for legal contingency and settlement, primarily related to the withdrawn European Commission fine and a lower net gain recognized on our contingent consideration liabilities, primarily related to the GRAIL CVRs, of \$275 million. Excluding these impacts, Core Illumina operating expense decreased in YTD 2025, primarily due to a decrease in acquisition-related costs, which included \$53 million in YTD 2024 related to the Spin-Off. We continue to focus on our operational excellence and cost reduction initiatives to accelerate growth and expand operating margins.
- Our effective tax rate was 27.2% in YTD 2025 compared to (3.2)% in YTD 2024. The variance from the U.S. federal statutory tax rate of 21% was primarily due to the implications of the U.S. tax legislation that was signed on July 4, 2025, which included changes to no longer require capitalization of U.S. based research and development expenses. While the changes from the recent U.S. tax legislation were favorable, based on the available evidence, the increased U.S. tax deductions resulted in a determination that it is more likely than not the future realization of deferred tax assets associated with certain U.S. foreign tax credits may not be achieved. Therefore, a valuation allowance of \$42 million was recorded as a one-time adjustment in Q3 2025 against the deferred tax assets associated with certain U.S. foreign tax credits that were generated in prior years that were not previously utilized. This was partially offset by the mix of earnings in jurisdictions with lower statutory tax rates than the U.S. federal statutory tax rate, such as in Singapore.
- We ended Q3 2025 with cash, cash equivalents, and short-term investments totaling \$1,278 million, of which approximately \$501 million was held by our foreign subsidiaries.

## RESULTS OF OPERATIONS

To enhance comparability, the following table sets forth unaudited condensed consolidated statement of operations data for the specified reporting periods, stated as a percentage of total revenue.<sup>(1)</sup>

|                                            | Q3 2025 | Q3 2024 | YTD 2025 | YTD 2024 |
|--------------------------------------------|---------|---------|----------|----------|
| Revenue:                                   |         |         |          |          |
| Product revenue                            | 85.5 %  | 84.6 %  | 85.4 %   | 83.2 %   |
| Service and other revenue                  | 14.5    | 15.4    | 14.6     | 16.8     |
| Total revenue                              | 100.0   | 100.0   | 100.0    | 100.0    |
| Cost of revenue:                           |         |         |          |          |
| Cost of product revenue                    | 24.6    | 21.8    | 25.0     | 22.5     |
| Cost of service and other revenue          | 6.3     | 7.8     | 7.2      | 8.8      |
| Amortization of acquired intangible assets | 1.5     | 1.5     | 1.5      | 3.4      |
| Total cost of revenue                      | 32.4    | 31.1    | 33.7     | 34.7     |
| Gross profit                               | 67.6    | 68.9    | 66.3     | 65.3     |
| Operating expense:                         |         |         |          |          |
| Research and development                   | 21.1    | 23.4    | 22.9     | 27.9     |
| Selling, general and administrative        | 25.5    | 22.2    | 24.4     | 24.8     |
| Goodwill and intangible impairment         | —       | —       | —        | 57.8     |
| Legal contingency and settlement           | —       | (45.3)  | —        | (14.4)   |
| Total operating expense                    | 46.6    | 0.3     | 47.3     | 96.1     |
| Income (loss) from operations              | 21.0    | 68.6    | 19.0     | (30.8)   |
| Other income (expense):                    |         |         |          |          |
| Interest income                            | 0.8     | 1.0     | 0.9      | 1.1      |
| Interest expense                           | (2.3)   | (3.4)   | (2.4)    | (2.3)    |
| Other income (expense), net                | 0.9     | 0.4     | 4.7      | (9.8)    |
| Total other (expense) income, net          | (0.6)   | (2.0)   | 3.2      | (11.0)   |
| Income (loss) before income taxes          | 20.4    | 66.6    | 22.2     | (41.8)   |
| Provision for income taxes                 | 6.5     | 1.4     | 6.1      | 1.3      |
| Net income (loss)                          | 13.9 %  | 65.2 %  | 16.1 %   | (43.1)%  |

<sup>(1)</sup> Percentages may not recalculate due to rounding.

## Revenue

| <i>Dollars in millions</i>  | Q3 2025  | Q3 2024  | Change | % Change | YTD 2025 | YTD 2024 | Change  | % Change |
|-----------------------------|----------|----------|--------|----------|----------|----------|---------|----------|
| <b>Core Illumina:</b>       |          |          |        |          |          |          |         |          |
| Consumables                 | \$ 816   | \$ 807   | \$ 9   | 1 %      | \$ 2,395 | \$ 2,390 | \$ 5    | — %      |
| Instruments                 | 111      | 107      | 4      | 4        | 324      | 342      | (18)    | (5)      |
| Total product revenue       | 927      | 914      | 13     | 1        | 2,719    | 2,732    | (13)    | —        |
| Service and other revenue   | 157      | 166      | (9)    | (5)      | 465      | 496      | (31)    | (6)      |
| Total Core Illumina revenue | 1,084    | 1,080    | 4      | —        | 3,184    | 3,228    | (44)    | (1)      |
| <b>GRAIL:</b>               |          |          |        |          |          |          |         |          |
| Service and other revenue   | —        | —        | —      | —        | —        | 55       | (55)    | (100)    |
| Eliminations                | —        | —        | —      | —        | —        | (15)     | 15      | (100)    |
| Total consolidated revenue  | \$ 1,084 | \$ 1,080 | \$ 4   | — %      | \$ 3,184 | \$ 3,268 | \$ (84) | (3)%     |

The increase in Core Illumina consumables revenue in Q3 2025 and YTD 2025 was primarily due to demand for high-throughput consumables as customers continue to transition to NovaSeq X. Instruments revenue increased in Q3 2025 primarily driven by an increase in MiSeq i100 Series shipments, which launched in Q4 2024. The decrease in instruments revenue in YTD 2025 was primarily due to fewer shipments of our high- and mid-throughput instruments, as capital and cash flow constraints continue to impact our customer's purchasing behavior, partially offset by an increase in MiSeq i100 Series shipments. Core Illumina service and other revenue decreased in Q3 2025 and YTD 2025 primarily due to decreased revenue from our strategic partnerships. Total revenue in Q3 2025 and YTD 2025 was impacted, across all products and services, by decreases in revenue in our Greater China region of \$23 million and \$41 million, respectively, primarily due to our inclusion on the unreliable entities list.

The decrease in GRAIL revenue in YTD 2025 was due to the Spin-Off in Q2 2024.

## Gross Margin

| <i>Dollars in millions</i>  | Q3 2025 | Q3 2024 | Change  | % Change | YTD 2025 | YTD 2024 | Change  | % Change |
|-----------------------------|---------|---------|---------|----------|----------|----------|---------|----------|
| <b>Gross profit (loss):</b> |         |         |         |          |          |          |         |          |
| Core Illumina               | \$ 733  | \$ 745  | \$ (12) | (2)%     | \$ 2,111 | \$ 2,181 | \$ (70) | (3)%     |
| GRAIL                       | —       | —       | —       | —        | —        | (38)     | 38      | (100)    |
| Eliminations                | —       | —       | —       | —        | —        | (10)     | 10      | (100)    |
| Consolidated gross profit   | \$ 733  | \$ 745  | \$ (12) | (2)%     | \$ 2,111 | \$ 2,133 | \$ (22) | (1)%     |
| <b>Gross margin:</b>        |         |         |         |          |          |          |         |          |
| Core Illumina               | 67.6 %  | 68.9 %  |         |          | 66.3 %   | 67.6 %   |         |          |
| GRAIL                       | —       | —       |         |          | —        | *        |         |          |
| Consolidated gross margin   | 67.6 %  | 68.9 %  |         |          | 66.3 %   | 65.3 %   |         |          |

\* Not meaningful.

Core Illumina gross margin decreased in Q3 2025 and YTD 2025 primarily due to higher tariff costs, partially offset by lower strategic partnership revenue, that is lower margin. The decrease in Q3 2025 was also due to an increase in inventory reserves. The decrease in YTD 2025 was also due to a \$23 million intangible asset impairment.

The decrease in GRAIL gross loss in YTD 2025 was due to the Spin-Off in Q2 2024.

## Operating Expense

| <i>Dollars in millions</i>                       | Q3 2025 | Q3 2024 | Change  | % Change | YTD 2025 | YTD 2024 | Change     | % Change |
|--------------------------------------------------|---------|---------|---------|----------|----------|----------|------------|----------|
| Research and development:                        |         |         |         |          |          |          |            |          |
| Core Illumina                                    | \$ 229  | \$ 253  | \$ (24) | (9)%     | \$ 728   | \$ 732   | \$ (4)     | (1)%     |
| GRAIL                                            | —       | —       | —       | —        | —        | 189      | (189)      | (100)    |
| Eliminations                                     | —       | —       | —       | —        | —        | (8)      | 8          | (100)    |
| Consolidated research and development            | 229     | 253     | (24)    | (9)      | 728      | 913      | (185)      | (20)     |
| Selling, general and administrative:             |         |         |         |          |          |          |            |          |
| Core Illumina                                    | 277     | 239     | 38      | 16       | 777      | 621      | 156        | 25       |
| GRAIL                                            | —       | —       | —       | —        | —        | 192      | (192)      | (100)    |
| Eliminations                                     | —       | —       | —       | —        | —        | —        | —          | —        |
| Consolidated selling, general and administrative | 277     | 239     | 38      | 16       | 777      | 813      | (36)       | (4)      |
| Goodwill and intangible impairment:              |         |         |         |          |          |          |            |          |
| Core Illumina                                    | —       | —       | —       | —        | —        | 3        | (3)        | (100)    |
| GRAIL                                            | —       | —       | —       | —        | —        | 1,886    | (1,886)    | (100)    |
| Consolidated goodwill and intangible impairment  | —       | —       | —       | —        | —        | 1,889    | (1,889)    | (100)    |
| Legal contingency and settlement:                |         |         |         |          |          |          |            |          |
| Core Illumina                                    | —       | (488)   | 488     | (100)    | —        | (474)    | 474        | (100)    |
| Total consolidated operating expense             | \$ 506  | \$ 4    | \$ 502  | 12,550 % | \$ 1,505 | \$ 3,141 | \$ (1,636) | (52)%    |

Core Illumina R&D expense decreased by \$24 million, or 9%, in Q3 2025 and by \$4 million, or 1%, in YTD 2025 primarily due to decreases in employee-related compensation costs, including share-based compensation expense related to our optimization efforts, and a decrease in outside professional services, partially offset by increases in lab supply costs and, in YTD 2025, an increase in restructuring charges of \$13 million.

Core Illumina SG&A expense increased by \$38 million, or 16%, in Q3 2025 primarily due to an unfavorable impact of \$52 million from the remeasurement of our contingent consideration liabilities, primarily related to the GRAIL CVRs (recognized a loss of \$3 million and a gain of \$49 million in Q3 2025 and Q3 2024, respectively). Excluding the impact from our contingent consideration liabilities, SG&A expense decreased in Q3 2025 primarily due to decreases in employee-related compensation costs, including share-based compensation expense related to our optimization efforts, and acquisition-related costs from our acquisition of Fluent Biosciences in Q3 2024.

Core Illumina SG&A expense increased by \$156 million, or 25%, in YTD 2025 primarily due to a lower net gain recognized on our contingent consideration liabilities, primarily related to the GRAIL CVRs, of \$275 million (recognized gains of \$29 million and \$304 million in YTD 2025 and YTD 2024, respectively). Excluding the impact from our contingent consideration liabilities, SG&A expense decreased in YTD 2025 primarily due to a decrease in acquisition-related costs, which included \$53 million of expenses incurred in YTD 2024 related to the Spin-Off of GRAIL, a decrease in restructuring charges of \$20 million, primarily due to lease and other asset impairments recognized in Q1 2024 on two properties, decreases in employee-related compensation costs, including share-based compensation expense related to our optimization efforts, and a decrease in outside professional services.

The decrease in GRAIL R&D and SG&A expense in YTD 2025 was due to the Spin-Off in Q2 2024.

GRAIL goodwill and intangible impairment for YTD 2024 consisted of goodwill impairment of \$1,466 million and an IPR&D intangible asset impairment of \$420 million as a result of performing impairment tests. Core Illumina goodwill and intangible impairment for YTD 2024 consisted of an IPR&D intangible asset impairment.

Core Illumina legal contingency and settlement in Q3 2024 and YTD 2024 primarily consisted of a gain of \$489 million resulting from the reversal of the EC fine accrual, and related accrued interest, following the European Commission's decision to withdraw its previously imposed fine.

### Other Income (Expense)

| <i>Dollars in millions</i>                       | Q3 2025       | Q3 2024        | Change       | % Change | YTD 2025      | YTD 2024        | Change        | % Change |
|--------------------------------------------------|---------------|----------------|--------------|----------|---------------|-----------------|---------------|----------|
| Interest income                                  | \$ 9          | \$ 11          | \$ (2)       | (18)%    | \$ 30         | \$ 36           | \$ (6)        | (17)%    |
| Interest expense                                 | (25)          | (36)           | 11           | (31)     | (75)          | (75)            | —             | —        |
| Other income (expense), net                      | 9             | 4              | 5            | 125      | 148           | (319)           | 467           | (146)    |
| Total other (expense) income, net <sup>(1)</sup> | <u>\$ (7)</u> | <u>\$ (21)</u> | <u>\$ 14</u> | (67)%    | <u>\$ 103</u> | <u>\$ (358)</u> | <u>\$ 461</u> | (129)%   |

<sup>(1)</sup> Total other (expense) income, net in YTD 2024 primarily relates to Core Illumina segment.

Interest income consisted primarily of interest on our money market funds. Interest expense consisted primarily of interest on our outstanding term debt. The decrease in interest expense in Q3 2025 was primarily due to the repayment of our delayed draw term loan in Q3 2024, which accrued interest at a higher rate and for which we recognized a loss on extinguishment of \$5 million upon repayment. Other income (expense), net increased in Q3 2025 primarily due to net gains recognized on our strategic investments in Q3 2025 compared to net losses in Q3 2024, partially offset by an unfavorable impact related to foreign currency activity as compared to Q3 2024. The fluctuation in other income (expense), net in YTD 2025 was primarily due to net gains recognized on our investments in YTD 2025 compared to net losses recognized in YTD 2024, partially offset by a \$15 million gain on our Helix contingent value right in YTD 2024. In YTD 2024, we recognized a loss on our retained investment in GRAIL, subsequent to the Spin-Off, of \$332 million.

### Provision for Income Taxes

| <i>Dollars in millions</i>        | Q3 2025       | Q3 2024       | Change          | % Change | YTD 2025      | YTD 2024          | Change          | % Change |
|-----------------------------------|---------------|---------------|-----------------|----------|---------------|-------------------|-----------------|----------|
| Income (loss) before income taxes | \$ 220        | \$ 720        | \$ (500)        | (69)%    | \$ 709        | \$ (1,366)        | \$ 2,075        | (152)%   |
| Provision for income taxes        | 70            | 15            | 55              | 367      | 193           | 44                | 149             | 339      |
| Net income (loss)                 | <u>\$ 150</u> | <u>\$ 705</u> | <u>\$ (555)</u> | (79)%    | <u>\$ 516</u> | <u>\$ (1,410)</u> | <u>\$ 1,926</u> | (137)%   |
| Effective tax rate                | 31.8 %        | 2.1 %         |                 |          | 27.2 %        | (3.2)%            |                 |          |

Our effective tax rate was 31.8% and 27.2% in Q3 2025 and YTD 2025, respectively, compared to 2.1% and (3.2)% in Q3 2024 and YTD 2024, respectively. The variance from the U.S. federal statutory tax rate of 21% for Q3 2025 and YTD 2025 was primarily due to the implications of the U.S. tax legislation that was signed on July 4, 2025, which included changes to no longer require capitalization of U.S. based research and development expenses. While the changes from the recent U.S. tax legislation were favorable, based on the available evidence, the increased U.S. tax deductions resulted in a determination that it is more likely than not the future realization of deferred tax assets associated with certain U.S. foreign tax credits may not be achieved. Therefore, a valuation allowance of \$42 million was recorded as a one-time adjustment in Q3 2025 against the deferred tax assets associated with certain U.S. foreign tax credits that were generated in prior years that were not previously utilized. The tax rate in Q3 2025 and YTD 2025 was favorably impacted by the mix of earnings in jurisdictions with lower statutory tax rates than the U.S. federal statutory tax rate, such as Singapore.

In Q3 2024, the variance from the U.S. federal statutory tax rate of 21% was primarily due to the \$25 million income tax expense impact of GRAIL pre-acquisition net operating losses on GILTI, the utilization of U.S. foreign tax credits, and the Pillar Two global minimum top-up tax, respectively, and the \$10 million income tax expense impact of capitalizing research and development expenses for tax purposes. The variance from the U.S. federal statutory tax rate of 21% in YTD 2024 was primarily due to the \$308 million income tax expense impact from the impairment of goodwill, which is nondeductible for tax purposes, \$141 million income tax expense impact of GRAIL pre-acquisition net operating losses on GILTI, the utilization of U.S. foreign tax credits, and the Pillar Two global minimum top-up tax, and the \$53 million income tax expense impact of capitalizing research and development expenses for tax purposes. The income tax rate in Q3 2024 and YTD 2024 was favorably impacted by the reversal of the European Commission fine related to the GRAIL acquisition, which is excluded from taxable income, and by the mix of earnings in jurisdictions with lower statutory tax rates than the U.S. federal statutory tax rate, such as in Singapore.

Our future effective tax rate may vary from the U.S. federal statutory tax rate due to the mix of earnings in tax jurisdictions with different statutory tax rates and the other factors discussed in the risk factor “We are subject to risks related to taxation in multiple jurisdictions” described in “Risk Factors” within the Business & Market Information section of our Annual Report on Form [10-K](#) for the fiscal year ended December 29, 2024.

## LIQUIDITY AND CAPITAL RESOURCES

As of September 28, 2025, we had \$1,050 million in cash and cash equivalents, of which \$501 million was held by foreign subsidiaries. Cash and cash equivalents decreased by \$77 million from December 29, 2024 due to factors described in the “Cash Flow Summary” below. Our primary source of liquidity, other than our holdings of cash, cash equivalents, and investments, has been cash flows from operations and, from time to time, issuances of debt. Our ability to generate cash from operations, supplemented with the issuance of debt and/or liquidation of our short-term investments, provides us with the financial flexibility we need to meet operating, investing, and financing needs. As of September 28, 2025, we had \$228 million in short-term investments, comprised of marketable equity securities.

In September 2024, we issued \$500 million aggregate principal amount of 2026 Term Notes, which mature on September 9, 2026, and accrue interest at a rate of 4.650% per annum, payable semi-annually in March and September of each year. In December 2022, we issued \$500 million aggregate principal amount of 2025 Term Notes and \$500 million aggregate principal amount of 2027 Term Notes. The 2025 Notes, which mature on December 12, 2025, and the 2027 Notes, which mature on December 13, 2027, accrue interest at a rate of 5.800% and 5.750% per annum, respectively, payable semi-annually in June and December of each year. In March 2021, we issued \$500 million aggregate principal amount of 2031 Term Notes, which mature on March 23, 2031, and accrue interest at a rate of 2.550% per annum, payable semi-annually in March and September of each year. We may redeem for cash all or any portion of the Term Notes, at our option, at any time prior to maturity.

In January 2023, we entered into the Revolving Credit Agreement, which provides us with a \$750 million senior unsecured five year revolving credit facility, including a \$40 million sublimit for swingline borrowings and a \$50 million sublimit for letters of credit. The credit facility matures, and all amounts outstanding become due and payable in full, on January 4, 2028, subject to two one-year extensions at our option and consent of the extending lenders and certain other conditions. As of September 28, 2025, there were no outstanding borrowings.

On June 22, 2025, we entered into a Stock Purchase Agreement (the Purchase Agreement) with Standard BioTools to acquire SomaLogic and other specified assets for \$350 million in cash, subject to customary adjustments. The Purchase Agreement further provides for, in connection with the revenues generated from certain products and services, (i) royalty streams and (ii) up to \$75 million in potential milestone payments to Standard BioTools. The Purchase Agreement contains certain termination rights if the consummation of the acquisition does not occur on or before March 23, 2026, subject to three automatic three-month extensions related to obtaining required regulatory approvals. Upon termination of the Purchase Agreement under specified circumstances relating to the failure to obtain regulatory approvals, we would be required to pay Standard BioTools a termination fee of \$14.5 million.

As of September 28, 2025, the fair value of our contingent consideration liability related to GRAIL was \$43 million, of which \$42 million was included in other long-term liabilities. The contingent value rights entitle the holders to receive future cash payments on a quarterly basis (Covered Revenue Payments) representing a pro rata portion of certain GRAIL-related revenues (Covered Revenues) each year through August 2033. This reflects a 2.5% payment right to the first \$1 billion of revenue each year for 12 years. Revenue above \$1 billion each year is subject to a 9% contingent payment right during this same period. In YTD 2025, we paid \$994,000 in aggregate Covered Revenue Payments related to aggregate Covered Revenues for the period Q4 2024 through Q2 2025 of \$106 million.

In August 2024, our Board of Directors authorized a new share repurchase program, which cancels and supersedes all prior and available repurchase authorizations, to repurchase up to \$1.5 billion of our outstanding common stock. The repurchases may be completed through open market purchases, pursuant to Rule 10b5-1 or Rule 10b-18, or through an accelerated share repurchase program. Authorizations to repurchase up to approximately \$684 million of our outstanding common stock remained available as of September 28, 2025. We intend to repurchase incremental shares over the remainder of 2025.

We had \$3 million (plus recallable distributions of approximately \$10 million), \$39 million, and \$27 million, respectively, remaining in our capital commitments to three venture capital investment funds as of September 28, 2025 that are callable through April 2026, July 2029, and December 2034, respectively.

We anticipate that our current cash, cash equivalents, and short-term investments, together with cash provided by operating activities and available borrowing capacity under the Revolving Credit Facility, are sufficient to fund our near-term capital and operating needs for at least the next 12 months, including the cash requirements of funding the pending acquisition of SomaLogic as described above. Operating needs include the planned costs to operate our business, including amounts required to fund working capital and capital expenditures. Our primary short-term needs for capital, which are subject to change, may include:

- support of commercialization efforts related to our current and future products;
- acquisitions of equipment and other fixed assets for use in our current and future manufacturing and research and development facilities;
- the continued advancement of research and development efforts;
- potential strategic acquisitions and investments, including the pending acquisition of SomaLogic;
- repayment of debt obligations;
- repurchases of our outstanding common stock; and
- the evolving needs of our facilities, including costs of leasing and building out facilities.

We expect that our revenue and results of operations, as well as the status of each of our new product development programs, will significantly impact our cash management decisions. Our future capital requirements and the adequacy of our available funds will depend on many factors, including:

- our ability to successfully commercialize and further develop our technologies and create innovative products in our markets;
- scientific progress in our research and development programs and the magnitude of those programs;
- competing technological and market developments; and

- the need to enter into collaborations with other companies or acquire other companies or technologies to enhance or complement our product and service offerings.

## Cash Flow Summary

| <i>In millions</i>                                           | YTD 2025 | YTD 2024 |
|--------------------------------------------------------------|----------|----------|
| Net cash provided by operating activities                    | \$ 758   | \$ 473   |
| Net cash used in investing activities                        | (163)    | (130)    |
| Net cash used in financing activities                        | (681)    | (523)    |
| Effect of exchange rate changes on cash and cash equivalents | 9        | 1        |
| Net decrease in cash and cash equivalents                    | \$ (77)  | \$ (179) |

### Operating Activities

Net cash provided by operating activities of \$758 million in YTD 2025 consisted of net income of \$516 million, plus net adjustments of \$377 million, less net changes in operating assets and liabilities of \$135 million. The primary adjustments to net income included share-based compensation expense of \$212 million, depreciation and amortization expense of \$204 million, deferred income taxes of \$82 million, and intangible asset impairment of \$23 million, offset by net gains on strategic investments of \$137 million and change in fair value of contingent consideration liabilities of \$29 million. Cash flow impact from changes in net operating assets and liabilities were primarily driven by a decrease in accrued liabilities, partially offset by increases in inventory and operating lease right-of-use assets and liabilities, net.

### Investing Activities

Net cash used in investing activities was \$163 million in YTD 2025. We primarily invested \$93 million in capital expenditures, primarily associated with investments in facilities, and purchased strategic investments, net of distributions, of \$63 million.

### Financing Activities

Net cash used in financing activities was \$681 million in YTD 2025. We used \$700 million to repurchase our common stock and \$24 million to pay taxes related to net share settlement of equity awards. We received proceeds from the sale of shares under our employee stock purchase plan of \$44 million.

## CRITICAL ACCOUNTING POLICIES AND ESTIMATES

In preparing our condensed consolidated financial statements, we make estimates, assumptions and judgments that can have a significant impact on our net revenue, operating income (loss), and net income (loss), as well as on the value of certain assets and liabilities on our balance sheet. We believe that the estimates, assumptions and judgments involved in the accounting policies described in “Critical Accounting Policies and Estimates” within the Management’s Discussion & Analysis section of our Annual Report on Form [10-K](#) for the fiscal year ended December 29, 2024 have the greatest potential impact on our financial statements, so we consider them to be our critical accounting policies and estimates. Although recently imposed tariffs, reductions in the U.S. government’s funding of the National Institutes of Health, our inclusion on the unreliable entities list by regulatory authorities in China and the prohibition of our export of sequencing instruments into China, as well as macroeconomic factors such as inflation, exchange rate fluctuations, and concerns about an economic downturn present additional uncertainty, we continue to use the best information available to inform our critical accounting estimates. There were no material changes to our critical accounting policies and estimates during YTD 2025.

## RECENT ACCOUNTING PRONOUNCEMENTS

For a summary of recent accounting pronouncements applicable to our condensed consolidated financial statements, see note [1. Organization and Significant Accounting Policies](#) within the Condensed Consolidated Financial Statements section of this report, which is incorporated herein by reference.

## QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

There were no substantial changes to our market risks in YTD 2025, when compared to the disclosures in “Quantitative and Qualitative Disclosures about Market Risk” within the Management’s Discussion & Analysis section of our Annual Report on Form [10-K](#) for the fiscal year ended December 29, 2024.

## OTHER KEY INFORMATION

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### CONTROLS AND PROCEDURES

We design our internal controls to provide reasonable assurance that (1) our transactions are properly authorized; (2) our assets are safeguarded against unauthorized or improper use; and (3) our transactions are properly recorded and reported in conformity with U.S. generally accepted accounting principles. We also maintain internal controls and procedures to ensure that we comply with applicable laws and our established financial policies.

In the third quarter of 2025, we began implementation efforts related to an upgrade of our global enterprise resource planning (ERP) system. The upgraded ERP system is expected to enhance the flow of financial information, facilitate data analysis, and accelerate information reporting. The upgraded ERP system is expected to become operational in the first half of 2027.

As part of this implementation effort, we may make changes to our processes and procedures which, in turn, could materially affect our internal controls over financial reporting. We will monitor, evaluate, and report the impact of such changes, if any, on our internal controls over financial reporting in the periods in which they occur.

During the third quarter of 2025, we continued to monitor and evaluate the design and operating effectiveness of key controls. There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that materially affected or are reasonably likely to materially affect internal control over financial reporting.

Based on management’s evaluation (under the supervision and with the participation of our chief executive officer (CEO) and chief financial officer (CFO)), as of the end of the period covered by this report, our CEO and CFO concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)), are effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

### LEGAL PROCEEDINGS

See discussion of legal proceedings in note [8. Legal Proceedings](#) in the Condensed Consolidated Financial Statements section of this report, which is incorporated herein by reference.

### RISK FACTORS

Our business is subject to various risks, including those described in “Risk Factors” within the Business & Market Information section of our Annual Report on [Form 10-K](#) for the fiscal year ended December 29, 2024, and the “Other Key Information” section of our Quarterly Report on Form 10-Q for the periods ended March 30, 2025 and June 29, 2025, which we strongly encourage you to review.

## SHARE REPURCHASES AND SALES

### Purchases of Equity Securities by the Issuer

In August 2024, our Board of Directors authorized a new share repurchase program, which cancels and supersedes all prior and available repurchase authorizations, to repurchase up to \$1.5 billion of our outstanding common stock. The repurchases may be completed through open market purchases, pursuant to Rule 10b5-1 or Rule 10b-18, or through an accelerated share repurchase program. Shares repurchased in open market transactions pursuant to this program during Q3 2025 were as follows:

| <i>In thousands, except price per share</i> | Total Number<br>of Shares<br>Purchased | Average Price<br>Paid per Share <sup>(1)</sup> | Total Number of<br>Shares Purchased as<br>Part of Publicly<br>Announced Program | Approximate Dollar<br>Value of Shares<br>that May Yet Be<br>Purchased Under<br>the Program |
|---------------------------------------------|----------------------------------------|------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| June 30, 2025 - July 27, 2025               | 125                                    | \$ 94.62                                       | 125                                                                             | \$ 792,579                                                                                 |
| July 28, 2025 - August 24, 2025             | 1,032                                  | \$ 97.07                                       | 1,032                                                                           | \$ 692,360                                                                                 |
| August 25, 2025 - September 28, 2025        | 79                                     | \$ 101.42                                      | 79                                                                              | \$ 684,405                                                                                 |
| Total                                       | <u>1,236</u>                           | <u>\$ 97.10</u>                                | <u>1,236</u>                                                                    | <u>\$ 684,405</u>                                                                          |

<sup>(1)</sup> Average price paid per share excludes the excise tax on share repurchases imposed as part of the Inflation Reduction Act of 2022.

### Unregistered Sales of Equity Securities

None during the quarterly period ended September 28, 2025.

### ADOPTIONS, MODIFICATIONS OR TERMINATIONS OF TRADING PLANS

During the quarterly period ended September 28, 2025, none of the Company's directors or officers adopted, modified or terminated any "Rule 10b5-1 trading arrangement" or any "non-Rule 10b5-1 trading arrangement," in each case as such term is defined in Item 408 of Regulation S-K.

## EXHIBITS

| Exhibit Number | Exhibit Description                                                                                                                                            | Incorporated by Reference |             |         |             | Filed Herewith |
|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------|---------|-------------|----------------|
|                |                                                                                                                                                                | Form                      | File Number | Exhibit | Filing Date |                |
| 31.1           | <a href="#">Certification of Jacob Thaysen pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>                                                       |                           |             |         |             | X              |
| 31.2           | <a href="#">Certification of Ankur Dhingra pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>                                                       |                           |             |         |             | X              |
| 32.1           | <a href="#">Certification of Jacob Thaysen pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>        |                           |             |         |             | X              |
| 32.2           | <a href="#">Certification of Ankur Dhingra pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>        |                           |             |         |             | X              |
| 101.INS        | XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document |                           |             |         |             | X              |
| 101.SCH        | XBRL Taxonomy Extension Schema                                                                                                                                 |                           |             |         |             | X              |
| 101.CAL        | XBRL Taxonomy Extension Calculation Linkbase                                                                                                                   |                           |             |         |             | X              |
| 101.LAB        | XBRL Taxonomy Extension Label Linkbase                                                                                                                         |                           |             |         |             | X              |
| 101.PRE        | XBRL Taxonomy Extension Presentation Linkbase                                                                                                                  |                           |             |         |             | X              |
| 101.DEF        | XBRL Taxonomy Extension Definition Linkbase                                                                                                                    |                           |             |         |             | X              |
| 104            | Cover Page Interactive Data File - formatted in Inline XBRL and included as Exhibit 101                                                                        |                           |             |         |             | X              |

+ Management contract or corporate plan or arrangement

\* Portions of this exhibit omitted pursuant to Item 601(a)(5), Item 601(b)(2) or Item 601(b)(10) of Regulation S-K, as applicable. The Company agrees to furnish a supplemental and unredacted copy of any omitted schedule to the Securities and Exchange Commission upon its request.

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ILLUMINA, INC.  
(registrant)

Date: October 31, 2025

By: /s/ ANKUR DHINGRA  
Name: Ankur Dhingra  
Title: Chief Financial Officer

**CERTIFICATION OF JACOB THAYSEN PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jacob Thaysen, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Illumina, Inc.;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 31, 2025

By: /s/ JACOB THAYSEN  
 Name: Jacob Thaysen  
 Title: Chief Executive Officer

**CERTIFICATION OF ANKUR DHINGRA PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Ankur Dhingra, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Illumina, Inc.;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 31, 2025

By: /s/ ANKUR DHINGRA  
Name: Ankur Dhingra  
Title: Chief Financial Officer

**CERTIFICATION OF JACOB THAYSEN PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Illumina, Inc. (the "Company") on Form 10-Q for the quarter ended September 28, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jacob Thaysen, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 31, 2025

By: /s/ JACOB THAYSEN  
Name: Jacob Thaysen  
Title: Chief Executive Officer

This certification accompanying the Report is not deemed filed with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such Section, and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before, on or after the date of the Report), irrespective of any general incorporation language contained in such filing.

**CERTIFICATION OF ANKUR DHINGRA PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Illumina, Inc. (the "Company") on Form 10-Q for the quarter ended September 28, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ankur Dhingra, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 31, 2025

By: /s/ ANKUR DHINGRA  
Name: Ankur Dhingra  
Title: Chief Financial Officer

This certification accompanying the Report is not deemed filed with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such Section, and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before, on or after the date of the Report), irrespective of any general incorporation language contained in such filing.