

**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 27, 2026

☐ **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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
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, a 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 13(a) 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 23, 2026, there were 151.2 million shares of the registrant's common stock outstanding.

ILLUMINA, INC.
FORM 10-Q
FOR THE FISCAL QUARTER ENDED SEPTEMBER 27, 2026
TABLE OF CONTENTS

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	PAGE
Condensed Consolidated Balance Sheets	5
Condensed Consolidated Statements of Operations	6
Condensed Consolidated Statements of Comprehensive Income	7
Condensed Consolidated Statements of Stockholders' Equity	8
Condensed Consolidated Statements of Cash Flows	10
Notes to Condensed Consolidated Financial Statements	11
1. Organization and Significant Accounting Policies	11
2. Acquisitions, Intangible Assets and Goodwill	13
3. Revenue	16
4. Investments and Fair Value Measurements	18
5. Debt	21
6. Stockholders' Equity	22
7. Supplemental Balance Sheet and Statement of Operations Details	24
8. Legal Proceedings	27
9. Income Taxes	30
10. Segment Information	30
11. Subsequent Event	30
MANAGEMENT'S DISCUSSION & ANALYSIS	
Management's Overview and Outlook	31
Results of Operations	34
Liquidity and Capital Resources	37
Critical Accounting Policies and Estimates	39
Recent Accounting Pronouncements	39
Quantitative and Qualitative Disclosures About Market Risk	40
OTHER KEY INFORMATION	
Controls and Procedures	40
Legal Proceedings	40
Risk Factors	40
Share Repurchases and Sales	41
Adoptions, Modifications or Terminations of Trading Plans	41
Exhibits	42
Form 10-Q Cross-Reference Index	44

See "Form 10-Q Cross-Reference Index" within the Other Key Information section 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 acquisition of SomaLogic, Inc. (SomaLogic) and certain other assets from Standard BioTools Inc. (Standard BioTools), including 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 and revenue impact on Illumina of the tariffs announced by the U.S. government and other countries beginning in April 2025, including any potential additional refunds of such tariffs from the U.S. government and any amounts to be remitted to customers in connection with such refunds; 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 inclusion on the “unreliable entities list” by regulatory authorities in 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 that 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 changes in U.S. government policies;
- risks and uncertainties regarding legal and regulatory proceedings;
- changes in the regulatory landscape and our ability to obtain regulatory clearance for our products from government agencies;
- uncertainty regarding the impact of tariffs imposed by the U.S. government and its trading partners in response, related court proceedings or administrative actions (including potential additional refund or relief programs), 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 and any amounts that may be remitted to customers in connection with refunds 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 or other liabilities arising against us in connection with previous acquisitions, including the GRAIL acquisition;
- 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 28, 2025, the Other Key Information section of our Quarterly Report on Form [10-Q](#) for the period ended March 29, 2026, and on Form [10-Q](#) for the period ended June 28, 2026, 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 27, 2026 (Unaudited)	December 28, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,289	\$ 1,418
Short-term investments	48	215
Accounts receivable, net	738	854
Inventory, net	667	564
Prepaid expenses and other current assets	293	238
Total current assets	3,035	3,289
Property and equipment, net	731	759
Operating lease right-of-use assets	356	370
Goodwill	1,284	1,113
Intangible assets, net	391	210
Deferred tax assets, net	454	454
Other assets	561	449
Total assets	\$ 6,812	\$ 6,644
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 241	\$ 240
Accrued liabilities	915	846
Term debt, current portion	—	499
Total current liabilities	1,156	1,585
Operating lease liabilities	439	486
Term debt	1,789	1,490
Other long-term liabilities	283	360
Stockholders' equity:		
Common stock	2	2
Additional paid-in capital	8,031	7,822
Accumulated other comprehensive income (loss)	8	(10)
Retained earnings (accumulated deficit)	169	(392)
Treasury stock, at cost	(5,065)	(4,699)
Total stockholders' equity	3,145	2,723
Total liabilities and stockholders' equity	\$ 6,812	\$ 6,644

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 27, 2026	September 28, 2025	September 27, 2026	September 28, 2025
Revenue:				
Product revenue	\$ 946	\$ 927	\$ 2,845	\$ 2,719
Service and other revenue	183	157	535	465
Total revenue	1,129	1,084	3,380	3,184
Cost of revenue:				
Cost of product revenue	199	267	763	795
Cost of service and other revenue	82	68	243	228
Amortization of acquired intangible assets	18	16	53	50
Total cost of revenue	299	351	1,059	1,073
Gross profit	830	733	2,321	2,111
Operating expense:				
Research and development	244	229	736	728
Selling, general and administrative	281	277	826	777
Total operating expense	525	506	1,562	1,505
Income from operations	305	227	759	606
Other income (expense):				
Interest income	12	9	31	30
Interest expense	(24)	(25)	(71)	(75)
Other (expense) income, net	(29)	9	(38)	148
Total other (expense) income, net	(41)	(7)	(78)	103
Income before income taxes	264	220	681	709
Provision for income taxes	44	70	120	193
Net income	\$ 220	\$ 150	\$ 561	\$ 516
Earnings per share:				
Basic	\$ 1.46	\$ 0.98	\$ 3.70	\$ 3.30
Diluted	\$ 1.43	\$ 0.98	\$ 3.65	\$ 3.29
Shares used in computing earnings per share:				
Basic	151	153	152	156
Diluted	154	154	154	157

See accompanying notes to condensed consolidated financial statements.

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

	Three Months Ended		Nine Months Ended	
	September 27, 2026	September 28, 2025	September 27, 2026	September 28, 2025
Net income	\$ 220	\$ 150	\$ 561	\$ 516
Unrealized gain (loss) on cash flow hedges, net of deferred tax	—	9	18	(34)
Total comprehensive income	<u>\$ 220</u>	<u>\$ 159</u>	<u>\$ 579</u>	<u>\$ 482</u>

See accompanying notes to condensed consolidated financial statements.

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

	Common Stock		Additional	Accumulated		Accumulated	Treasury Stock		Total
	Shares	Amount	Paid-In	Comprehensive		Deficit	Shares	Amount	Stockholders'
			Capital	Income (Loss)					Equity
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
Net income	—	—	—	—		334	—	—	334
Unrealized gain on cash flow hedges, net of deferred tax	—	—	—	2		—	—	—	2
Issuance of common stock, net of repurchases	—	—	(3)	—		—	—	(54)	(57)
Share-based compensation	—	—	63	—		—	—	—	63
Balance as of December 28, 2025	201	\$ 2	\$ 7,822	\$ (10)	\$	(392)	(48)	\$ (4,699)	\$ 2,723

See accompanying notes to condensed consolidated financial statements.

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

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated Deficit)	Treasury Stock		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
Balance as of December 28, 2025	201	\$ 2	\$ 7,822	\$ (10)	\$ (392)	(48)	\$ (4,699)	\$ 2,723
Net income	—	—	—	—	134	—	—	134
Unrealized gain on cash flow hedges, net of deferred tax	—	—	—	11	—	—	—	11
Issuance of common stock, net of repurchases	—	—	(20)	—	—	(1)	(232)	(252)
Share-based compensation	—	—	60	—	—	—	—	60
Balance as of March 29, 2026	201	2	7,862	1	(258)	(49)	(4,931)	2,676
Net income	—	—	—	—	207	—	—	207
Unrealized gain on cash flow hedges, net of deferred tax	—	—	—	7	—	—	—	7
Issuance of common stock, net of repurchases	—	—	(1)	—	—	(1)	(123)	(124)
Share-based compensation	—	—	72	—	—	—	—	72
Balance as of June 28, 2026	201	2	7,933	8	(51)	(50)	(5,054)	2,838
Net income	—	—	—	—	220	—	—	220
Issuance of common stock, net of repurchases	1	—	23	—	—	—	(11)	12
Share-based compensation	—	—	75	—	—	—	—	75
Balance as of September 27, 2026	202	\$ 2	\$ 8,031	\$ 8	\$ 169	(50)	\$ (5,065)	\$ 3,145

See accompanying notes to condensed consolidated financial statements.

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

	Nine Months Ended	
	September 27, 2026	September 28, 2025
Cash flows from operating activities:		
Net income	\$ 561	\$ 516
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	154	153
Amortization of intangible assets	57	51
Share-based compensation expense	207	212
Deferred income taxes	(3)	82
Net losses (gains) on investments	47	(137)
Change in fair value of contingent consideration liabilities	(43)	(29)
Intangible impairment	—	23
Other	5	22
Changes in operating assets and liabilities:		
Accounts receivable	119	13
Inventory	(69)	(43)
Prepaid expenses and other current assets	(60)	(1)
Operating lease right-of-use assets and liabilities, net	(28)	(25)
Other assets	(100)	(13)
Accounts payable	11	(13)
Accrued liabilities	109	(69)
Other long-term liabilities	(58)	16
Net cash provided by operating activities	909	758
Cash flows from investing activities:		
Net purchases of property and equipment	(118)	(93)
Net sales (purchases) of investments	122	(63)
Cash paid for acquisitions and intangible assets, net of cash acquired	(417)	(7)
Payments on contingent consideration liabilities	(25)	—
Net cash used in investing activities	(438)	(163)
Cash flows from financing activities:		
Common stock repurchases, inclusive of excise tax	(379)	(700)
Taxes paid related to net share settlement of equity awards	(35)	(24)
Proceeds from issuance of common stock	46	44
Payments on contingent consideration liabilities	(31)	(1)
Payments on debt obligations	(500)	—
Proceeds from debt, net of issuance costs	297	—
Net cash used in financing activities	(602)	(681)
Effect of exchange rate changes on cash and cash equivalents	2	9
Net decrease in cash and cash equivalents	(129)	(77)
Cash and cash equivalents at beginning of period	1,418	1,127
Cash and cash equivalents at end of period	\$ 1,289	\$ 1,050

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

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 January 30, 2026, we acquired SomaLogic and other specified assets from Standard BioTools. SomaLogic is a proteomics company that provides high-throughput protein measurement technology and related data analysis services. We have included the financial results of SomaLogic in our condensed consolidated financial statements from the date of acquisition. Refer to note [2. Acquisitions, Intangible Assets and Goodwill](#) for additional details.

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 28, 2025, 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 tariffs, reductions in the U.S. government’s funding of the NIH, our inclusion on the unreliable entities list by regulatory authorities in China, armed conflicts, including recent conflict in the Middle East and Iran, and macroeconomic factors, such as inflation, exchange rate fluctuations, supply-chain disruptions, and concerns about an economic downturn continue to create additional uncertainty, we continue to use the best information available to inform 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. Certain prior period amounts have been reclassified to conform to the current period presentation. In management’s opinion, all normal recurring adjustments necessary for a fair presentation of the interim results have been reflected.

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. Q3 2026 and Q3 2025 refer to the three-month periods ended September 27, 2026 and September 28, 2025, respectively, which were 13 weeks. YTD 2026 and YTD 2025 refer to the respective corresponding nine-month periods, which were 39 weeks.

Significant Accounting Policies

During YTD 2026, 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 28, 2025, except for the following new accounting policies:

Long-Term Inventory

We recognize inventory associated with certain new manufacturing processes that last more than one year and were acquired as part of the SomaLogic acquisition as long-term inventory, included in other assets in the condensed consolidated balance sheets. See note [7](#), [Supplemental Balance Sheet and Statement of Operations Details](#).

IEEPA Tariff Refunds

In February 2026, the U.S. Supreme Court held that the International Emergency Economic Powers Act (IEEPA) does not authorize the imposition of tariffs. In March 2026, the U.S. Court of International Trade ordered U.S. Customs and Border Protection (CBP) to process refunds of IEEPA tariffs. We evaluate recoveries of IEEPA tariffs in accordance with applicable loss recovery guidance and recognize recoveries when the refund is probable. During Q3 2026 and YTD 2026, we recognized a benefit of \$79 million as a reduction to cost of revenue for expected refunds. As of September 27, 2026, we had received \$32 million in IEEPA tariff refunds and recorded a receivable of \$47 million within prepaid expenses and other current assets. We expect to refund a portion of the tariff refunds received to customers. As of September 27, 2026, we recorded a liability of \$37 million in accrued liabilities for estimated refunds to be credited to customers and recognized a corresponding reduction to revenue in both Q3 2026 and YTD 2026. Interest associated with tariff refunds is recognized in interest income when received or realizable and was immaterial for both Q3 2026 and YTD 2026.

Accounting Pronouncements Pending Adoption

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.

In November 2025, the FASB issued ASU 2025-09, *Derivatives and Hedging, Hedge Accounting Improvements*. The new standard is intended to better align hedge accounting with risk management activities. The standard is effective for us beginning in our first quarter of fiscal year 2027, with early adoption permitted, and is applied on a prospective basis. We are currently evaluating the impact of ASU 2025-09 on the consolidated financial statements.

In December 2025, the FASB issued ASU 2025-10, *Accounting for Government Grants Received by Business Entities*. The new standard provides guidance on the recognition, measurement, and presentation of government grants. The standard is effective for us beginning in our first quarter of fiscal year 2029, with early adoption permitted, and can be applied using a modified prospective, modified retrospective or full retrospective transition approach. We are currently evaluating the impact of ASU 2025-10 on the consolidated financial statements.

In May 2026, the FASB issued ASU 2026-02, *Environmental Credits and Environmental Credit Obligations*. The new standard provides specific guidance on the recognition, measurement, presentation, and disclosure of environmental credits and environmental credit obligations. The standard is effective for us beginning in the first quarter of fiscal year 2028, with early adoption permitted, and is required to be applied retrospectively by recognizing a cumulative-effect adjustment to the opening balance of retained earnings in the period of adoption. We are currently evaluating the impact of ASU 2026-02 on the consolidated financial statements.

Earnings per Share

Basic earnings per share is computed based on the weighted average number of common shares outstanding during the period. Diluted earnings 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. 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 per share were as follows:

<i>In millions</i>	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Weighted average shares outstanding	151	153	152	156
Effect of potentially dilutive common shares from:				
Equity awards	3	1	2	1
Weighted average shares used in calculating diluted earnings per share	154	154	154	157
Antidilutive shares related to equity awards excluded from calculation of diluted earnings per share	—	2	—	3

2. ACQUISITIONS, INTANGIBLE ASSETS AND GOODWILL

SomaLogic Acquisition

On January 30, 2026, we acquired SomaLogic, a proteomics company that provides high-throughput protein measurement technology and related data analysis services, and other specified assets from Standard BioTools. We expect the acquisition to enhance our presence in the proteomics market and advance our multiomics strategy.

The total purchase price consisted of the following:

<i>In millions</i>	
Cash	\$ 382
Fair value of contingent consideration	81
Settlement of preexisting relationship	(3)
Total purchase price	<u>\$ 460</u>

Standard BioTools was eligible to receive up to \$75 million in milestone payments, comprised of up to \$25 million based on 2025 performance and up to \$50 million based on 2026 performance, due upon the achievement of specified targets for net revenue generated from SOMAmer-based assay services and related products (the Milestone Contingent Consideration). In addition, Standard BioTools was entitled to receive a 2% royalty on net revenues generated from sales of SOMAmer-based next-generation sequencing library preparation kits, to be paid quarterly for 10 years from the acquisition date through January 2036 (the Royalty Contingent Consideration). The aggregate acquisition date fair value of these contingent consideration arrangements was \$81 million.

We used a Monte Carlo simulation to estimate the fair value of the Milestone Contingent Consideration and a discounted cash flow analysis to estimate the fair value of the Royalty Contingent Consideration. Estimates and assumptions used in the Monte Carlo simulation and discounted cash flow analysis included forecasted revenues, a revenue risk premium, an operational leverage ratio and a counterparty credit spread. An estimate for revenue volatility was also used in the Monte Carlo simulation. 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.

In Q2 2026, we paid \$25 million for the milestone payment earned for the 2025 performance period. Additionally, in Q3 2026, we paid \$30 million to buy out early both the 2026 Milestone Contingent Consideration and Royalty Contingent Consideration obligations. See note [4. Investments and Fair Value Measurements](#) for additional details.

The preliminary fair values of assets acquired and liabilities assumed were:

<i>In millions</i>	As Initially Reported	Measurement Period Adjustments	As Adjusted
Cash and cash equivalents	\$ 19	\$ —	\$ 19
Accounts receivable	13	—	13
Inventory ⁽¹⁾	57	—	57
Property and equipment	19	—	19
Operating lease right-of-use assets	14	—	14
Other current and noncurrent assets	3	6	9
Intangible assets	186	—	186
Goodwill	171	—	171
Operating lease liabilities, noncurrent	(12)	—	(12)
Other current and noncurrent liabilities	(10)	(6)	(16)
Total net assets acquired	\$ 460	\$ —	\$ 460

(1) Includes \$22 million of inventory classified as noncurrent. See note [7. Supplemental Balance Sheet and Statement of Operations Details](#).

We recorded a measurement period adjustment in Q2 2026 for the settlement of an assumed contingency for which the Company is indemnified. We are still finalizing the allocation of the purchase price as additional information is received to complete our analysis and certain tax returns are finalized. The preliminary fair value estimates assigned to goodwill and the related tax impacts of the acquisition, among other items, are subject to change. We expect to finalize the allocation as soon as practicable, but no later than one year after the acquisition date.

Goodwill is primarily attributable to assembled workforce, expanded market opportunities, and expected synergies to be achieved. We expect that the entire amount of goodwill recognized will be deductible for tax purposes.

The preliminary fair values assigned to identifiable intangible assets acquired were as follows:

<i>In millions, except years</i>	Fair Value	Estimated Useful Life
Developed technology	\$ 158	9
Trade name	16	7
Customer relationships	12	8
Total intangible assets	\$ 186	

The fair values of the developed technology, trade name and customer relationships were estimated using an income approach. Under the income approach, an intangible asset's fair value is equal to the present value of future economic benefits to be derived from ownership of the asset. The estimated fair values were developed by discounting future net cash flows to their present value at market-based rates of return. The useful lives of the intangible assets for amortization purposes were determined by considering the period of expected cash flows used to measure the fair values of the intangible assets adjusted as appropriate for entity-specific factors. The acquired intangible assets are amortized on a straight-line basis over their estimated useful lives.

Transaction costs associated with the acquisition, consisting primarily of legal, regulatory and financial advisory fees, were approximately \$6 million and \$8 million in YTD 2026 and YTD 2025, respectively. These costs were expensed as incurred as selling, general and administrative expense.

Unaudited Pro Forma Financial Information

The following unaudited pro forma financial information summarizes the combined results of operations of Illumina and SomaLogic as if the companies had been combined as of the beginning of our fiscal year 2025.

<i>In millions</i>	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Revenue	\$ 1,129	\$ 1,108	\$ 3,387	\$ 3,244
Net income	\$ 218	\$ 140	\$ 551	\$ 457

The unaudited pro forma financial information is presented for informational purposes only and is not indicative of the results of operations that would have been achieved had the acquisition been completed at the beginning of our fiscal year 2025. In addition, the unaudited pro forma financial information is not a projection of future results of operations of the combined company nor does it reflect the expected realization of any synergies or cost savings associated with the acquisition. The unaudited pro forma financial information includes adjustments to reflect the elimination of intercompany transactions, incremental amortization and depreciation expense of the intangible assets and property and equipment acquired, respectively, acquisition-related transaction costs, and purchase accounting adjustments to reflect fair value step-up adjustments for inventory and fixed assets, among other items.

Intangible Assets

The following is a summary of our identifiable intangible assets:

<i>In millions</i>	September 27, 2026			December 28, 2025		
	Gross Carrying Amount	Accumulated Amortization	Intangible Assets, Net	Gross Carrying Amount	Accumulated Amortization	Intangible Assets, Net
Developed technologies and patents	\$ 644	\$ (365)	\$ 279	\$ 436	\$ (335)	\$ 101
Licensed technologies	187	(117)	70	234	(143)	91
Customer relationships	26	(14)	12	16	(14)	2
License agreements	26	(15)	11	24	(14)	10
Trade names	16	(2)	14	2	(2)	—
Database	12	(7)	5	12	(6)	6
Total intangible assets, net	\$ 911	\$ (520)	\$ 391	\$ 724	\$ (514)	\$ 210

During Q1 2026, we acquired an intellectual property portfolio for total consideration of \$50 million, which was assigned to an individual intangible asset that is amortized on a straight-line basis over an estimated useful life of 14 years. A cost accumulation model is used to determine the cost of an asset acquisition. Direct transaction costs are recognized as part of the cost of an asset acquisition. The cost of an asset acquisition, including transaction costs, is allocated to identifiable assets acquired and liabilities assumed based on a relative fair value basis. Goodwill is not recognized in an asset acquisition. Any difference between the cost of an asset acquisition and the fair value of the net assets acquired is allocated to the non-monetary identifiable assets based on their relative fair values.

In Q2 2025, we recorded an impairment charge of \$23 million when the planned use of a finite-lived intangible asset changed. We performed a recoverability test and 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. The impairment was recorded in cost of product revenue.

The estimated future annual amortization of intangible assets is shown in the following table. Actual amortization expense to be reported in future periods could differ from these estimates as a result of acquisitions, divestitures, and asset impairments, among other factors.

<i>In millions</i>	Estimated Annual Amortization
2026 (remainder of year)	\$ 20
2027	78
2028	76
2029	46
2030	40
Thereafter	131
Total	<u>\$ 391</u>

Goodwill

Changes to goodwill during YTD 2026 were as follows:

<i>In millions</i>	
Balance as of December 28, 2025	\$ 1,113
Acquisition of SomaLogic	171
Balance as of September 27, 2026	<u>\$ 1,284</u>

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 2026, noting no impairment.

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, and development and licensing agreements.

Revenue for Q3 2026 and YTD 2026 includes a reduction of \$37 million for tariff-related customer refunds, of which \$35 million is included in sequencing revenue with the remainder in microarray revenue. Within sequencing revenue, \$28 million is in consumables, \$4 million in instruments, and the remainder in service and other revenue.

Revenue by Source

<i>In millions</i>	Q3 2026			Q3 2025		
	Sequencing	Microarray	Total	Sequencing	Microarray	Total
Consumables	\$ 764	\$ 77	\$ 841	\$ 747	\$ 69	\$ 816
Instruments	102	3	105	107	4	111
Total product revenue	866	80	946	854	73	927
Service and other revenue	155	28	183	147	10	157
Total revenue	\$ 1,021	\$ 108	\$ 1,129	\$ 1,001	\$ 83	\$ 1,084

<i>In millions</i>	YTD 2026			YTD 2025		
	Sequencing	Microarray	Total	Sequencing	Microarray	Total
Consumables	\$ 2,265	\$ 225	\$ 2,490	\$ 2,183	\$ 212	\$ 2,395
Instruments	345	10	355	311	13	324
Total product revenue	2,610	235	2,845	2,494	225	2,719
Service and other revenue	461	74	535	425	40	465
Total revenue	\$ 3,071	\$ 309	\$ 3,380	\$ 2,919	\$ 265	\$ 3,184

Revenue by Geographic Area

<i>Based on region of destination (in millions)</i>	Q3 2026	Q3 2025 ⁽¹⁾	YTD 2026	YTD 2025 ⁽¹⁾
United States and Canada	\$ 637	\$ 596	\$ 1,880	\$ 1,720
Europe, Middle East, Africa and Latin America	347	354	1,072	1,041
Greater China ⁽²⁾	59	52	167	187
Asia-Pacific	86	82	261	236
Total revenue	\$ 1,129	\$ 1,084	\$ 3,380	\$ 3,184

⁽¹⁾ We implemented a new global commercial structure in Q1 2026 to improve operating efficiencies and better align with local markets. Beginning in Q1 2026, we began reporting regional results for: United States and Canada (USCAN), Europe, Middle East, Africa and Latin America (EMEALA), Greater China, and Asia-Pacific (APAC). Prior period amounts were reclassified to conform to this new presentation.

⁽²⁾ Region includes revenue from China, Taiwan, and Hong Kong.

Contract Assets and Liabilities

Contract assets, which consist of revenue recognized and performance obligations satisfied or partially satisfied in advance of customer billing, as of September 27, 2026 and December 28, 2025 were \$20 million and \$21 million, respectively, all of which were short-term and recorded in prepaid expenses and other current assets.

Contract liabilities, consisting of deferred revenue and customer deposits, as of September 27, 2026 and December 28, 2025, were \$319 million and \$346 million, respectively, of which the short-term portions of \$250 million and \$270 million, respectively, were recorded in accrued liabilities and the remaining long-term portions were recorded in other long-term liabilities. Revenue recorded in Q3 2026 and YTD 2026 included \$47 million and \$216 million, respectively, of previously deferred revenue that was included in contract liabilities as of December 28, 2025.

Remaining 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 satisfied within approximately six months after the contract execution date and primarily consist of instruments, consumables, and instrument service contracts. As of September 27, 2026, the aggregate amount of the transaction price allocated to these remaining performance obligations was \$933 million, of which approximately 76% is expected to be converted to revenue in the next twelve months, approximately 14% in the following twelve months, and the remainder thereafter.

We also enter into various development and licensing contracts. These contracts are believed to be firm as of the balance sheet date; however, these arrangements do allow for early termination with prorated fees. These contracts generally have delivery periods spanning several years. As of September 27, 2026, the aggregate amount of the transaction price allocated to these remaining performance obligations was approximately \$33 million.

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS

Strategic Investments

Marketable Equity Securities

As of September 27, 2026 and December 28, 2025, the fair value of our marketable equity securities, included in short-term investments, totaled \$2 million and \$215 million, respectively. The decrease in our marketable equity securities relates to the sale of our investment in GRAIL that we retained subsequent to our divestiture in 2024.

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

<i>In millions</i>	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Net gains (losses) recognized during the period	\$ 16	\$ 7	\$ (7)	\$ 135
Less: Net gains (losses) recognized during the period on securities sold during the period	16	—	(5)	—
Net unrealized gains (losses) recognized during the period on securities still held at the reporting date	\$ —	\$ 7	\$ (2)	\$ 135

Non-Marketable Equity Securities

As of September 27, 2026 and December 28, 2025, non-marketable equity securities, without readily determinable fair values, included in other assets, were \$54 million and \$58 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 \$243 million and \$235 million as of September 27, 2026 and December 28, 2025, respectively, with associated gains and losses recognized in other (expense) income, net. We recognized net losses of \$31 million and \$17 million in Q3 2026 and YTD 2026, respectively, and net gains of \$2 million and \$10 million in Q3 2025 and YTD 2025, respectively.

Our commitments to the Funds are as follows:

<i>Dollars in millions</i>	Capital commitments	Callable through date	Remaining callable as of September 27, 2026
Fund I	\$ 100	December 2027	\$ 3
Fund II	\$ 150	July 2029	\$ 20
Fund III	\$ 60	December 2034	\$ 11

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 27, 2026				December 28, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Money market funds (cash equivalents)	\$ 969	\$ —	\$ —	\$ 969	\$ 1,173	\$ —	\$ —	\$ 1,173
Marketable equity securities	2	—	—	2	215	—	—	215
Other investments	—	40	33	73	—	—	32	32
Deferred compensation plan assets	—	84	—	84	—	79	—	79
Total assets measured at fair value	<u>\$ 971</u>	<u>\$ 124</u>	<u>\$ 33</u>	<u>\$ 1,128</u>	<u>\$ 1,388</u>	<u>\$ 79</u>	<u>\$ 32</u>	<u>\$ 1,499</u>
Liabilities:								
Contingent consideration liabilities	\$ —	\$ —	\$ 36	\$ 36	\$ —	\$ —	\$ 54	\$ 54
Deferred compensation plan liabilities	—	69	—	69	—	72	—	72
Total liabilities measured at fair value	<u>\$ —</u>	<u>\$ 69</u>	<u>\$ 36</u>	<u>\$ 105</u>	<u>\$ —</u>	<u>\$ 72</u>	<u>\$ 54</u>	<u>\$ 126</u>

Marketable equity securities are measured at fair value based on quoted trade prices in active markets. Other investments consist of time deposits, which are included in short-term investments and classified as Level 2 measurements, and convertible instruments, which are included in either short-term investments or other assets and are classified as Level 3 measurements. Due to their short-term contractual maturity, the carrying value of our time deposits, measured at amortized cost, approximates fair value. We elected the fair value option for our convertible instruments. Fair value is derived using a probability-weighted scenario approach with changes in fair value recognized in other (expense) income, 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 acquisition-related contingent consideration 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 2026 were as follows:

In millions

Balance as of December 28, 2025	\$	54
Acquisition of SomaLogic		81
Change in estimated fair value		(43)
Cash payments		(56)
Balance as of September 27, 2026	\$	36

SomaLogic Acquisition

In Q2 2026, we paid \$25 million for the milestone payment earned for the 2025 performance period. In Q3 2026, we paid \$30 million to buy out early both the 2026 Milestone and Royalty Contingent Consideration obligations. See note [2. Acquisitions, Intangible Assets and Goodwill](#) for details of these arrangements. Prior to the buyout, we remeasured the contingent consideration to fair value using the contractual buyout amount. No obligations remained outstanding under the Milestone or Royalty Contingent Consideration arrangements as of September 27, 2026.

GRAIL Acquisition

The fair value of our GRAIL contingent consideration liability was \$36 million and \$54 million as of September 27, 2026 and December 28, 2025, respectively, of which \$34 million and \$52 million, respectively, was included in other long-term liabilities, with the remaining balance included in accrued liabilities. The CVRs entitle the holders to receive future quarterly cash payments (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 reflects 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 2025 through Q2 2026 and Q4 2024 through Q2 2025 were \$129 million and \$106 million, respectively, driven primarily by sales of GRAIL's Galleri test. Covered Revenue Payments for the respective periods were \$1,215 thousand and \$994 thousand, paid in YTD 2026 and YTD 2025, 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. We rely on information made public by GRAIL and as published in analyst reports to estimate forecasted revenues through August 2033. To estimate the liability as of September 27, 2026, we selected a revenue risk premium of 2%. Given the 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.

5. DEBT

Summary of Term Debt Obligations

<i>In millions</i>	September 27, 2026	December 28, 2025
Principal amount of 2026 Term Notes outstanding	\$ —	\$ 500
Principal amount of 2027 Term Notes outstanding	500	500
Principal amount of 2029 Term Notes outstanding	300	—
Principal amount of 2030 Term Notes outstanding	500	500
Principal amount of 2031 Term Notes outstanding	500	500
Unamortized discounts and debt issuance costs	(11)	(11)
Net carrying amount of term debt	1,789	1,989
Less: current portion	—	499
Term debt, non-current	\$ 1,789	\$ 1,490
Fair value of term debt outstanding (Level 2)	\$ 1,718	\$ 1,977

Interest expense, which included amortization of debt discounts and issuance costs, was \$24 million and \$70 million in Q3 2026 and YTD 2026, respectively, and \$24 million and \$73 million in Q3 2025 and YTD 2025, respectively.

4.950% Term Notes due 2029 (2029 Term Notes)

In August 2026, we issued \$300 million aggregate principal amount of 2029 Term Notes. After deducting discounts and issuance costs, we received net proceeds of \$297 million. The notes, which mature on September 19, 2029, accrue interest at a rate of 4.950% per annum, payable semi-annually on March 19 and September 19 of each year, beginning on March 19, 2027. 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.

4.750% Term Notes due 2030 (2030 Term Notes)

In November 2025, we issued \$500 million aggregate principal amount of 2030 Term Notes, which mature on December 12, 2030 and accrue interest at a rate of 4.750% per annum, payable semi-annually on June 12 and December 12 of each year, beginning on June 12, 2026. 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.

5.750% Term Notes due 2027 (2027 Term Notes)

In December 2022, we issued \$500 million aggregate principal amount of 2027 Term Notes, which mature on December 13, 2027 and accrue interest at a rate of 5.750% per annum, payable semi-annually on June 13 and December 13 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 November 13, 2027, the notes are redeemable at make-whole premium redemption prices defined in the form of the notes. After November 13, 2027, 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 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.

4.650% Term Notes due 2026 (2026 Term Notes)

In September 2024, we issued \$500 million aggregate principal amount of 2026 Term Notes, which matured and were repaid in cash on September 9, 2026. While outstanding, the notes accrued 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.

Revolving Credit Agreement

On August 13, 2026, we entered into a new credit agreement (the Revolving Credit Agreement), which provides us with a \$1 billion senior unsecured five-year revolving credit facility, including a \$50 million sublimit for swingline borrowings and a \$75 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 credit agreement dated January 4, 2023 and the commitments thereunder were terminated as of August 13, 2026.

The Revolving Credit Facility matures, and all amounts outstanding become due and payable in full, on August 13, 2031, subject to three 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 27, 2026, 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. 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 \$500 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 total net leverage ratio, calculated as total debt, less unrestricted and unencumbered cash and cash equivalents (not to exceed \$1 billion), divided by 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 consummation of any Qualified Acquisition, as defined in the Revolving Credit Agreement, and delivery of 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 assets and those of our subsidiaries, 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

As of September 27, 2026, approximately 10.0 million shares remained available for future grants under the Second Amended and Restated 2015 Stock and Incentive Compensation Plan.

Restricted Stock

Restricted stock activity was as follows:

	Restricted Stock Units (RSU)	Performance Stock Units (PSU) ⁽¹⁾	Weighted-Average Grant Date Fair Value per Share	
			RSU	PSU
<i>Units in thousands</i>				
Outstanding at December 28, 2025	3,738	856	\$ 118.82	\$ 123.77
Awarded	1,347	1,335	\$ 130.92	\$ 156.82
Vested	(1,005)	—	\$ 117.71	\$ —
Cancelled	(326)	(199)	\$ 119.72	\$ 128.16
Outstanding at September 27, 2026	3,754	1,992	\$ 123.38	\$ 145.47

⁽¹⁾ 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). In fiscal year 2026, we resumed issuing PSU for which the number of shares issuable is based on our performance relative to specified earnings per share targets (EPS PSU). For OM and EPS PSU, the number of units reflects the estimated number of shares to be issued at the end of the performance period. For rTSR PSU, the number of units reflects 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 2026, approximately 0.5 million shares were issued under the plan. As of September 27, 2026, approximately 11.3 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 2026 were as follows:

Risk-free interest rate	3.54% - 4.18%
Expected volatility	43% - 48%
Expected term	0.5 - 1.0 year
Expected dividends	0%
Weighted-average grant-date fair value per share	\$ 36.94

Share-Based Compensation

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

<i>In millions</i>	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Cost of product revenue	\$ 4	\$ 5	\$ 13	\$ 16
Cost of service and other revenue	1	1	2	2
Research and development	25	26	75	84
Selling, general and administrative	45	38	117	110
Share-based compensation expense, before taxes	75	70	207	212
Related income tax benefits	(17)	(15)	(46)	(46)
Share-based compensation expense, net of taxes	\$ 58	\$ 55	\$ 161	\$ 166

As of September 27, 2026, unrecognized compensation cost, related to restricted stock and ESPP shares issued to date, of \$442 million is expected to be recognized over a weighted-average period of approximately 2.0 years.

Share Repurchases

In August 2024, our Board of Directors authorized a share repurchase program (the 2024 Repurchase Program), which canceled and superseded all prior and available repurchase authorizations, to repurchase up to \$1.5 billion of our outstanding common stock. In April 2026, our Board of Directors authorized a new share repurchase program (the 2026 Repurchase Program) to repurchase up to \$1.5 billion of our outstanding common stock. The 2026 Repurchase Program is in addition to the \$1.5 billion previously authorized under the 2024 Repurchase Program.

Repurchases under both programs may be completed through open market purchases, pursuant to Rule 10b5-1 or Rule 10b-18, or through an accelerated share repurchase program. As of September 27, 2026, authorizations to repurchase up to \$270 million and up to \$1.5 billion of our outstanding common stock remained available under the 2024 and 2026 Repurchase Programs, respectively.

Share repurchase activity was as follows:

<i>In millions, except shares in thousands</i>	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Number of shares repurchased	47	1,236	2,994	7,453
Total cost of shares repurchased ⁽¹⁾	\$ 9	\$ 121	\$ 375	\$ 706

⁽¹⁾ 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 AND STATEMENT OF OPERATIONS DETAILS

Accounts Receivable

<i>In millions</i>	September 27, 2026	December 28, 2025
Trade accounts receivable, gross	\$ 746	\$ 861
Allowance for credit losses	(8)	(7)
Total accounts receivable, net	\$ 738	\$ 854

Inventory

<i>In millions</i>	September 27, 2026	December 28, 2025
Raw materials	\$ 319	\$ 254
Work in process	434	398
Finished goods	58	45
Inventory, gross	811	697
Inventory reserve	(119)	(133)
Total inventory, net	\$ 692	\$ 564
Inventory, current	\$ 667	\$ 564
Inventory, non-current (included in other assets)	\$ 25	\$ —

Inventory with certain manufacturing processes that last more than one year is classified as long-term. As of September 27, 2026, long-term inventory primarily consists of work in process that was acquired from SomaLogic.

Accrued Liabilities

<i>In millions</i>	September 27, 2026	December 28, 2025
Contract liabilities, current portion	\$ 250	\$ 270
Accrued compensation expenses	281	249
Accrued taxes payable	129	107
Operating lease liabilities, current portion	85	78
Other, including warranties ⁽¹⁾	170	142
Total accrued liabilities	<u>\$ 915</u>	<u>\$ 846</u>

⁽¹⁾ 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 2026	Q3 2025	YTD 2026	YTD 2025
Balance at beginning of period	\$ 17	\$ 16	\$ 17	\$ 18
Additions charged to cost of product revenue	4	3	15	17
Repairs and replacements	(7)	(5)	(18)	(21)
Balance at end of period	<u>\$ 14</u>	<u>\$ 14</u>	<u>\$ 14</u>	<u>\$ 14</u>

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 share-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.

No pre-tax restructuring charges were recognized in Q3 2026 or YTD 2026. In Q3 2025 and YTD 2025, total pre-tax restructuring charges were \$2 million and \$41 million, respectively, related to employee separation costs. In Q3 2025, \$1 million was attributed to research and development and \$1 million to selling, general and administrative expense. In YTD 2025, \$23 million was allocated to selling, general and administrative expense and \$15 million to research and development, with remainder recorded in cost of revenue.

Government Incentives

From time to time, we may qualify for or receive government incentives, under defined programs, from various governments, primarily to support our manufacturing, research and development and workforce training activities. The incentives, which vary in size, have terms of up to five years and are subject to compliance with specified conditions. If conditions are not satisfied, the incentives are subject to reduction, recapture or termination. The government incentives are subject to confidentiality provisions, where applicable.

We recognized benefits (reductions of expense) in our condensed consolidated statements of operations as follows:

<i>In millions</i>	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Cost of revenue	\$ —	\$ —	\$ 1	\$ —
Research and development	5	5	15	8
Selling, general and administrative	8	—	25	3
Total benefits recognized	<u>\$ 13</u>	<u>\$ 5</u>	<u>\$ 41</u>	<u>\$ 11</u>

As of September 27, 2026 and December 28, 2025, grant receivables totaled \$56 million and \$21 million, respectively, of which \$15 million and \$8 million, respectively, was included in prepaid expenses and other current assets, with the remaining balance included in other assets.

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 prepaid expenses and 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 (expense) income, net, along with the remeasurement gain or loss on the foreign currency denominated assets or liabilities. As of September 27, 2026, 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 27, 2026 and December 28, 2025, the total notional amounts of outstanding forward contracts in place for these foreign currency purchases were \$424 million and \$510 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 recognized as a component of accumulated other comprehensive income (loss) 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 (expense) income, net. As of September 27, 2026, 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 27, 2026 and December 28, 2025, the total notional amounts of outstanding cash flow hedge contracts in place for these foreign currency purchases were \$787 million and \$707 million, respectively. We recognized losses of \$1 million and \$7 million in revenue in Q3 2026 and YTD 2026, respectively. We recognized losses of \$6 million and \$1 million in revenue in Q3 2025 and YTD 2025, respectively. As of September 27, 2026, the fair value of foreign currency forward contracts recognized in total assets and total liabilities was \$13 million and \$3 million, respectively. As of December 28, 2025, the fair value of foreign currency forward contracts recognized in total assets and total liabilities was \$2 million and \$17 million, respectively. As of September 27, 2026, a net gain of \$7 million is expected to be reclassified from accumulated other comprehensive income (loss) in the next 12 months.

Indemnification Liability

In connection with the GRAIL acquisition, we assumed a performance-based award for which vesting was based on GRAIL's future revenues and had an aggregate potential value of up to \$78 million. This award was assumed by GRAIL in connection with our divestiture in 2024. For a period of 2.5 years following the divestiture (through December 2026), we are obligated to indemnify GRAIL for cash payments that become earned and payable related to this award. The indemnification is accounted for in accordance with ASC 460. As of both September 27, 2026 and December 28, 2025, 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 attorneys' 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 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 lawsuit alleges the named directors and officers breached their fiduciary duties by knowingly causing Illumina to unlawfully close the GRAIL acquisition. 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. On November 3, 2025, the court held a teleconference with 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.* actions and asked them to submit supplemental authority in support of dismissal of the *Icahn Partners LP, et al. v. deSouza, et al.* action. The parties filed a notice of supplemental authority in support of dismissal on December 2, 2025. On February 20, 2026, the court ordered that notice of the proposed settlement be given to stockholders before dismissal. On April 22, 2026, the parties filed a proposed scheduling order and notice for a hearing on the dismissal. On April 28, 2026, the court denied the proposed scheduling order on procedural grounds and directed the parties to submit a revised proposed order conforming to Court of Chancery Rules 23(f)(3)(D)(iv) and 23.1(d)(3)(D)(iii) by providing a summary of the claims, issues, defenses, and relief sought in the Icahn action. On June 18, 2026, the parties filed a revised proposed scheduling order, notice and stipulation and proposed order of dismissal. On July 31, 2026, the court entered a scheduling order and set a settlement hearing for November 2, 2026.

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. Plaintiffs filed their answering brief on November 20, 2025, and the Director Defendants filed their reply brief on December 19, 2025. Illumina filed a joinder to the reply brief. A hearing on the motion to dismiss was held on 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 against the litigation matters.

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. By letter dated October 13, 2025, Mr. Warner requested that the Board reconsider his demand in light of developments in the various shareholder cases related to the acquisition of GRAIL. On February 4, 2026, the Board unanimously determined that it was in the best interest of the Company and its shareholders to continue to defer a final decision on the demand. 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 of 1934, as amended, 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. On September 26, 2025, the court granted the defendants' motion to dismiss for failure to state a claim, but gave plaintiffs leave to file an amended complaint. On October 27, 2025, the plaintiffs filed a Third Amended Complaint. On December 11, 2025, the Company filed a motion to dismiss the Third Amended Complaint, and plaintiffs filed their opposition on February 4, 2026. On September 30, 2026, the court granted the defendants' motion to dismiss the Third Amended Complaint, but gave plaintiffs leave to amend. On October 21, 2026, the plaintiffs filed a Fourth Amended Complaint. The defendants' response to the Fourth Amended Complaint is due December 4, 2026.

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. 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, the Company filed a writ with the California Court of Appeal seeking interlocutory appellate review of the court's order overruling Illumina's demurrer. On October 31, 2025, the Court of Appeals denied the writ. On January 26, 2026, the plaintiffs filed a motion for class certification, and the Company opposed. On May 15, 2026, the Court granted the motion to certify the class. On July 28, 2026, the Company filed a writ with the California Court of Appeal seeking interlocutory appellate review of the court's order granting class certification. On September 3, 2026, the court denied the writ.

On March 27, 2026, the Company filed a motion for judgment on the pleadings. On June 26, 2026, the court denied the motion. On June 18, 2026, the Company filed a motion for leave to amend its answer to include additional affirmative defenses, which the Company subsequently withdrew. Trial is scheduled to begin March 20, 2028.

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 rates for Q3 2026 and YTD 2026 were 16.4% and 17.6%, respectively, compared to 31.8% and 27.2% in Q3 2025 and YTD 2025, respectively. The variance from the U.S. federal statutory tax rate of 21% in YTD 2026 was primarily due to prior year tax return adjustments. The tax rate in Q3 2026 and YTD 2026 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 in Singapore.

As of September 27, 2026 and December 28, 2025, prepaid income taxes, included within prepaid expenses and other current assets on the condensed consolidated balance sheets, were \$57 million and \$81 million, respectively.

10. SEGMENT INFORMATION

As of September 27, 2026, we have one reportable segment. 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. Our CODM allocates resources and evaluates business performance based on consolidated revenue and net income. Net income 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 table presents selected financial information with respect to segment profit for the periods presented:

<i>In millions</i>	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Revenue	\$ 1,129	\$ 1,084	\$ 3,380	\$ 3,184
Less:				
Cost of revenue	299	351	1,059	1,073
Research and development	244	229	736	728
Selling and marketing	159	148	482	458
General and administrative	122	129	344	319
Income from operations	305	227	759	606
Other (expense) income, net	(41)	(7)	(78)	103
Provision for income taxes	44	70	120	193
Net income	\$ 220	\$ 150	\$ 561	\$ 516

11. SUBSEQUENT EVENT

On October 8, 2026, we established a commercial paper program under which we may issue unsecured, short-term commercial paper notes in an aggregate principal amount not to exceed \$1 billion with maturities of up to 397 days (the Commercial Paper Program). Proceeds from issuances may be used for general corporate purposes. We plan to use the Revolving Credit Facility as a liquidity backstop for borrowings under the Commercial Paper Program.

MANAGEMENT'S DISCUSSION & ANALYSIS

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 Disclosures About Market Risk.* Discussion of our financial instruments' exposure to market risk.

Our discussion of our results of operations, financial condition, and cash flows for Q3 2025 and YTD 2025 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 28, 2025.

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 28, 2025. 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 January 30, 2026, we acquired SomaLogic, a proteomics company that provides high-throughput protein measurement technology and related data analysis services, and other specified assets from Standard BioTools. We believe our acquisition of SomaLogic will enhance our presence in the proteomics market and advance our multiomics strategy. We have included the financial results of SomaLogic in our condensed consolidated financial statements from the date of acquisition. Refer to note [2. Acquisitions, Intangible Assets and Goodwill](#) for 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

In 2024, we outlined key strategic goals focused on a return to revenue growth and improved margin performance by the end of 2027. We continued to make progress toward these goals in YTD 2026. Revenue increased 6% to \$3,380 million and operating margin increased to 22.5% in YTD 2026 as compared to 19.0% in YTD 2025.

Throughout 2025 and 2026, we experienced several headwinds, including macroeconomic factors such as tariffs, inflation, exchange rate fluctuations and concerns about an economic downturn, competitive challenges in our China region, inclusion on the unreliable entities list by regulatory authorities in China, impacts from armed conflicts between Russia and Ukraine and in the Middle East, including Iran, and reductions in the U.S. government's funding of the NIH. Moreover, in 2026, we have experienced higher fuel, energy, and shipping costs related to the conflict and instability in the Middle East and higher costs associated with memory chips used in our products, both of which have negatively impacted gross margin in 2026. We expect these factors to continue to impact our sales and results of operations in 2026, and beyond, the magnitude and duration of which remains uncertain.

In April 2025, the U.S. government and several other countries enacted tariffs. Under the current 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 U.S. and importation into China. In February 2026, the U.S. Supreme Court held that the International Emergency Economic Powers Act (IEEPA) does not authorize the imposition of tariffs. In March 2026, the U.S. Court of International Trade ordered U.S. Customs and Border Protection (CBP) to process refunds of IEEPA-related tariffs, and CBP has been implementing that process in phases. We have incurred significant costs under IEEPA-related tariffs and have taken and will continue to take action to mitigate the impact of tariffs. We have partially mitigated the effects of tariffs through supply-chain optimization, cost measures, and pricing actions, and aim to continue such efforts in the future.

We recognize recoveries of IEEPA tariffs when the refund is probable in accordance with loss recovery guidance. During YTD 2026, we recognized a benefit of \$79 million as a reduction to cost of revenue for expected tariff recoveries. As of September 27, 2026, we had received \$32 million in IEEPA tariff refunds and recorded a receivable of \$47 million in prepaid expenses and other current assets. We expect to refund a portion of the tariff refunds received to customers. As of September 27, 2026, we recorded a liability of \$37 million in accrued liabilities for estimated refunds to be credited to customers and recognized a corresponding reduction to revenue in YTD 2026.

Financial highlights for YTD 2026 included the following:

- Revenue increased 6% in YTD 2026 to \$3,380 million compared to \$3,184 million in YTD 2025 primarily due to increases in consumables and instruments revenue related to demand for our NovaSeq X instrument. Service and other revenue increased primarily due to revenue attributable to SomaLogic. In Q3 2026, we recognized a reduction to revenue of \$37 million for IEEPA tariff refunds we expect to refund to customers.

- Gross margin was 68.7% in YTD 2026 compared to 66.3% in YTD 2025. The increase in gross margin was primarily due to a net benefit of \$42 million recognized in Q3 2026 for IEEPA tariff refunds and the related refunds to customers and a \$23 million intangible asset impairment recognized in Q2 2025. Excluding these impacts, gross margin decreased primarily due to an increased sales mix shift toward lower-margin products, including lower-margin SomaLogic revenue, and higher freight costs. 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 \$759 million in YTD 2026 compared to \$606 million in YTD 2025. The increase was due to an increase in gross profit of \$210 million, offset by an increase in operating expense of \$57 million. The increase in operating expense was primarily due to increases in employee-related compensation and legal expenses, partially offset by a decrease in restructuring charges of \$38 million, an increase in government incentive benefits of \$29 million and a higher net gain recognized on contingent consideration liabilities.
- Our effective tax rate was 17.6% in YTD 2026 compared to 27.2% in YTD 2025. The variance from the U.S. federal statutory tax rate of 21% was primarily due to prior year tax return adjustments. The tax rate in YTD 2026 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 in Singapore.
- We ended Q3 2026 with cash, cash equivalents, and short-term investments totaling \$1,337 million, of which approximately \$474 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.⁽¹⁾

	Q3 2026	Q3 2025	YTD 2026	YTD 2025
Revenue:				
Product revenue	83.8 %	85.5 %	84.2 %	85.4 %
Service and other revenue	16.2	14.5	15.8	14.6
Total revenue	100.0	100.0	100.0	100.0
Cost of revenue:				
Cost of product revenue	17.6	24.6	22.6	25.0
Cost of service and other revenue	7.3	6.3	7.1	7.2
Amortization of acquired intangible assets	1.6	1.5	1.6	1.5
Total cost of revenue	26.5	32.4	31.3	33.7
Gross profit	73.5	67.6	68.7	66.3
Operating expense:				
Research and development	21.6	21.1	21.8	22.9
Selling, general and administrative	24.9	25.5	24.4	24.4
Total operating expense	46.5	46.6	46.2	47.3
Income from operations	27.0	21.0	22.5	19.0
Other income (expense):				
Interest income	1.1	0.8	0.9	0.9
Interest expense	(2.1)	(2.3)	(2.1)	(2.4)
Other (expense) income, net	(2.6)	0.9	(1.1)	4.7
Total other (expense) income, net	(3.6)	(0.6)	(2.3)	3.2
Income before income taxes	23.4	20.4	20.2	22.2
Provision for income taxes	3.9	6.5	3.6	6.1
Net income	19.5 %	13.9 %	16.6 %	16.1 %

⁽¹⁾ Percentages may not recalculate due to rounding.

Revenue

<i>Dollars in millions</i>	Q3 2026	Q3 2025	Change	% Change	YTD 2026	YTD 2025	Change	% Change
Consumables	\$ 841	\$ 816	\$ 25	3 %	\$ 2,490	\$ 2,395	\$ 95	4 %
Instruments	105	111	(6)	(5)	355	324	31	10
Total product revenue	946	927	19	2	2,845	2,719	126	5
Service and other revenue	183	157	26	17	535	465	70	15
Total revenue	\$ 1,129	\$ 1,084	\$ 45	4 %	\$ 3,380	\$ 3,184	\$ 196	6 %

We recognized a reduction to total revenue of \$37 million in Q3 2026 and YTD 2026 for IEEPA tariff refunds we expect to credit to customers, which had an impact across all products and services. Total revenue in YTD 2026 was also impacted, across all products and services, by a decrease in revenue from our Greater China region of \$20 million primarily due to our inclusion on the unreliable entities list.

Consumables revenue increased in Q3 2026 and YTD 2026 primarily due to greater demand for high-throughput consumables, supported by continued growth of the NovaSeq X installed base, partially offset by a \$30 million reduction for tariff refunds to be credited to customers and a decrease in mid-throughput consumables.

Instruments revenue decreased in Q3 2026 primarily due to a \$4 million reduction for tariff refunds to be credited to customers. Excluding this impact, instruments revenue remained relatively flat in Q3 2026. Instruments revenue increased in YTD 2026 primarily driven by higher NovaSeq X and MiSeq i100 shipments, partially offset by a decrease in mid-throughput instruments and the impact of customer tariff refunds.

Service and other revenue increased in Q3 2026 and YTD 2026 primarily due to revenue attributable to SomaLogic, which we acquired in January 2026, and increases in revenue from our informatics solutions, genotyping services, and extended maintenance service contracts, partially offset by a \$3 million reduction for customer tariff refunds.

Gross Margin

<i>Dollars in millions</i>	Q3 2026	Q3 2025	Change	% Change	YTD 2026	YTD 2025	Change	% Change
Gross profit	\$ 830	\$ 733	\$ 97	13 %	\$ 2,321	\$ 2,111	\$ 210	10 %
Gross margin	73.5 %	67.6 %			68.7 %	66.3 %		

Gross margin increased in Q3 2026 primarily due to a net benefit of \$42 million related to IEEPA tariff refunds (consisting of a \$79 million reduction to cost of revenue for expected recoveries, offset by \$37 million to be refunded to customers). Excluding this net benefit, gross margin in Q3 2026 was relatively flat.

Gross margin increased in YTD 2026 primarily due to the net benefit of \$42 million related to tariff refunds recognized in Q3 2026 and a \$23 million intangible asset impairment recognized in Q2 2025. Excluding these impacts, gross margin decreased in YTD 2026 primarily due to an increased sales mix shift toward lower-margin products and higher freight costs resulting from the Middle East conflict.

Operating Expense

<i>Dollars in millions</i>	Q3 2026	Q3 2025	Change	% Change	YTD 2026	YTD 2025	Change	% Change
Research and development	\$ 244	\$ 229	\$ 15	7 %	\$ 736	\$ 728	\$ 8	1 %
Selling, general and administrative	281	277	4	1	826	777	49	6
Total operating expense	\$ 525	\$ 506	\$ 19	4 %	\$ 1,562	\$ 1,505	\$ 57	4 %

R&D expense increased in Q3 2026 and YTD 2026 primarily due to:

- + increase in employee-related compensation costs
- decrease in restructuring charges of \$15 million in YTD 2026 for employee separation costs
- increase in government incentive benefits of \$7 million in YTD 2026

SG&A expense increased in Q3 2026 and YTD 2026 primarily due to:

- + increase in employee-related compensation costs
- + increase in legal expenses related primarily to various IP litigation matters
- decrease in restructuring charges of \$23 million in YTD 2026 for employee separation costs
- increase in government incentive benefits of \$8 million and \$22 million, respectively
- higher net gain recognized on contingent consideration liabilities

Other Income (Expense)

<i>Dollars in millions</i>	Q3 2026	Q3 2025	Change	% Change	YTD 2026	YTD 2025	Change	% Change
Interest income	\$ 12	\$ 9	\$ 3	33 %	\$ 31	\$ 30	\$ 1	3 %
Interest expense	(24)	(25)	1	(4)	(71)	(75)	4	(5)
Other (expense) income, net	(29)	9	(38)	(422)	(38)	148	(186)	(126)
Total other (expense) income, net	\$ (41)	\$ (7)	\$ (34)	486 %	\$ (78)	\$ 103	\$ (181)	(176)%

Interest income consisted primarily of interest on our money market funds. Interest expense consisted of interest on our outstanding term debt. The change in other (expense) income, net in Q3 2026 and YTD 2026 was primarily due to net losses recognized on our strategic investments in 2026 compared to net gains in Q3 2025 and YTD 2025.

Provision for Income Taxes

<i>Dollars in millions</i>	Q3 2026	Q3 2025	Change	% Change	YTD 2026	YTD 2025	Change	% Change
Income before income taxes	\$ 264	\$ 220	\$ 44	20 %	\$ 681	\$ 709	\$ (28)	(4)%
Provision for income taxes	44	70	(26)	(37)	120	193	(73)	(38)
Net income	\$ 220	\$ 150	\$ 70	47 %	\$ 561	\$ 516	\$ 45	9 %
Effective tax rate	16.4 %	31.8 %			17.6 %	27.2 %		

Our effective tax rate was 16.4% and 17.6% in Q3 2026 and YTD 2026, compared to 31.8% and 27.2% in Q3 2025 and YTD 2025, respectively. The variance from the U.S. federal statutory tax rate of 21% for YTD 2026 was primarily due to prior year tax return adjustments. The tax rate in Q3 2026 and YTD 2026 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 in Singapore.

In Q3 2025 and YTD 2025, 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 this 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 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 28, 2025.

LIQUIDITY AND CAPITAL RESOURCES

As of September 27, 2026, we had \$1,289 million in cash and cash equivalents, of which \$474 million was held by foreign subsidiaries. Cash and cash equivalents decreased by \$129 million from December 28, 2025 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. During YTD 2026, we received net proceeds from the issuance of our 2029 Term Notes of \$297 million and repaid \$500 million for our 2026 Term Notes. 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. In YTD 2026, we sold the remainder of our short-term investment in GRAIL and received aggregate proceeds from the sales of \$206 million. As of September 27, 2026, we had \$48 million remaining in short-term investments, primarily comprised of our time deposits.

On January 30, 2026, we acquired SomaLogic for a total purchase price of \$460 million, including cash of \$382 million and contingent consideration with an estimated fair value of \$81 million, offset by \$3 million for the settlement of a preexisting relationship. Under the contingent consideration arrangements, Standard BioTools was eligible to receive up to \$75 million in milestone payments, comprised of up to \$25 million based on 2025 performance and up to \$50 million based on 2026 performance, based on the achievement of specified revenue targets. Standard BioTools was also entitled to receive a 2% royalty on certain specified revenues, to be paid quarterly for 10 years through January 2036. In Q2 2026, we paid \$25 million for the milestone payment earned for the 2025 performance period. Additionally, in Q3 2026, we paid \$30 million to buy out early the 2026 Milestone and Royalty Contingent Consideration obligations. No obligations remained under these arrangements as of September 27, 2026.

In August 2026, we issued \$300 million aggregate principal amount of 2029 Term Notes. We received net proceeds of \$297 million. The 2029 Notes, which mature on September 19, 2029, accrue interest at a rate of 4.950% per annum, payable semi-annually on March 19 and September 19 of each year, beginning on March 19, 2027. We may redeem for cash all or any portion of the 2029 Term Notes, at our option, at any time prior to maturity.

In November 2025, we issued \$500 million aggregate principal amount of 2030 Term Notes, which mature on December 12, 2030 and accrue interest at a rate of 4.750% per annum, payable semi-annually in June and December of each year. In December 2022, we issued \$500 million aggregate principal amount of 2027 Term Notes, which mature on December 13, 2027 and accrue interest at a rate of 5.750% per annum, 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 2027, 2030, or 2031 Term Notes, at our option, at any time prior to maturity. In September 2024, we issued \$500 million aggregate principal amount of 2026 Term Notes, which matured and were repaid in cash on September 9, 2026.

In August 2026, we entered into a new Revolving Credit Agreement, which provides a \$1 billion senior unsecured five-year revolving credit facility, including a \$50 million sublimit for swingline borrowings and a \$75 million sublimit for letters of credit. The credit facility matures, and all amounts outstanding become due and payable in full, on August 13, 2031, subject to three one-year extensions at our option, consent of the extending lenders and satisfaction of certain other conditions. The credit agreement dated January 4, 2023 and the commitments thereunder were terminated as of August 2026. As of September 27, 2026, there were no outstanding borrowings or letters of credit.

On October 8, 2026, we established a Commercial Paper Program under which we may issue unsecured, short-term commercial paper notes in an aggregate principal amount not to exceed \$1 billion with maturities of up to 397 days. Proceeds from issuances under the program may be used for general corporate purposes. We plan to use the Revolving Credit Facility as a liquidity backstop for borrowings under the Commercial Paper Program.

As of September 27, 2026, the fair value of our contingent consideration liability related to GRAIL was \$36 million, of which \$34 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 2026, we paid \$1.2 million in aggregate Covered Revenue Payments related to aggregate Covered Revenues for the period Q4 2025 through Q2 2026 of \$129 million.

In August 2024, our Board of Directors authorized the 2024 Repurchase Program, which canceled and superseded all prior and available repurchase authorizations, to repurchase up to \$1.5 billion of our outstanding common stock. In April 2026, our Board of Directors authorized the 2026 Repurchase Program to repurchase up to \$1.5 billion of our outstanding common stock. The 2026 Repurchase Program is in addition to the \$1.5 billion previously authorized under the 2024 Repurchase Program. Repurchases under both programs may be completed through open market purchases, pursuant to Rule 10b5-1 or Rule 10b-18, or through an accelerated share repurchase program. As of September 27, 2026, authorizations to repurchase up to approximately \$270 million and \$1.5 billion of our outstanding common stock remained available under the 2024 and 2026 Repurchase Programs, respectively. We intend to continue to repurchase incremental shares over the course of 2026.

As of September 27, 2026, we had \$3 million, \$20 million, and \$11 million, respectively, remaining in capital commitments to three investment funds that are callable through December 2027, 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 and Commercial Paper Program, are sufficient to fund our near-term capital and operating needs for at least the next 12 months. 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;
- 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 2026	YTD 2025
Net cash provided by operating activities	\$ 909	\$ 758
Net cash used in investing activities	(438)	(163)
Net cash used in financing activities	(602)	(681)
Effect of exchange rate changes on cash and cash equivalents	2	9
Net decrease in cash and cash equivalents	\$ (129)	\$ (77)

Operating Activities

Net cash provided by operating activities of \$909 million in YTD 2026 consisted of net income of \$561 million, plus net adjustments of \$424 million, less net changes in operating assets and liabilities of \$76 million. The primary adjustments to net income included depreciation and amortization expense of \$211 million, share-based compensation expense of \$207 million, and a net loss on investments of \$47 million, partially offset by changes in the fair value of contingent consideration liabilities of \$43 million. Cash flow impacts from changes in operating assets and liabilities were primarily driven by increases in other assets, inventory, prepaid expenses and other current assets, and operating lease right-of-use assets and liabilities, net, and a decrease in other long-term liabilities, partially offset by a decrease in accounts receivable and an increase in accrued liabilities.

Investing Activities

Net cash used in investing activities was \$438 million in YTD 2026. We paid \$417 million for acquisitions and intangible assets, net of cash acquired, invested \$118 million in capital expenditures, primarily associated with investments in facilities, and paid \$25 million for contingent consideration for the SomaLogic acquisition. We received proceeds from net sales of investments of \$122 million, primarily related to sales of our GRAIL investment.

Financing Activities

Net cash used in financing activities was \$602 million in YTD 2026. We used \$500 million to repay our 2026 Term Notes that matured, \$379 million to repurchase our common stock, inclusive of excise taxes paid, \$35 million to pay taxes related to net share settlement of equity awards, and \$30 million to early buy out our contingent consideration obligations related to SomaLogic. This was offset by net proceeds received from the issuance of our 2029 Term Notes of \$297 million and proceeds from the sale of shares under our employee stock purchase plan of \$46 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, and net income, as well as on the value of certain assets and liabilities on our balance sheet. We believe 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 28, 2025 have the greatest potential impact on our financial statements, so we consider them to be our critical accounting policies and estimates. Although tariffs, reductions in the U.S. government’s funding of the NIH, our inclusion on the unreliable entities list by regulatory authorities in China, impacts from armed conflicts, including recent conflict in the Middle East and Iran, and macroeconomic factors, such as inflation, exchange rate fluctuations, supply-chain disruptions, and concerns about an economic downturn continue to create 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 2026.

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 DISCLOSURES ABOUT MARKET RISK

There were no substantial changes to our market risks in YTD 2026, 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 28, 2025.

OTHER KEY INFORMATION

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 control over financial reporting. We will monitor, evaluate, and report the impact of such changes, if any, on our internal control over financial reporting in the periods in which they occur.

During the third quarter of 2026, 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 28, 2025, and the “Other Key Information” section of our Quarterly Report on Form [10-Q](#) for the period ended March 29, 2026, and on Form [10-Q](#) for the period ended June 28, 2026, 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 the 2024 Repurchase Program, which canceled and superseded all prior and available repurchase authorizations, to repurchase up to \$1.5 billion of our outstanding common stock. In April 2026, our Board of Directors authorized the 2026 Repurchase Program to repurchase up to \$1.5 billion of our outstanding common stock. The 2026 Repurchase Program is in addition to the \$1.5 billion previously authorized under the 2024 Repurchase Program. Repurchases under both programs 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 the programs in Q3 2026 were as follows.

<i>In thousands, except price per share</i>	Total Number of Shares Purchased	Average Price Paid per Share ⁽¹⁾	Total Number of Shares Purchased as Part of Publicly Announced Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs
June 29, 2026 - July 26, 2026	—	\$ —	—	\$ 1,778,704
July 27, 2026 - August 23, 2026	47	\$ 191.11	47	\$ 1,769,705
August 24, 2026 - September 27, 2026	—	\$ —	—	\$ 1,769,705
Total	47	\$ 191.11	47	\$ 1,769,705

⁽¹⁾ 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 27, 2026.

ADOPTIONS, MODIFICATIONS OR TERMINATIONS OF TRADING PLANS

During the quarterly period ended September 27, 2026, the following directors or officers adopted, modified, or terminated 10b5-1 plans:

- On August 25, 2026, Kevin Pegels, our Chief of Global Operations, entered into a new arrangement intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). The arrangement terminates on September 1, 2027 and provides for the sale of up to 3,900 shares.
- On September 1, 2026, Patricia Leckman, our Chief People Officer, entered into a new arrangement intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). The arrangement terminates on September 1, 2027 and provides for the sale of up to 5,116 shares.
- On August 14, 2026, Scott Davies, our former Chief Legal Officer, terminated a trading arrangement he had previously adopted with respect to the sale of securities of the Company's common stock (a "Rule 10b5-1 Trading Arrangement") in connection with his departure from the Company. Mr. Davies' Rule 10b5-1 Trading Arrangement was adopted on November 21, 2025, had a termination date of December 28, 2026, and provided for the sale of up to 4,251 shares of common stock pursuant to the terms of the plan.

Other than as disclosed above, during the quarterly period ended September 27, 2026, 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	
2.1	Termination, Waiver and Release Agreement, by and between Illumina, Inc. and Standard BioTools Inc., dated as of July 24, 2026					X
10.1	Underwriting Agreement, dated August 10, 2026 between Illumina and J.P. Morgan Securities LLC and Citigroup Global Markets Inc., as representatives of the several underwriters named therein	8-K	001-35406	1.1	8/12/2026	
10.2	Credit Agreement, dated as of August 13, 2026, among the Company, as the borrower, the lenders from time to time party thereto, Bank of America, N.A., as administrative agent, an issuing bank and the swingline lender, and the other issuing banks from time to time party thereto	8-K	001-35406	10.1	8/13/2026	
4.1	Officer's Certificate, dated August 17, 2026, setting forth the terms and form of the Notes	8-K	001-35406	4.2	8/17/2026	
31.1	Certification of Jacob Thaysen pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Ankur Dhingra pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1	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					X
32.2	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					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.

FORM 10-Q CROSS-REFERENCE INDEX

	Page
PART I. FINANCIAL INFORMATION	
Item 1. Financial Statements	5
Condensed Consolidated Balance Sheets	5
Condensed Consolidated Statements of Operations	6
Condensed Consolidated Statements of Comprehensive Income	7
Condensed Consolidated Statements of Stockholders' Equity	8
Condensed Consolidated Statements of Cash Flows	10
Notes to Condensed Consolidated Financial Statements	11
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	31
Item 3. Quantitative and Qualitative Disclosures About Market Risk	40
Item 4. Controls and Procedures	40
PART II. OTHER INFORMATION	
Item 1. Legal Proceedings	40
Item 1A. Risk Factors	40
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	41
Item 3. Defaults Upon Senior Securities	None
Item 4. Mine Safety Disclosures	Not Applicable
Item 5. Other Information	41
Item 6. Exhibits	42
Signatures	45

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 30, 2026

By: /s/ ANKUR DHINGRA

Name: Ankur Dhingra

Title: Chief Financial Officer

TERMINATION, WAIVER AND RELEASE AGREEMENT

This TERMINATION, WAIVER AND RELEASE AGREEMENT (this “Agreement”) is made as of July 24, 2026, by and between Illumina, Inc., a Delaware corporation (“Purchaser”), and Standard BioTools Inc., a Delaware corporation (“Seller” and, together with Purchaser, the “Parties” and each a “Party”). Capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to such terms in the SPA or, if not defined therein, in the 2% Royalty Agreement, the 5% Royalty Agreement or the License Agreement (each as defined below), as applicable.

RECITALS

WHEREAS, Purchaser and Seller entered into that certain Stock Purchase Agreement, dated as of June 22, 2025 (the “SPA”), pursuant to which, among other things, Purchaser acquired the Shares on the Closing Date;

WHEREAS, pursuant to Section 2.4 of the SPA, Seller is entitled to receive earnout payments from Purchaser to the extent earned in accordance with the terms of Exhibit A of the SPA, including an Annual Earnout Payment in respect of the 2026 Earnout Period (the “2026 Earnout Obligation”);

WHEREAS, in accordance with Section 2.5 of the SPA, Purchaser and Seller entered into that certain Royalty Agreement, dated as of January 30, 2026, providing for the payment by Purchaser to Seller of a royalty equal to two percent (2%) of certain revenues in respect of sales of SOMAmer-based next-generation sequencing library preparation kits during the term thereof (the “2% Royalty Agreement”);

WHEREAS, in accordance with Section 2.7 of the SPA, Purchaser and Seller entered into that certain Royalty Agreement, dated as of January 30, 2026, providing for the payment by Purchaser to Seller of a royalty equal to five percent (5%) of certain revenues in respect of sales of Single SOMAmers during the term thereof (the “5% Royalty Agreement” and, together with the 2% Royalty Agreement, the “Royalty Agreements”);

WHEREAS, under each Royalty Agreement, Purchaser is obligated to pay to Seller certain Royalties that accrue and are calculated and paid on a quarterly basis, together with certain other amounts payable thereunder (the “Royalty Obligations” and, together with the 2026 Earnout Obligation, the “Contingent Obligations”);

WHEREAS, in accordance with Section 2.6 of the SPA, Purchaser and Seller entered into that certain License Agreement, dated as of January 30, 2026, granting Seller a license under certain intellectual property pertaining to the exploitation of Single SOMAmers and other Licensed Products intended for use in Singleplex Affinity Assays (the “License Agreement”); and

WHEREAS, the Parties desire to provide for the full satisfaction and discharge of all Contingent Obligations and to terminate the Royalty Agreements and the License Agreement in

exchange for a one-time payment by Purchaser to Seller in the amount of \$30,041,683.63 (the “Consideration Payment”).

NOW, THEREFORE, in good and valuable consideration of the representations, warranties, covenants and agreements hereinafter set forth, and intending to be legally bound hereby, Seller and Purchaser agree as follows:

ARTICLE I.
TERMINATION, WAIVER AND RELEASE

Section 1.01 Waiver and Release of 2026 Earnout Obligation. Effective upon Seller’s receipt in full of the Consideration Payment, Seller hereby (a) waives any and all rights or claims of Seller arising under Section 2.4 of the SPA or Exhibit A thereto, including any and all rights or claims to any Annual Earnout Payment in respect of the 2026 Earnout Period, and (b) releases Purchaser and its Affiliates from any and all obligations arising under Section 2.4 of the SPA or Exhibit A thereto, including the 2026 Earnout Obligation.

Section 1.02 Waiver and Release of Royalty Obligations; Termination of Royalty Agreements. Effective upon Seller’s receipt in full of the Consideration Payment, (a) Seller hereby waives any and all rights or claims of Seller arising under each Royalty Agreement and under Section 2.5 and Section 2.7 of the SPA and (b) Seller hereby releases Purchaser and its Affiliates from any and all obligations arising under each Royalty Agreement and Section 2.5 and Section 2.7 of the SPA, including any and all Royalty Obligations. The Parties hereby agree that each Royalty Agreement is terminated and of no further force or effect, effective upon Seller’s receipt in full of the Consideration Payment; provided that, notwithstanding anything to the contrary in this Section 1.02, the confidentiality obligations set forth in Section 4.06 of each Royalty Agreement and, solely to the extent applicable to such confidentiality obligations, Section 4.01 of each Royalty Agreement, shall survive and remain in full force and effect in accordance with their terms.

Section 1.03 Waiver and Release of License Agreement Obligations; Termination of License Agreement. Effective upon Seller’s receipt in full of the Consideration Payment, (a) each Party hereby waives any and all rights or claims of such Party arising under the License Agreement and under Section 2.6 of the SPA, (b) each Party hereby releases the other Party and its Affiliates from any and all obligations arising under the License Agreement and Section 2.6 of the SPA and (c) Seller hereby covenants and agrees to promptly undertake each of the actions set forth in Sections 8.5(a)(i)-(iii) of the License Agreement. The Parties hereby agree that the License Agreement is terminated and of no further force or effect, effective upon Seller’s receipt in full of the Consideration Payment, except as expressly provided in Section 8.5(b) of the License Agreement.

Section 1.04 Waiver of Unknown Claims. With respect to the rights, claims and obligations waived or released pursuant to Section 1.01, Section 1.02 and Section 1.03 of this Agreement, each Party hereby expressly waives any and all rights conferred upon such Party by any statute or rule of law which provides that a release does not extend to claims which the claimant does not know or suspect to exist in its favor at the time of executing the release, which if known by it would have materially affected its settlement with the released party, including, without limitation, the following provisions of California Civil Code Section 1542: “A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.” Each Party being aware of said code section and any similar, applicable state law, agrees to expressly waive any rights that such Party may have

thereunder, as well as under any other statute or common law principles of similar effect with respect to the rights, claims and obligations waived or released pursuant to Section 1.01, Section 1.02 and Section 1.03 of this Agreement.

Section 1.05 Consideration Payment. As consideration for the foregoing, on the date hereof and promptly following the execution of this Agreement, Purchaser shall pay, or cause to be paid, to Seller the Consideration Payment by wire transfer of immediately available funds to an account designated in writing by Seller. The Parties acknowledge and agree that the Consideration Payment constitutes the sole and complete consideration for the termination of the Royalty Agreements, the License Agreement and Seller's waivers and releases set forth in Section 1.01, Section 1.02, Section 1.03 and Section 1.04.

Section 1.06 Satisfaction and Discharge of Contingent Obligations. The Parties acknowledge and agree that the payment of the Consideration Payment shall constitute the full satisfaction and discharge of all Contingent Obligations and other obligations, whether known or unknown, under the Royalty Agreements. Notwithstanding anything to the contrary in the SPA, either Royalty Agreement or the License Agreement, effective upon Seller's receipt in full of the Consideration Payment, Purchaser shall have no further obligation to pay, and Seller shall have no further right to receive, any amount in respect of any Contingent Obligation or other obligation, whether known or unknown, under the Royalty Agreements, whether arising before or after the execution of this Agreement.

Section 1.07 Effect on the SPA. Except as expressly waived or released pursuant to this Agreement, the SPA shall remain in full force and effect in accordance with its terms.

ARTICLE II.

REPRESENTATIONS AND WARRANTIES

Section 1.01 Mutual Representations and Warranties. Each Party represents and warrants to the other Party, as of the date of this Agreement, as follows:

(a) Organization. Such Party is duly organized, validly existing and in good standing under the Laws of the State of Delaware.

(b) Authority. Such Party has all necessary corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution and delivery of and performance by such Party of this Agreement has been duly authorized and approved by all requisite corporate action by such Party. This Agreement has been duly executed and delivered by such Party and, assuming due authorization, execution and delivery hereof by the other Party, constitutes a legal, valid and binding obligation of such Party, enforceable against such Party in accordance with its terms.

(c) Noncontravention. Neither the execution and delivery of this Agreement by such Party, nor the consummation by such Party of the transactions contemplated by this Agreement, shall (i) conflict with or violate any provision of the certificate of incorporation and bylaws of such Party, (ii) violate any Law or Order applicable to such Party or its Subsidiaries or (iii) result in any breach of, or constitute a default (with or without notice or lapse of time, or both) under, or give rise to any right of termination, amendment, acceleration or cancellation of, or result in any material or increased, additional, accelerated or guaranteed rights or entitlements of any Person under, any Contract to which such Party or any of its Subsidiaries is a party, except, in the case of clauses (ii) or (iii) of this Section 2.01(c), as would not, individually or in the aggregate, reasonably be expected to delay or impair the ability for such Party to consummate the transactions contemplated by this Agreement.

Section 1.02 Seller Representations and Warranties. Seller represents and warrants to Purchaser that (a) Seller has obtained the prior written consent of Treeline Biosciences, Inc. (“Treeline”) to Seller’s execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement, in each case to the extent such consent is required under that certain Agreement and Plan of Merger and Reorganization, dated as of June 6, 2026, by and among Treeline, Seller and Siri Merger Sub, Inc., and (b) Seller has not granted a security or other interest in, or assigned its right to receive, any or all unpaid Royalties under either Royalty Agreement to any Person.

ARTICLE III. MISCELLANEOUS

Section 1.01 Entire Agreement. The SPA, the Royalty Agreements, the License Agreement and this Agreement constitute the entire agreement between the Parties with respect to the matters covered hereby and supersede all previous written, oral or implied understandings between them with respect to such matters.

Section 1.02 Fees and Expenses. All fees and expenses incurred in connection with this Agreement shall be paid by the Party incurring such fees or expenses.

Section 1.03 Incorporation by Reference. Each of Section 11.6 (Counterparts; Electronic Signatures), Section 11.8 (Governing Law; Jurisdiction), Section 11.9 (Specific Enforcement), Section 11.10 (WAIVER OF JURY TRIAL), Section 11.11 (Notices), Section 11.12 (Severability), Section 11.14 (Interpretation) and Section 11.15 (No Recourse) of the SPA is incorporated herein by reference, *mutatis mutandis*.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first written above.

STANDARD BIOTOOLS INC.

By:

/s/ Michael Egholm

Name: Michael Egholm

Title: President and Chief
Executive Officer

ILLUMINA, INC.

By:

/s/ Jacob Thaysen

Name: Jacob Thaysen

Title: Chief Executive Officer

[Signature Page to Termination, Waiver and Release Agreement]

**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 30, 2026

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 30, 2026

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 27, 2026, 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 30, 2026

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 27, 2026, 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 30, 2026

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.