



# Q4 2024 Earnings Presentation

February 6, 2025



**Jacob Thaysen**

***Chief Executive Officer***



**Ankur Dhingra**

***Chief Financial Officer***



**Salli Schwartz**

***Head of Investor Relations***

# Cautionary Notes

This release may contain forward-looking statements that involve risks and uncertainties. Among the important factors to which our business is subject that could cause actual results to differ materially from those in any forward-looking statements are: (i) changes in the rate of growth in the markets we serve; (ii) the volume, timing and mix of customer orders among our products and services; (iii) our ability to adjust our operating expenses to align with our revenue expectations; (iv) uncertainty regarding the impact of our recent inclusion by the China Ministry of Commerce announcement that Illumina is included on its “unreliable entities list” as well as tariffs recently imposed or threatened by the U.S. government and its trading partners, and other possible tariffs or trade protection measures; (v) our ability to manufacture robust instrumentation and consumables; (vi) the success of products and services competitive with our own; (vii) challenges inherent in developing, manufacturing, and launching new products and services, including expanding or modifying manufacturing operations and reliance on third-party suppliers for critical components; (viii) the impact of recently launched or pre-announced products and services on existing products and services; (ix) our ability to modify our business strategies to accomplish our desired operational goals; (x) our ability to realize the anticipated benefits from prior or future actions to streamline and improve our R&D processes, reduce our operating expenses and maximize our revenue growth; (xi) our ability to further develop and commercialize our instruments, consumables, and products; (xii) to deploy new products, services, and applications, and to expand the markets for our technology platforms; (xiii) the risk of additional litigation arising against us in connection with the GRAIL acquisition; (xiv) our ability to obtain approval by third-party payors to reimburse patients for our products; (xv) our ability to obtain regulatory clearance for our products from government agencies; (xvi) our ability to successfully partner with other companies and organizations to develop new products, expand markets, and grow our business; (xvii) uncertainty, or adverse economic and business conditions, including as a result of slowing or uncertain economic growth or armed conflict; (xviii) the application of generally accepted accounting principles, which are highly complex and involve many subjective assumptions, estimates, and judgments and (xix) legislative, regulatory and economic developments, together with other factors detailed in our filings with the Securities and Exchange Commission, including our most recent filings on Forms 10-K and 10-Q, or in information disclosed in public conference calls, the date and time of which are released beforehand. We undertake no obligation, and do not intend, to update these forward-looking statements, to review or confirm analysts’ expectations, or to provide interim reports or updates on the progress of the current quarter.

## Disclaimers

GAAP reconciliation of non-GAAP measures can be found in the Appendix, our earnings release and in the supplementary data on our website.

We divested GRAIL in June 2024. For a review of historical financial results for GRAIL and consolidated Illumina, please see our earnings release and our SEC filings.

Year-over-year (YoY) denotes a comparison against the same quarter of the previous fiscal year, while quarter-over-quarter (QoQ) or “sequential” denotes a comparison against the previous fiscal quarter.



**Jacob Thaysen**  
*Chief Executive Officer*

# Significant Progress Towards our Strategic Goals



# Illumina Q4'24 Results

Revenue Exceeded Our Expectations

\$1.1B

Revenue

+1%

YoY (CC)

+1%

YoY

CC = constant currency. YoY = year-over-year.

Note: See Appendix for reconciliations of GAAP and non-GAAP financial measures.

Note: Growth rates are approximate.

# Q4'24 NovaSeq X Updates



## Installed Base Updates

**91** Q4'24  
Placements

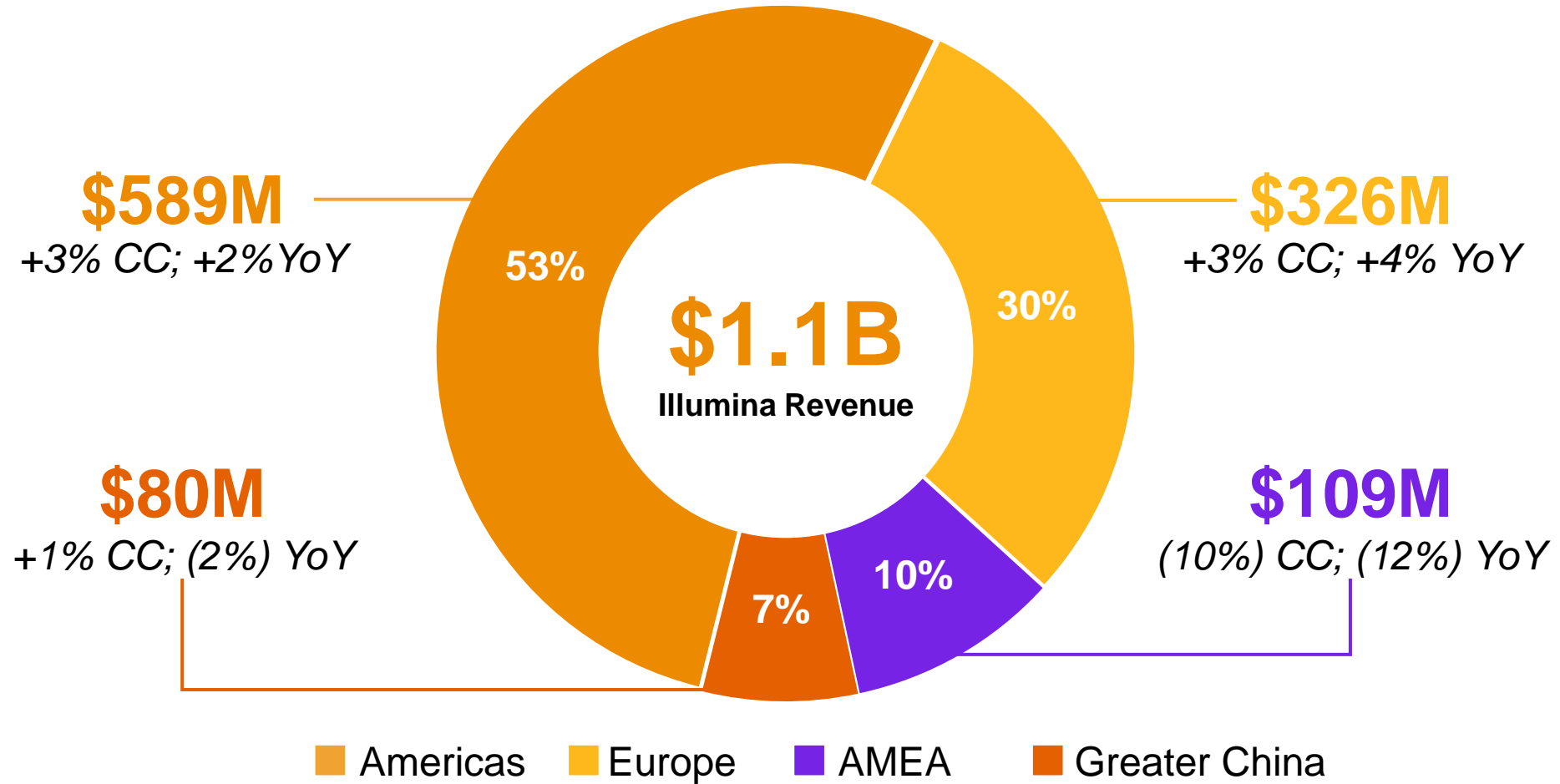
**630** Installed  
Base<sup>1</sup>

## Pull-Through Updates

**\$1.3M** FY24  
Avg. Pull-Through<sup>2</sup>

1. NovaSeq™ X installed base includes reagent rentals.  
2. Average pull-through reflects FY24 average annualized figures per instrument.

# Illumina Q4'24 Regional Revenue





# Key Priorities to Guide Strategy Execution

Deeper Customer & Partner Collaboration

Continuous Innovation

Commercial & Operational Excellence

## Announced Collaboration



Brings together Illumina's software capabilities and NVIDIA's advanced AI tools to enhance analysis and interpretation of multiomic data

## Announced Collaboration



Creates one of the largest genetic databases linked with phenotypic data, sequencing 10 million exomes exclusively using Illumina technology

# Key Priorities to Guide Strategy Execution

Deeper Customer & Partner Collaboration

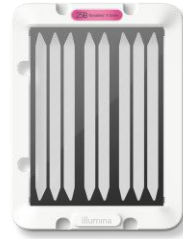
Continuous Innovation

Commercial & Operational Excellence

## Q4'24 Product Launches



Single Flow Cell  
NovaSeq™ X



25B 100- and  
200-cycle kits



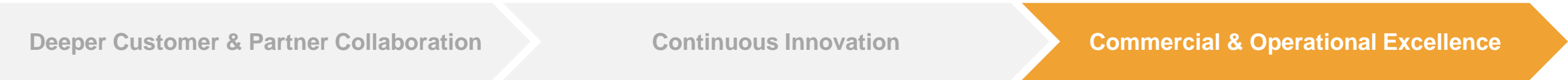
70+  
Q4'24 Placements  
MiSeq™ i100

## Looking Ahead

Illumina Proteomics Solution

Constellation Mapped Reads

# Key Priorities to Guide Strategy Execution



**\$100M+**  
FY24 Cost Savings

Core Illumina	FY23	FY24
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Non-GAAP Gross Margin	65.8%	68.6%	↑
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Non-GAAP Operating Margin	19.9%	21.3%	↑
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*Note: See Appendix for reconciliations of GAAP and non-GAAP financial measures.*

# Summary 2025 Guidance

**YoY Revenue Growth  
in Constant Currency<sup>1</sup>**

**Low Single-Digit  
Percent Range**

**Non-GAAP  
Operating Margin**

**~23%**

**Non-GAAP  
Diluted EPS**

**\$4.50-\$4.65**

*Note: FY25 guidance does not attempt to reflect any impact from recent China announcement and assumes a continuation of the current macroeconomic and political environments.*

*Note: FY25 outlook as of 02/06/2025. EPS = earnings per share.*

*Note: See statement regarding use of non-GAAP financial measures.*

*1. Assumes FY25 FX impact of ~1.2%.*

# Long-Term Financial Targets

*From 08/13/2024 Strategy Update*

## Financial Targets

**Revenue**

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High single-digit growth by 2027

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**Non-GAAP Operating Margin**

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500+ bps expansion

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**Non-GAAP EPS**

Double-digit to teens growth

*Note: See statement regarding use of non-GAAP financial measures.*



**Ankur Dhingra**  
*Chief Financial Officer*

# Core Illumina Q4'24 Financials

## Core Illumina Revenue

\$1.1B

+1%  
YoY (CC)

+1%  
YoY

Driven by HT consumables while above-expectations performance was driven by NovaSeq™ X placements

## Sequencing Consumables Revenue

\$698M

+2%  
YoY (CC)

+2%  
YoY

Driven by continued transition of HT to NovaSeq X and growth in MT consumables against a modest prior-year compare

*Note: CC = constant currency. YoY = year-over-year. HT = high-throughput. MT = mid-throughput.*

*Note: See Appendix for reconciliations of GAAP and non-GAAP financial measures.*

*Note: Growth rates are approximate.*

# Q4'24 NovaSeq X Transition Update

HT Gb Data & Consumables Revenue Attributed to NovaSeq™ X During Q4'24

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>65%

Total Gb Shipped

~40%

Total Consumables Revenue

~80%

Research Gb Shipped

~50%

Clinical Gb Shipped



# Q4'24 Total Sequencing Activity

Gb Output Growth on Connected High- and Mid- Throughput Instruments

>30%

YoY Growth

Robust growth from both clinical & research customers

## Core Illumina Q4'24 Financials (cont'd.)

### Sequencing Instruments Revenue

\$155M

(3%)  
YoY (CC)

(4%)  
YoY

Driven by a decline in MT shipments due to capital constraints, partially offset by the successful launch of the MiSeq™ i100

### Sequencing Service & Other

\$151M

(1%)  
YoY (CC)

(1%)  
YoY

Due to timing of certain strategic partnership revenues; instrument services contract revenue, revenue from CDx agreements, and revenue from our informatics solutions, grew as anticipated

# Core Illumina Q4'24 Additional P&L Results

## Non-GAAP Gross Margin

67.4%

▲ 270 bps YoY

### Drivers

Operational excellence initiatives that continue to improve productivity and deliver cost savings

Continued growth in our consumables business

*Note: YoY = year-over-year.*

*Note: See Appendix for reconciliations of GAAP and non-GAAP financial measures.*

## Core Illumina Q4'24 Additional P&L Results (cont'd.)

Non-GAAP Operating Expenses

\$526M

Reflecting cost control measures and project expenditures tied to key investments

Non-GAAP Operating Margin

19.7%

▲ 120 bps vs. Q4'23

Reflecting discipline and operational excellence measures delivering results

## Core Illumina Q4'24 Additional P&L Results (cont'd.)

Non-GAAP Tax Rate

Q4'24

23.7%

FY24

23.6%

Non-GAAP Weighted Average  
Diluted Share Count

~160M

Non-GAAP  
Net Income

\$152M

Non-GAAP  
Diluted EPS

\$0.95

*Note: EPS = earnings per share.*

*Note: See Appendix for reconciliations of GAAP and non-GAAP financial measures.*

# Core Illumina Cash Flow & Balance Sheet Items Q4'24

Cash Flow from Operations

**\$364M**

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Capital Expenditures

**\$42M**

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Free Cash Flow

**\$322M**

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Share Repurchase Program

**134K**

Illumina Shares

**\$17M**

Total Cost

**\$129.02**

Avg. Price per Share

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Cash, Cash Equivalents & Short-Term Investments

**\$1.22B**

# Core Illumina Guidance for FY'25

As of 02/06/2025

## Constant Currency Revenue

Total Revenue Growth

**Low Single-Digits**

Assumes FX impact of ~120 bps

Sequencing Revenue Growth

**In-Line with Total Revenue**

Sequencing Consumables

**Low Single-Digits Growth**

Sequencing Instruments

**Low Single-Digits Decline**

### Annual Pull-Through<sup>1</sup>

- NovaSeq™ X: **\$1.35M to \$1.45M**
- NovaSeq 6000: **\$500k to \$600k**
- NextSeq™ 1k/2k: **\$80k to \$100k**
- NextSeq 550: **\$90k to \$110k**

*Note: All growth rates shown reflect year-over-year comparisons.*

*Note: See statement regarding use of non-GAAP financial measures.*

*Note: FY25 guidance does not attempt to reflect any impact from the recent China announcement and assumes a continuation of the current macroeconomic and political environments.*

*1. Reflects average annualized figures for active installed base, in thousands. Active installed base excludes decommissioned instruments and includes reagent units.*

# Core Illumina Guidance for FY'25 (cont'd.)

As of 02/06/2025

## Additional P&L and Cash Flow Metrics

Non-GAAP Operating Margin <sup>1</sup>	Non-GAAP Tax Rate ~22.5%	Other Income (Expense), Net ~(\$60M)	Non-GAAP Weighted Average Diluted Share Count
~23%	Non-GAAP EPS \$4.50-\$4.65	Capital Expenditures ~(\$200M)	~160M

Note: EPS = earnings per diluted share.

Note: See statement regarding use of non-GAAP financial measures.

Note: FY25 guidance does not attempt to reflect any impact from recent China announcement and assumes a continuation of the current macroeconomic and political environments.

1. FY25 non-GAAP operating margin reflects 170 bps expansion versus FY24.



# Core Illumina Guidance for Q1'25

As of 02/06/2025

Constant Currency Revenue

Flat to (1%)  
Decline

Assumes FX impact of ~140 bps

Non-GAAP Operating Margin

~20.5%

Non-GAAP EPS

\$0.93-\$0.98

Note: EPS = earnings per diluted share.

Note: All growth rates shown reflect year-over-year comparisons.

Note: See statement regarding use of non-GAAP financial measures.

Note: FY25 guidance does not attempt to reflect any impact from recent China announcement and assumes a continuation of the current macroeconomic and political environments.



**Jacob Thaysen**  
*Chief Executive Officer*



## Q&A



**Jacob Thaysen**



**Ankur Dhingra**

The Illumina logo, featuring the word "illumina" in a lowercase, white, sans-serif font, with a registered trademark symbol (®) to the upper right of the "a".

# illumina<sup>®</sup>

Our Mission:

To improve human health  
by unlocking the power of the genome

# Appendix

# FY24 Active Installed Base

## High-Throughput<sup>1</sup>



## Mid-Throughput



## Low-Throughput



	NovaSeq™ X Series	NovaSeq 6000™	NextSeq™ 1k/2k	NextSeq™ 500/550	MiSeq™ i100   MiSeq	MiniSeq™   iSeq™ 100
First Shipment Date	Q1'23	Q1'17	Q4'20   Q1'20	Q1'14   Q1'15	Q4'24   Q3'11	Q1'16   Q1'18
FY24 Shipments	266	~30	~520	~90	~360	~380
Active Installed Base <sup>2</sup>	630	~1,640	~2,700	~3,950	~8,590	~4,470
Avg. Pull Through <sup>3</sup>	~\$1,300	~\$740	~\$100	~\$100	~\$30 MiSeq	~\$20 MiniSeq

1. High-throughput figures exclude HiSeq™. NovaSeq 6000 active installed base accounts for ~160 decommissions in FY24.

2. Active installed base excludes decommissioned instruments and includes reagent rental units.

3. Average pull through reflects FY24 average annualized figures per instrument, in thousands.

### **Statement regarding use of non-GAAP financial measures**

The company reports non-GAAP results for diluted earnings per share, net income, gross margin, operating expenses, including research and development expense, selling general and administrative expense, legal contingencies and settlement, and goodwill and intangible impairment, operating income, operating margin, gross profit, other income (expense), tax provision, constant currency revenue growth, and free cash flow (on a consolidated and, as applicable, segment basis) in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. The company's financial measures under GAAP include substantial charges such as amortization of acquired intangible assets among others that are listed in the reconciliations of GAAP and non-GAAP financial measures included in this press release, as well as the effects of currency translation. Management has excluded the effects of these items in non-GAAP measures to assist investors in analyzing and assessing past and future operating performance. Non-GAAP net income, diluted earnings per share and operating margin are key components of the financial metrics utilized by the company's board of directors to measure, in part, management's performance and determine significant elements of management's compensation.

The company encourages investors to carefully consider its results under GAAP, as well as its supplemental non-GAAP information and the reconciliation between these presentations, to more fully understand its business. Reconciliations between GAAP and non-GAAP results are presented in the tables of this release.

The company provides forward-looking guidance on a non-GAAP basis. The company is unable to provide a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP reported financial measures because it is unable to predict with reasonable certainty the impact of items such as acquisition-related expenses, gains and losses from strategic investments, fair value adjustments to contingent consideration, potential future asset impairments, restructuring activities, and the ultimate outcome of pending litigation without unreasonable effort. These items are uncertain, inherently difficult to predict, depend on various factors, and could have a material impact on GAAP reported results for the guidance period. For the same reasons, the company is unable to address the significance of the unavailable information, which could be material to future results.

### **Use of forward-looking statements**

This release may contain forward-looking statements that involve risks and uncertainties. Among the important factors to which our business is subject that could cause actual results to differ materially from those in any forward-looking statements are: (i) changes in the rate of growth in the markets we serve; (ii) the volume, timing and mix of customer orders among our products and services; (iii) our ability to adjust our operating expenses to align with our revenue expectations; (iv) uncertainty regarding the impact of our recent inclusion by the China Ministry of Commerce announcement that Illumina is included on its "unreliable entities list" as well as tariffs recently imposed or threatened by the U.S. government and its trading partners, and other possible tariffs or trade protection measures; (v) our ability to manufacture robust instrumentation and consumables; (vi) the success of products and services competitive with our own; (vii) challenges inherent in developing, manufacturing, and launching new products and services, including expanding or modifying manufacturing operations and reliance on third-party suppliers for critical components; (viii) the impact of recently launched or pre-announced products and services on existing products and services; (ix) our ability to modify our business strategies to accomplish our desired operational goals; (x) our ability to realize the anticipated benefits from prior or future actions to streamline and improve our R&D processes, reduce our operating expenses and maximize our revenue growth; (xi) our ability to further develop and commercialize our instruments, consumables, and products; (xii) to deploy new products, services, and applications, and to expand the markets for our technology platforms; (xiii) the risk of additional litigation arising against us in connection with the GRAIL acquisition; (xiv) our ability to obtain approval by third-party payors to reimburse patients for our products; (xv) our ability to obtain regulatory clearance for our products from government agencies; (xvi) our ability to successfully partner with other companies and organizations to develop new products, expand markets, and grow our business; (xvii) uncertainty, or adverse economic and business conditions, including as a result of slowing or uncertain economic growth or armed conflict; (xviii) the application of generally accepted accounting principles, which are highly complex and involve many subjective assumptions, estimates, and judgments and (xix) legislative, regulatory and economic developments, together with other factors detailed in our filings with the Securities and Exchange Commission, including our most recent filings on Forms 10-K and 10-Q, or in information disclosed in public conference calls, the date and time of which are released beforehand. We undertake no obligation, and do not intend, to update these forward-looking statements, to review or confirm analysts' expectations, or to provide interim reports or updates on the progress of the current quarter.

###



**Illumina, Inc.**  
**Condensed Statements of Cash Flows**  
(In millions)  
(unaudited)

**TABLE 1: CONSOLIDATED STATEMENTS OF CASH FLOWS AND FREE CASH FLOWS:**

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
Net cash provided by operating activities	\$ 364	\$ 224	\$ 837	\$ 478
Net cash used in investing activities	(48)	(84)	(178)	(231)
Net cash used in financing activities	(47)	(27)	(570)	(1,210)
Effect of exchange rate changes on cash and cash equivalents	(11)	8	(10)	—
Net increase (decrease) in cash and cash equivalents	258	121	79	(963)
Cash and cash equivalents, beginning of period	869	927	1,048	2,011
Cash and cash equivalents, end of period	<u>\$ 1,127</u>	<u>\$ 1,048</u>	<u>\$ 1,127</u>	<u>\$ 1,048</u>
Calculation of free cash flow:				
Net cash provided by operating activities	\$ 364	\$ 224	\$ 837	\$ 478
Purchases of property and equipment	(42)	(51)	(142)	(195)
Free cash flow (a)	<u>\$ 322</u>	<u>\$ 173</u>	<u>\$ 695</u>	<u>\$ 283</u>

**TABLE 2: CORE ILLUMINA FREE CASH FLOWS:**

	Three Months Ended	Year Ended
	December 29, 2024	December 29, 2024
Net cash provided by operating activities	\$ 364	\$ 1,207
Purchases of property and equipment	(42)	(137)
Free cash flow (a)	<u>\$ 322</u>	<u>\$ 1,070</u>

(a) Free cash flow, which is a non-GAAP financial measure, is calculated as net cash provided by operating activities reduced by purchases of property and equipment. Free cash flow is useful to management as it is one of the metrics used to evaluate our performance and to compare us with other companies in our industry. However, our calculation of free cash flow may not be comparable to similar measures used by other companies.

**Illumina, Inc.**  
**Results of Operations - Constant Currency Revenue**  
(Dollars in millions)  
(unaudited)

**TABLE 1: CORE ILLUMINA - CONSTANT CURRENCY REVENUE:**

	Three Months Ended			Year Ended		
	December 29, 2024	December 31, 2023	% Change	December 29, 2024	December 31, 2023	% Change
<b>Revenue</b>	<b>\$ 1,104</b>	<b>\$ 1,097</b>	<b>1 %</b>	<b>\$ 4,332</b>	<b>\$ 4,438</b>	<b>(2)%</b>
Less: Hedge gains	<b>5</b>	<b>10</b>		<b>15</b>	<b>18</b>	
Revenue, excluding hedge effect	<b>1,099</b>	<b>1,087</b>		<b>4,317</b>	<b>4,420</b>	
Less: Exchange rate effect	<b>—</b>	<b>—</b>		<b>(8)</b>	<b>—</b>	
Constant currency revenue (a)	<b>\$ 1,099</b>	<b>\$ 1,087</b>	<b>1 %</b>	<b>\$ 4,325</b>	<b>\$ 4,420</b>	<b>(2)%</b>

**TABLE 2: CONSOLIDATED - CONSTANT CURRENCY REVENUE:**

	Three Months Ended			Year Ended		
	December 29, 2024	December 31, 2023	% Change	December 29, 2024	December 31, 2023	% Change
<b>Revenue</b>	<b>\$ 1,104</b>	<b>\$ 1,122</b>	<b>(2)%</b>	<b>\$ 4,372</b>	<b>\$ 4,504</b>	<b>(3)%</b>
Less: Hedge gains	<b>5</b>	<b>10</b>		<b>15</b>	<b>18</b>	
Revenue, excluding hedge effect	<b>1,099</b>	<b>1,112</b>		<b>4,357</b>	<b>4,486</b>	
Less: Exchange rate effect	<b>—</b>	<b>—</b>		<b>(8)</b>	<b>—</b>	
Constant currency revenue (a)	<b>\$ 1,099</b>	<b>\$ 1,112</b>	<b>(1)%</b>	<b>\$ 4,365</b>	<b>\$ 4,486</b>	<b>(3)%</b>

(a) Constant currency revenue growth, which is a non-GAAP financial measure, is calculated using comparative prior period foreign exchange rates to translate current period revenue, net of the effects of hedges.

**Illumina, Inc.**  
**Results of Operations - Constant Currency Revenue by Source**  
(Dollars in millions)  
(unaudited)

**TABLE 1: CORE ILLUMINA - CONSTANT CURRENCY REVENUE BY SOURCE:**

	Three Months Ended		
	December 29, 2024	December 31, 2023	% Change
<b>Sequencing consumables revenue</b>	<b>\$ 698</b>	<b>\$ 687</b>	<b>2 %</b>
Less: Hedge gains	5	7	
Sequencing consumables revenue, excluding hedge effect	693	680	
Less: Exchange rate effect	—	—	
Sequencing consumables constant currency revenue (a)	<u><u>\$ 693</u></u>	<u><u>\$ 680</u></u>	<b>2 %</b>
<b>Sequencing instruments revenue</b>	<b>\$ 155</b>	<b>\$ 161</b>	<b>(4)%</b>
Less: Hedge gains	1	2	
Sequencing instruments revenue, excluding hedge effect	154	159	
Less: Exchange rate effect	(1)	—	
Sequencing instruments constant currency revenue (a)	<u><u>\$ 155</u></u>	<u><u>\$ 159</u></u>	<b>(3)%</b>
<b>Sequencing service and other revenue</b>	<b>\$ 151</b>	<b>\$ 152</b>	<b>(1)%</b>
Less: Hedge gains	—	—	
Sequencing service and other revenue, excluding hedge effect	151	152	
Less: Exchange rate effect	—	—	
Sequencing service and other constant currency revenue (a)	<u><u>\$ 151</u></u>	<u><u>\$ 152</u></u>	<b>(1)%</b>

*Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.*

(a) Constant currency revenue growth, which is a non-GAAP financial measure, is calculated using comparative prior period foreign exchange rates to translate current period revenue, net of the effects of hedges.

**Illumina, Inc.**  
**Results of Operations - Revenue by Region**  
(Dollars in millions)  
(unaudited)

**TABLE 1: CORE ILLUMINA - REVENUE BY REGION:**

	Three Months Ended			Year Ended		
	December 29, 2024	December 31, 2023	% Change	December 29, 2024	December 31, 2023	% Change
<b>AMR revenue</b>	<b>\$ 589</b>	<b>\$ 576</b>	<b>2 %</b>	<b>\$ 2,401</b>	<b>\$ 2,455</b>	<b>(2)%</b>
Less: Hedge gains	—	1		1	2	
AMR revenue, excluding hedge effect	<b>589</b>	<b>575</b>		<b>2,400</b>	<b>2,453</b>	
Less: Exchange rate effect	<b>(1)</b>	—		<b>(4)</b>	—	
AMR constant currency revenue (a)	<b>\$ 590</b>	<b>\$ 575</b>	<b>3 %</b>	<b>\$ 2,404</b>	<b>\$ 2,453</b>	<b>(2)%</b>
<b>AMEA revenue (b)</b>	<b>\$ 109</b>	<b>\$ 124</b>	<b>(12)%</b>	<b>\$ 438</b>	<b>\$ 459</b>	<b>(4)%</b>
Less: Hedge gains	<b>1</b>	<b>4</b>		<b>6</b>	<b>9</b>	
AMEA revenue, excluding hedge effect (b)	<b>108</b>	<b>120</b>		<b>432</b>	<b>450</b>	
Less: Exchange rate effect	—	—		<b>(9)</b>	—	
AMEA constant currency revenue (a)(b)	<b>\$ 108</b>	<b>\$ 120</b>	<b>(10)%</b>	<b>\$ 441</b>	<b>\$ 450</b>	<b>(2)%</b>
<b>China revenue (c)</b>	<b>\$ 80</b>	<b>\$ 82</b>	<b>(2)%</b>	<b>\$ 308</b>	<b>\$ 384</b>	<b>(20)%</b>
Less: Hedge gains	<b>2</b>	<b>4</b>		<b>6</b>	<b>9</b>	
China revenue, excluding hedge effect (c)	<b>78</b>	<b>78</b>		<b>302</b>	<b>375</b>	
Less: Exchange rate effect	—	—		<b>(5)</b>	—	
China constant currency revenue (a)(c)	<b>\$ 78</b>	<b>\$ 78</b>	<b>1 %</b>	<b>\$ 307</b>	<b>\$ 375</b>	<b>(18)%</b>
<b>Europe revenue</b>	<b>\$ 326</b>	<b>\$ 315</b>	<b>4 %</b>	<b>\$ 1,185</b>	<b>\$ 1,140</b>	<b>4 %</b>
Less: Hedge gains	<b>2</b>	<b>1</b>		<b>3</b>	<b>(1)</b>	
Europe revenue, excluding hedge effect	<b>324</b>	<b>314</b>		<b>1,182</b>	<b>1,141</b>	
Less: Exchange rate effect	<b>1</b>	—		<b>8</b>	—	
Europe constant currency revenue (a)	<b>\$ 323</b>	<b>\$ 314</b>	<b>3 %</b>	<b>\$ 1,174</b>	<b>\$ 1,141</b>	<b>3 %</b>

*Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.*

- (a) Constant currency revenue growth, which is a non-GAAP financial measure, is calculated using comparative prior period foreign exchange rates to translate current period revenue, net of the effects of hedges.
- (b) Region includes revenue from Russia and Turkey.
- (c) Region includes revenue from China, Taiwan, and Hong Kong.

**Illumina, Inc.**  
**Results of Operations - Non-GAAP**  
(In millions, except per share amounts)  
(unaudited)

**TABLE 1: CORE ILLUMINA - RECONCILIATION OF GAAP AND NON-GAAP DILUTED EARNINGS PER SHARE:**

	Three Months Ended	Year Ended	
	December 29, 2024	December 29, 2024	December 31, 2023
<b>GAAP earnings per share - diluted</b>	<b>\$ 0.73</b>	<b>\$ 5.61</b>	<b>\$ 1.70</b>
Cost of revenue (b)	0.10	0.40	0.39
R&D expense (b)	0.01	0.04	0.18
SG&A expense (b)	0.04	(1.06)	1.36
Goodwill and intangible impairment (b)	—	0.02	0.04
Legal contingency and settlement (b)	0.11	(2.87)	0.13
Other (income) expense, net (b)	(0.19)	1.86	0.23
GILTI, US foreign tax credits, and global minimum top-up tax (c)	(0.03)	0.52	0.28
Incremental non-GAAP tax expense (d)	0.10	(0.46)	(0.54)
Income tax provision (e)	0.08	0.10	0.23
<b>Non-GAAP earnings per share - diluted (a)</b>	<b>\$ 0.95</b>	<b>\$ 4.16</b>	<b>\$ 4.00</b>

**TABLE 2: CORE ILLUMINA - RECONCILIATION OF GAAP AND NON-GAAP NET INCOME:**

	Three Months Ended	Year Ended	
	December 29, 2024	December 29, 2024	December 31, 2023
<b>GAAP net income</b>	<b>\$ 117</b>	<b>\$ 894</b>	<b>\$ 269</b>
Cost of revenue (b)	17	64	62
R&D expense (b)	1	6	29
SG&A expense (b)	7	(168)	216
Goodwill and intangible impairment (b)	—	3	6
Legal contingency and settlement (b)	18	(456)	20
Other (income) expense, net (b)	(31)	295	36
GILTI, US foreign tax credits, and global minimum top-up tax (c)	(5)	82	45
Incremental non-GAAP tax expense (d)	15	(73)	(86)
Income tax provision (e)	13	16	37
<b>Non-GAAP net income (a)</b>	<b>\$ 152</b>	<b>\$ 663</b>	<b>\$ 634</b>

Illumina, Inc.  
Results of Operations - Non-GAAP (continued)  
(In millions, except per share amounts)  
(unaudited)

**TABLE 3: CONSOLIDATED - RECONCILIATION OF GAAP AND NON-GAAP DILUTED EARNINGS (LOSS) PER SHARE:**

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
<b>GAAP earnings (loss) per share - diluted</b>	<b>\$ 1.17</b>	<b>\$ (1.11)</b>	<b>\$ (7.69)</b>	<b>\$ (7.34)</b>
Cost of revenue (b)	0.10	0.30	0.81	1.24
R&D expense (b)	0.01	0.08	0.04	0.18
SG&A expense (b)	0.04	0.90	(0.97)	1.54
Goodwill and intangible impairment (b)	—	0.04	11.88	5.23
Legal contingency and settlement (b)	0.11	0.03	(2.87)	0.13
Other (income) expense, net (b)	(0.19)	0.01	1.85	0.23
GILTI, US foreign tax credits, and global minimum top-up tax (c)	(0.32)	(0.01)	0.57	0.38
Incremental non-GAAP tax expense (d)	(0.14)	(0.28)	(1.26)	(0.96)
Income tax provision (e)	0.08	0.18	0.09	0.23
<b>Non-GAAP earnings per share - diluted (a)</b>	<b>\$ 0.86</b>	<b>\$ 0.14</b>	<b>\$ 2.45</b>	<b>\$ 0.86</b>

**TABLE 4: CONSOLIDATED - RECONCILIATION OF GAAP AND NON-GAAP NET INCOME (LOSS):**

	Three Months Ended		Year Ended	
	December 29, 2024	December 31, 2023	December 29, 2024	December 31, 2023
<b>GAAP net income (loss)</b>	<b>\$ 187</b>	<b>\$ (176)</b>	<b>\$ (1,223)</b>	<b>\$ (1,161)</b>
Cost of revenue (b)	17	48	129	196
R&D expense (b)	1	12	6	29
SG&A expense (b)	7	143	(155)	244
Goodwill and intangible impairment (b)	—	6	1,889	827
Legal contingency and settlement (b)	18	6	(456)	20
Other (income) expense, net (b)	(31)	1	295	36
GILTI, US foreign tax credits, and global minimum top-up tax (c)	(51)	(2)	90	61
Incremental non-GAAP tax expense (d)	(23)	(44)	(201)	(152)
Income tax provision (e)	13	28	16	37
<b>Non-GAAP net income (a)</b>	<b>\$ 138</b>	<b>\$ 22</b>	<b>\$ 390</b>	<b>\$ 137</b>

*Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.*

- (a) Non-GAAP net income and diluted earnings per share exclude the effects of the pro forma adjustments detailed above. Non-GAAP net income and diluted earnings per share are key components of the financial metrics utilized by the company's board of directors to measure, in part, management's performance and determine significant elements of management's compensation. Management has excluded the effects of these items in these measures to assist investors in analyzing and assessing our past and future operating performance.
- (b) Refer to Reconciliations between GAAP and Non-GAAP Results of Operations for details of amounts.
- (c) Amounts represent the impact of GRAIL pre-acquisition net operating losses on GILTI, the utilization of US foreign tax credits, and the Pillar Two global minimum top-up tax, which became effective in Q1 2024.
- (d) Incremental non-GAAP tax expense reflects the tax impact of the non-GAAP adjustments listed.
- (e) Amounts represent the difference between book and tax accounting related to stock-based compensation cost.

**Illumina, Inc.**  
**Results of Operations - Non-GAAP (continued)**  
(Dollars in millions)  
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**TABLE 5: RECONCILIATION OF GAAP AND NON-GAAP RESULTS OF OPERATIONS AS A PERCENT OF REVENUE:**

	Three Months Ended							
	December 29, 2024		December 31, 2023					
	Core/Consolidated		Core Illumina		GRAIL	Elims	Consolidated	
<b>GAAP gross profit (loss) (b)</b>	<b>\$ 728</b>	<b>65.9 %</b>	<b>\$ 695</b>	<b>63.3 %</b>	<b>\$ (19)</b>	<b>\$ (2)</b>	<b>\$ 674</b>	<b>60.1 %</b>
Amortization of acquired intangible assets	17	1.5 %	14	1.3 %	33	—	47	4.2 %
Restructuring (g)	—	—	1	0.1 %	—	—	1	0.1 %
Non-GAAP gross profit (a)	<u><u>\$ 745</u></u>	<u><u>67.4 %</u></u>	<u><u>\$ 710</u></u>	<u><u>64.7 %</u></u>	<u><u>\$ 14</u></u>	<u><u>\$ (2)</u></u>	<u><u>\$ 722</u></u>	<u><u>64.4 %</u></u>
<b>GAAP R&amp;D expense</b>	<b>\$ 256</b>	<b>23.2 %</b>	<b>\$ 260</b>	<b>23.7 %</b>	<b>\$ 84</b>	<b>\$ (3)</b>	<b>\$ 341</b>	<b>30.4 %</b>
Acquisition-related expenses (d)	(1)	(0.1)%	(1)	(0.1)%	—	—	(1)	(0.1)%
Restructuring (g)	—	—	(11)	(1.0)%	—	—	(11)	(1.0)%
Non-GAAP R&D expense	<u><u>\$ 255</u></u>	<u><u>23.1 %</u></u>	<u><u>\$ 248</u></u>	<u><u>22.6 %</u></u>	<u><u>\$ 84</u></u>	<u><u>\$ (3)</u></u>	<u><u>\$ 329</u></u>	<u><u>29.3 %</u></u>
<b>GAAP SG&amp;A expense</b>	<b>\$ 279</b>	<b>25.2 %</b>	<b>\$ 391</b>	<b>35.6 %</b>	<b>\$ 94</b>	<b>\$ —</b>	<b>\$ 485</b>	<b>43.2 %</b>
Amortization of acquired intangible assets	—	—	—	—	(1)	—	(1)	(0.1)%
Contingent consideration liabilities (c)	11	1.0 %	(58)	(5.2)%	—	—	(58)	(5.1)%
Acquisition-related expenses (d)	(4)	(0.3)%	(26)	(2.4)%	(9)	—	(35)	(3.1)%
Restructuring (g)	(15)	(1.3)%	(48)	(4.4)%	(1)	—	(49)	(4.4)%
Non-GAAP SG&A expense	<u><u>\$ 271</u></u>	<u><u>24.6 %</u></u>	<u><u>\$ 259</u></u>	<u><u>23.6 %</u></u>	<u><u>\$ 83</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 342</u></u>	<u><u>30.5 %</u></u>
<b>GAAP goodwill and intangible impairment</b>	<b>\$ —</b>	<b>—</b>	<b>\$ 6</b>	<b>0.5 %</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 6</b>	<b>0.5 %</b>
Intangible (IPR&D) impairment (i)	—	—	(6)	(0.5)%	—	—	(6)	(0.5)%
Non-GAAP goodwill and intangible impairment	<u><u>\$ —</u></u>	<u><u>—</u></u>	<u><u>\$ —</u></u>	<u><u>—</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>—</u></u>
<b>GAAP legal contingency and settlement</b>	<b>\$ 18</b>	<b>1.7 %</b>	<b>\$ 6</b>	<b>0.5 %</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 6</b>	<b>0.5 %</b>
Legal contingency and settlement (h)	(18)	(1.7)%	(6)	(0.5)%	—	—	(6)	(0.5)%
Non-GAAP legal contingency and settlement	<u><u>\$ —</u></u>	<u><u>—</u></u>	<u><u>\$ —</u></u>	<u><u>—</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>—</u></u>
<b>GAAP operating profit (loss)</b>	<b>\$ 175</b>	<b>15.8 %</b>	<b>\$ 33</b>	<b>3.0 %</b>	<b>\$ (197)</b>	<b>\$ —</b>	<b>\$ (164)</b>	<b>(14.6)%</b>
Cost of revenue	17	1.5 %	15	1.4 %	33	—	48	4.3 %
R&D costs	1	0.1 %	12	1.1 %	—	—	12	1.1 %
SG&A costs	7	0.6 %	131	12.0 %	12	—	143	12.8 %
Goodwill and intangible impairment	—	—	6	0.5 %	—	—	6	0.5 %
Legal contingency and settlement	18	1.7 %	6	0.5 %	—	—	6	0.5 %
Non-GAAP operating profit (loss) (a)	<u><u>\$ 218</u></u>	<u><u>19.7 %</u></u>	<u><u>\$ 203</u></u>	<u><u>18.5 %</u></u>	<u><u>\$ (152)</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 51</u></u>	<u><u>4.6 %</u></u>
<b>GAAP other income (expense), net</b>	<b>\$ 13</b>	<b>1.2 %</b>	<b>\$ (6)</b>	<b>(0.5)%</b>	<b>\$ 2</b>	<b>\$ —</b>	<b>\$ (4)</b>	<b>(0.4)%</b>
Strategic investment related gain, net (e)	(31)	(2.9)%	—	—	—	—	—	—
Gain on Helix contingent value right (f)	—	—	(2)	(0.2)%	—	—	(2)	(0.2)%
Acquisition-related expenses (d)	—	—	3	0.3 %	—	—	3	0.3 %
Non-GAAP other (expense) income, net (a)	<u><u>\$ (18)</u></u>	<u><u>(1.7)%</u></u>	<u><u>\$ (5)</u></u>	<u><u>(0.4)%</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ —</u></u>	<u><u>\$ (3)</u></u>	<u><u>(0.3)%</u></u>

Illumina, Inc.  
Results of Operations - Non-GAAP (continued)  
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(unaudited)

TABLE 5: RECONCILIATION OF GAAP AND NON-GAAP RESULTS OF OPERATIONS AS A PERCENT OF REVENUE:

	Year Ended					
	December 29, 2024					
	Core Illumina		GRAIL	Elims	Consolidated	
<b>GAAP gross profit (loss) (b)</b>	<b>\$ 2,909</b>	<b>67.1 %</b>	<b>\$ (38)</b>	<b>\$ (10)</b>	<b>\$ 2,861</b>	<b>65.4 %</b>
Amortization of acquired intangible assets	63	1.5 %	65	—	128	3.0 %
Restructuring (g)	1	—	—	—	1	—
Non-GAAP gross profit (a)	<u><u>\$ 2,973</u></u>	<u><u>68.6 %</u></u>	<u><u>\$ 27</u></u>	<u><u>\$ (10)</u></u>	<u><u>\$ 2,990</u></u>	<u><u>68.4 %</u></u>
<b>GAAP R&amp;D expense</b>	<b>\$ 988</b>	<b>22.8 %</b>	<b>\$ 189</b>	<b>\$ (8)</b>	<b>\$ 1,169</b>	<b>26.7 %</b>
Acquisition-related expenses (d)	(4)	(0.1)%	—	—	(4)	(0.1)%
Restructuring (g)	(2)	—	—	—	(2)	—
Non-GAAP R&D expense	<u><u>\$ 982</u></u>	<u><u>22.7 %</u></u>	<u><u>\$ 189</u></u>	<u><u>\$ (8)</u></u>	<u><u>\$ 1,163</u></u>	<u><u>26.6 %</u></u>
<b>GAAP SG&amp;A expense</b>	<b>\$ 900</b>	<b>20.7 %</b>	<b>\$ 192</b>	<b>\$ —</b>	<b>\$ 1,092</b>	<b>25.0 %</b>
Amortization of acquired intangible assets	(1)	—	(2)	—	(3)	(0.1)%
Contingent consideration liabilities (c)	315	7.2 %	—	—	315	7.2 %
Acquisition-related expenses (d)	(87)	(2.0)%	(11)	—	(98)	(2.3)%
Restructuring (g)	(58)	(1.3)%	(1)	—	(59)	(1.3)%
Non-GAAP SG&A expense	<u><u>\$ 1,069</u></u>	<u><u>24.6 %</u></u>	<u><u>\$ 178</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 1,247</u></u>	<u><u>28.5 %</u></u>
<b>GAAP goodwill and intangible impairment</b>	<b>\$ 3</b>	<b>0.1 %</b>	<b>\$ 1,886</b>	<b>\$ —</b>	<b>\$ 1,889</b>	<b>43.2 %</b>
Goodwill impairment (i)	—	—	(1,466)	—	(1,466)	(33.5)%
Intangible (IPR&D) impairment (i)	(3)	(0.1)%	(420)	—	(423)	(9.7)%
Non-GAAP goodwill and intangible impairment	<u><u>\$ —</u></u>	<u><u>—</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>—</u></u>
<b>GAAP legal contingency and settlement</b>	<b>\$ (456)</b>	<b>(10.5)%</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (456)</b>	<b>(10.4)%</b>
Legal contingency and settlement (h)	456	10.5 %	—	—	456	10.4 %
Non-GAAP legal contingency and settlement	<u><u>\$ —</u></u>	<u><u>—</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>\$ —</u></u>	<u><u>—</u></u>
<b>GAAP operating profit (loss)</b>	<b>\$ 1,473</b>	<b>34.0 %</b>	<b>\$ (2,305)</b>	<b>\$ (1)</b>	<b>\$ (833)</b>	<b>(19.1)%</b>
Cost of revenue	64	1.5 %	65	—	129	3.0 %
R&D costs	6	0.1 %	—	—	6	0.1 %
SG&A costs	(168)	(3.9)%	13	—	(155)	(3.5)%
Goodwill and intangible impairment	3	0.1 %	1,886	—	1,889	43.2 %
Legal contingency and settlement	(456)	(10.5)%	—	—	(456)	(10.4)%
Non-GAAP operating profit (loss) (a)	<u><u>\$ 922</u></u>	<u><u>21.3 %</u></u>	<u><u>\$ (341)</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ 580</u></u>	<u><u>13.3 %</u></u>
<b>GAAP other (expense) income, net</b>	<b>\$ (350)</b>	<b>(8.1)%</b>	<b>\$ 5</b>	<b>\$ (1)</b>	<b>\$ (346)</b>	<b>(7.9)%</b>
Strategic investment related loss, net (e)	308	7.1 %	—	—	308	7.1 %
Gain on Helix contingent value right (f)	(15)	(0.3)%	—	—	(15)	(0.3)%
Acquisition-related expenses (d)	2	—	—	—	2	—
Non-GAAP other (expense) income, net (a)	<u><u>\$ (55)</u></u>	<u><u>(1.3)%</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ (1)</u></u>	<u><u>\$ (51)</u></u>	<u><u>(1.1)%</u></u>



**Illumina, Inc.**  
**Results of Operations - Non-GAAP (continued)**  
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(unaudited)

**TABLE 5: RECONCILIATION OF GAAP AND NON-GAAP RESULTS OF OPERATIONS AS A PERCENT OF REVENUE:**

	Year Ended					
	December 31, 2023					
	Core Illumina		GRAIL	Elims	Consolidated	
<b>GAAP gross profit (loss) (b)</b>	\$ 2,856	64.4 %	\$ (96)	\$ (16)	\$ 2,744	60.9 %
Amortization of acquired intangible assets	57	1.3 %	134	—	191	4.3 %
Restructuring (g)	5	0.1 %	—	—	5	0.1 %
Non-GAAP gross profit (a)	<u>\$ 2,918</u>	<u>65.8 %</u>	<u>\$ 38</u>	<u>\$ (16)</u>	<u>\$ 2,940</u>	<u>65.3 %</u>
<b>GAAP R&amp;D expense</b>	\$ 1,030	23.2 %	\$ 338	\$ (14)	\$ 1,354	30.1 %
Acquisition-related expenses (d)	(2)	—	—	—	(2)	—
Restructuring (g)	(27)	(0.6)%	—	—	(27)	(0.7)%
Non-GAAP R&D expense	<u>\$ 1,001</u>	<u>22.6 %</u>	<u>\$ 338</u>	<u>\$ (14)</u>	<u>\$ 1,325</u>	<u>29.4 %</u>
<b>GAAP SG&amp;A expense</b>	\$ 1,248	28.1 %	\$ 366	\$ (2)	\$ 1,612	35.8 %
Amortization of acquired intangible assets	(1)	—	(4)	—	(5)	(0.1)%
Contingent consideration liabilities (c)	24	0.5 %	—	—	24	0.5 %
Acquisition-related expenses (d)	(88)	(1.9)%	(21)	—	(109)	(2.4)%
Restructuring (g)	(119)	(2.7)%	(4)	—	(123)	(2.7)%
Proxy contest	(32)	(0.7)%	—	—	(32)	(0.7)%
Non-GAAP SG&A expense	<u>\$ 1,032</u>	<u>23.3 %</u>	<u>\$ 337</u>	<u>\$ (2)</u>	<u>\$ 1,367</u>	<u>30.4 %</u>
<b>GAAP goodwill and intangible impairment</b>	\$ 6	0.1 %	\$ 821	\$ —	\$ 827	18.3 %
Goodwill impairment (i)	—	—	(712)	—	(712)	(15.7)%
Intangible (IPR&D) impairment (i)	(6)	(0.1)%	(109)	—	(115)	(2.6)%
Non-GAAP goodwill and intangible impairment	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>—</u>
<b>GAAP legal contingency and settlement</b>	\$ 20	0.4 %	\$ —	\$ —	\$ 20	0.4 %
Legal contingency and settlement (h)	(20)	(0.4)%	—	—	(20)	(0.4)%
Non-GAAP legal contingency and settlement	<u>\$ —</u>	<u>—</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>—</u>
<b>GAAP operating profit (loss)</b>	\$ 552	12.4 %	\$ (1,621)	\$ —	\$ (1,069)	(23.7)%
Cost of revenue	62	1.5 %	134	—	196	4.4 %
R&D costs	29	0.6 %	—	—	29	0.7 %
SG&A costs	216	4.9 %	28	—	244	5.4 %
Goodwill and intangible impairment	6	0.1 %	821	—	827	18.3 %
Legal contingency and settlement	20	0.4 %	—	—	20	0.4 %
Non-GAAP operating profit (loss) (a)	<u>\$ 885</u>	<u>19.9 %</u>	<u>\$ (638)</u>	<u>\$ —</u>	<u>\$ 247</u>	<u>5.5 %</u>
<b>GAAP other (expense) income, net</b>	\$ (58)	(1.3)%	\$ 10	\$ —	\$ (48)	(1.1)%
Strategic investment related loss, net (e)	35	0.8 %	—	—	35	0.8 %
Gain on Helix contingent value right (f)	(10)	(0.2)%	—	—	(10)	(0.2)%
Acquisition-related expenses (d)	11	0.2 %	—	—	11	0.2 %
Non-GAAP other (expense) income, net (a)	<u>\$ (22)</u>	<u>(0.5)%</u>	<u>\$ 10</u>	<u>\$ —</u>	<u>\$ (12)</u>	<u>(0.3)%</u>

*Amounts in tables are rounded to the nearest millions. As a result, certain amounts may not recalculate.  
Percentages of revenue are calculated based on the revenue of the respective segment.*

- (a) Non-GAAP gross profit, included within non-GAAP operating profit (loss), is a key measure of the effectiveness and efficiency of manufacturing processes, product mix and the average selling prices of our products and services. Non-GAAP operating profit (loss) and non-GAAP other income (expense), net exclude the effects of the pro forma adjustments as detailed above. Non-GAAP operating margin is a key component of the financial metrics utilized by the company's board of directors to measure, in part, management's performance and determine significant elements of management's compensation. Management has excluded the effects of these items in these measures to assist investors in analyzing and assessing past and future operating performance.
- (b) Reconciling amounts are recorded in cost of revenue.
- (c) Amounts consist primarily of fair value adjustments for our contingent consideration liability related to GRAIL.
- (d) Amounts consist primarily of legal and other expenses related to the acquisition and divestiture of GRAIL. Amounts in other income (expense), net relate to unrealized gains/losses for foreign currency balance sheet remeasurement of the EC fine liability, which was reversed in Q3 2024, and mark-to-market gains/losses on hedge for the EC fine.
- (e) Amounts consist primarily of mark-to-market adjustments and impairments from strategic investments. Amount for FY 2024 primarily relates to impairment recorded on our retained investment in GRAIL post spin-off.
- (f) Amounts consist of fair value adjustments related to our Helix contingent value right, which was settled in Q3 2024.
- (g) Amounts consist primarily of lease and other asset impairments and employees severance costs.
- (h) Amount for FY 2024 primarily consists of the reversal of the accrued EC fine, including accrued interest. Amount for FY 2023 primarily consists of an adjustment recorded to our accrual for the EC fine.
- (i) Amounts for FY 2024 and FY 2023 consist of goodwill and IPR&D intangible asset impairments related to GRAIL and IPR&D intangible asset impairments related to Core Illumina.

Illumina, Inc.  
Results of Operations - Non-GAAP (continued)  
(Dollars in millions)  
(unaudited)

**TABLE 6: CORE ILLUMINA - RECONCILIATION OF GAAP AND NON-GAAP TAX PROVISION:**

	Three Months Ended		Year Ended	
	December 29, 2024		December 29, 2024	
<b>GAAP tax provision</b>	<b>\$ 70</b>	<b>37.9 %</b>	<b>\$ 229</b>	<b>20.4 %</b>
Incremental non-GAAP tax expense (b)	(15)		73	
Income tax provision (c)	(13)		(16)	
GILTI, US foreign tax credits, and global minimum top-up tax (d)	5		(82)	
<b>Non-GAAP tax provision (a)</b>	<b>\$ 47</b>	<b>23.7 %</b>	<b>\$ 204</b>	<b>23.6 %</b>

	Year Ended	
	December 31, 2023	
<b>GAAP tax provision</b>	<b>\$ 224</b>	<b>45.4 %</b>
Incremental non-GAAP tax expense (b)	86	
Income tax provision (c)	(37)	
GILTI and US foreign tax credits (d)	(45)	
<b>Non-GAAP tax provision (a)</b>	<b>\$ 228</b>	<b>26.5 %</b>

**TABLE 7: CONSOLIDATED - RECONCILIATION OF GAAP AND NON-GAAP TAX PROVISION:**

	Three Months Ended		Year Ended	
	December 29, 2024		December 29, 2024	
<b>GAAP tax provision</b>	<b>\$ 1</b>	<b>0.6 %</b>	<b>\$ 44</b>	<b>(3.8)%</b>
Incremental non-GAAP tax expense (b)	23		201	
Income tax provision (c)	(13)		(16)	
GILTI, US foreign tax credits, and global minimum top-up tax (d)	51		(90)	
<b>Non-GAAP tax provision (a)</b>	<b>\$ 62</b>	<b>31.1 %</b>	<b>\$ 139</b>	<b>26.3 %</b>

	Three Months Ended		Year Ended	
	December 31, 2023		December 31, 2023	
<b>GAAP tax provision</b>	<b>\$ 8</b>	<b>(4.9)%</b>	<b>\$ 44</b>	<b>(3.9)%</b>
Incremental non-GAAP tax expense (b)	44		152	
Income tax provision (c)	(28)		(37)	
GILTI and US foreign tax credits (d)	2		(61)	
<b>Non-GAAP tax provision (a)</b>	<b>\$ 26</b>	<b>55.4 %</b>	<b>\$ 98</b>	<b>41.8 %</b>

- (a) Non-GAAP tax provision excludes the effects of the pro forma adjustments detailed above, which have been excluded to assist investors in analyzing and assessing past and future operating performance.
- (b) Incremental non-GAAP tax expense reflects tax impact of the non-GAAP adjustments listed in Table 2 and 4.
- (c) Amounts represent the difference between book and tax accounting related to stock-based compensation cost.
- (d) Amounts represent the impact of GRAIL pre-acquisition net operating losses on GILTI, the utilization of US foreign tax credits, and the Pillar Two global minimum top-up tax, which became effective in Q1 2024.