

BlackBerry Limited
Incorporated under the Laws of Ontario
(United States dollars, in millions except share and per share amounts) (unaudited)

Consolidated Statements of Operations

| | For the three months ended | | | For the nine months ended | |
|--|----------------------------|--------------------|----------------------|---------------------------|----------------------|
| | November 28, 2015 | August 29, 2015 | November 29, 2014 | November 28, 2015 | November 29, 2014 |
| Revenue | \$ 548 | \$ 490 | \$ 793 | \$ 1,696 | \$ 2,675 |
| Cost of sales | | | | | |
| Cost of sales | 304 | 301 | 365 | 935 | 1,358 |
| Inventory write-down | 9 | 4 | 24 | 33 | 54 |
| Supply commitment charges | (1) | — | (6) | (3) | (23) |
| | <u>312</u> | <u>305</u> | <u>383</u> | <u>965</u> | <u>1,389</u> |
| Gross margin | <u>236</u> | <u>185</u> | <u>410</u> | <u>731</u> | <u>1,286</u> |
| Gross margin % | 43.1 % | 37.8 % | 51.7 % | 43.1 % | 48.1 % |
| Operating expenses | | | | | |
| Research and development | 100 | 122 | 154 | 361 | 577 |
| Selling, marketing and administration | 177 | 191 | 171 | 542 | 766 |
| Amortization | 68 | 67 | 74 | 200 | 230 |
| Debentures fair value adjustment | (5) | (228) | 150 | (390) | 30 |
| | <u>340</u> | <u>152</u> | <u>549</u> | <u>713</u> | <u>1,603</u> |
| Operating income (loss) | <u>(104)</u> | <u>33</u> | <u>(139)</u> | <u>18</u> | <u>(317)</u> |
| Investment loss, net | (16) | (12) | (21) | (44) | (67) |
| Income (loss) before income taxes | <u>(120)</u> | <u>21</u> | <u>(160)</u> | <u>(26)</u> | <u>(384)</u> |
| Recovery of income taxes | <u>(31)</u> | <u>(30)</u> | <u>(12)</u> | <u>(56)</u> | <u>(52)</u> |
| Net income (loss) | <u>\$ (89)</u> | <u>\$ 51</u> | <u>\$ (148)</u> | <u>\$ 30</u> | <u>\$ (332)</u> |
| Earnings (loss) per share | | | | | |
| Basic | <u>\$ (0.17)</u> | <u>\$ 0.10</u> | <u>\$ (0.28)</u> | <u>\$ 0.06</u> | <u>\$ (0.63)</u> |
| Diluted | <u>\$ (0.17)</u> | <u>\$ (0.24)</u> | <u>\$ (0.28)</u> | <u>\$ (0.46)</u> | <u>\$ (0.63)</u> |
| Weighted-average number of common shares outstanding (000's) | | | | | |
| Basic | 525,103 | 526,314 | 528,090 | 526,879 | 527,350 |
| Diluted | 525,103 | 667,321 | 528,090 | 651,879 | 527,350 |
| Total common shares outstanding | 525,701 | 524,211 | 528,511 | 525,701 | 528,511 |