Cassie Corneau
Senior Director, Head of Investor Relations and Strategic Finance

Thank you and good afternoon, everyone. Earlier today, 10x Genomics released financial results for the third quarter ended September 30, 2026. If you have not received this news release, or if you would like to be added to the company's distribution list, please send an email to investors@10xgenomics.com. An archived webcast of this call will be available on the investor tab of the company's website, 10xgenomics.com, for at least 45 days following this call.

Before we begin, I'd like to remind you that management will make statements during this call that are forward looking statements within the meaning of Federal Securities Laws. These statements involve material risks and uncertainties that could cause actual results or events to materially differ from those anticipated and you should not place undue reliance on forward-looking statements. Additional information regarding these risks, uncertainties and factors that could cause results to differ appears in the press release 10x Genomics issued today – and in the documents and reports filed by 10x Genomics from time to time with the Securities and Exchange Commission.

10x Genomics disclaims any intention or obligation to update or revise any financial projections or forward-looking statements, whether because of new information, future events or otherwise.

Joining the call today are: Serge Saxonov, our CEO and Co-Founder and Adam Taich, our Chief Financial Officer.

We will host a question-and-answer session after our prepared remarks. We ask analysts to please keep to one question so that we may accommodate everyone in the queue.

With that, I will now turn the call over to Serge.

Serge Saxonov
Chief Executive Officer, Co-founder

Thanks, Cassie and good afternoon, everyone.

Revenue for the third quarter was $151 million, up 1% year-over-year. The biggest highlight was the start of commercial shipments of Atera. Enthusiasm for the platform has continued to build, and we're incredibly excited to be putting instruments in customers' hands. The rest of the business also performed well, driven by continued strength in consumables. Adam will cover the financial results and outlook in more detail.

Now, stepping back, it's worth reflecting on this remarkable point in time, as progress in AI is reshaping so much of the world. Many believe that AI's greatest promise is in accelerating science and advancing human health. We agree, and the key bottleneck is the data. Biology is incredibly complex. Capturing that complexity requires measuring biological systems at massive scale and high resolution. It requires measurements of molecules, cells and tissues across vast numbers of samples, conditions and contexts. This is precisely why we started 10x and why we have built our single cell and spatial technologies.

And now, as biology is entering this new era of AI and data maximalism, our business is positioned incredibly well to benefit and to be the key enabler of progress going forward.

The success we are seeing with Atera is a powerful demonstration of this trend. The platform delivers whole transcriptome spatial profiling with single cell sensitivity at high throughput. It brings together molecular, cellular and tissue biology on a single instrument. By delivering its incredible capabilities at scale, Atera is both perfectly suited and critically necessary for this new AI-driven era of biology.

The extraordinary customer demand and momentum have continued to build since our last call. Our priority now is to ramp production, get instruments into customers' hands and help ensure their success. I've said before that we expected Atera to be the biggest product introduction in our history. And what we are seeing from customers is consistent with that expectation – whether judging by their enthusiasm for the platform, by the flow of orders, or by the ambition of their plans. We are also encouraged by the strong interest in Catalyst Research Services, our internal service lab for running customer samples. In its first five months, more than 100 customers booked projects, representing a wide variety of applications and use cases.

We are seeing extensive demand for Atera across universities, academic medical centers and biopharma. Customers are preparing to use the platform to generate data for AI models, whether for basic science, translational research or drug development. In addition to training AI models, customers are planning to deploy Atera across a wide range of applications and fields including population-scale studies, cell and tissue atlasing, studies of disease mechanisms and biomarker discovery.

Nearly all of the world's top 20 biopharma companies have now purchased Atera systems or services through Catalyst. As we mentioned previously, many pharmaceutical companies expect that spatial biology will fundamentally change how they approach drug discovery and development. We are hearing about applications across the entire drug development continuum, from finding therapeutic targets to understanding mechanisms of action to assessing safety to predicting response in patients. For example, we now have a growing arsenal of revolutionary medicines for treating cancer. The critical challenge is that most patients develop resistance and the mechanisms are not well understood. Many leading researchers are now planning to use Atera to address this challenge, because Atera can provide an unparalleled view of the underlying cancer biology and of on-treatment effects.

We built Atera as a long-duration, upgradeable platform to keep expanding what's possible in spatial biology. Our roadmap includes onboard slide preparation automation to enable true sample-in, data-out capability. It also includes RNA-protein multiomics and base-by-base sequencing for in situ mutation detection. Together, these capabilities will enable customers to answer an even broader range of biological questions.

Turning to Single Cell. Our customers continue to adopt our platforms for larger, more ambitious studies. Flex Apex is enabling a new generation of this work, especially in biopharma and translational research. Our recently-introduced whole blood workflows are bringing single cell into applications that would previously have been inconceivable. Customers have shared enthusiasm for their ability to access troves of archival blood samples for retrospective single cell data generation. For prospective studies, the workflow stabilizes samples and simplifies processing at the point of collection, enabling use across a variety of clinical collection settings while dramatically reducing sample variability. Ultimately, these improvements enable more complete and consistent datasets that are critical for AI and for clinically-related applications.

Our single cell solutions have long been at the epicenter of the perturbation experiments that are now fueling AI biology models. Furthermore, we are now seeing increasing demand for multimodal solutions, driven by the value of measuring more biology from the same cell. And lately, we are seeing customers build up their infrastructure, investing in automation, to expand the scale of these experiments.

Our new Flex Apex CRISPR workflow builds on the scalability, robustness and sensitivity of Flex Apex for perturbation studies. Combined with our Proteintech Genomics panels, the largest single cell protein panels available, researchers get the richest data per cell for model development. And our newest GEM-X Multiome configuration captures gene expression alongside the regulatory elements that control it.

Taken together, we believe our menu of multimodal solutions delivers the best approach for generating valuable mechanistic data critical for drug target discovery and predictive models of biology.

As the scale of data enabled by these products grows exponentially, analysis can become an even greater bottleneck. We see that as both a challenge and an opportunity. And with that in mind, this quarter we announced Sentira, our new cloud analysis platform. Sentira is designed to help customers turn large complex biological data into experimental conclusions using agentic AI – all in a seamless integrated experience. Researchers can explore their results and iterate rapidly without having to build or manage the underlying computing infrastructure.

We have announced the initial capabilities of the platform with a lot more to come in the future. Sentira Spatial uses NVIDIA accelerated computing to reduce processing of Atera and Xenium data from hours to minutes. Sentira Single Cell brings agentic analysis to Chromium data, powered by Anthropic's Claude. Researchers can ask questions in natural language, review proposed analyses and examine the methods and code behind the results in an editable notebook. Together, these capabilities give more scientists the computational power and analytical tools to turn increasingly complex datasets into biological understanding.

And as we have said, in addition to being an accelerator of data analysis, AI represents a structural tailwind for the demand for our products. It is still very early days, but the effects of AI demand are being felt across many areas of our business. Today, most significant biological data generation efforts are conceived, at least in part, with the goal of training AI models. And when researchers set out to build AI models of biology, they usually think in terms of multiomics, single cell and spatial – which usually means our technologies. This is not surprising, because, as I mentioned earlier, we built our technologies precisely to measure biological systems comprehensively, at massive scale and high resolution.

Across different segments thought leaders are converging on the idea that we need large-scale data collection on an industrial scale. We have previously talked about some of the projects that have been publicly announced, such as the ones from Cancer Research Institute, Arc Institute and CZI Biohub. These efforts have all been progressing and scaling up. For example, recently, Biohub, has been outlining its ambitions toward profiling hundreds of billions of cells to build predictive AI models of life.

At the same time, governments across the world are looking to invest in sovereign AI capabilities in healthcare and biology. There is often a strong case to be made for training models based on the unique samples and profiles of local populations. These plans naturally translate into mandates to collect multiomics, single cell and spatial data. We believe these priorities could support programs to generate large biological datasets and models around the world.

In biopharma, there continues to be rapid growth in AI-focused investments. Much of the initial AI investment has focused on chemistry – on designing and making molecules. As we have noted in the past, we believe the next, arguably larger, opportunity lies in understanding the biology – identifying new therapeutic targets and predicting how patients will respond to treatment. This requires a much deeper view of cells and tissues, and that is precisely the information our technologies enable customers to generate.

We are seeing similar momentum among techbio companies, where we are the predominant vendor of choice for single cell and spatial data generation. This category is expanding beyond drug development companies to include diagnostics companies looking to use their large collections of patient samples to generate training data for AI models.

While it's still very early, these developments strengthen our conviction that we are at the beginning of an exponential trend in the scale of AI-driven data generation.

Finally, we are continuing to make progress with our clinical strategy. Our newly announced collaboration with Fred Hutch adds to the partnerships we have formed with some of the leading medical centers around the world. As a reminder, we are focused on generating evidence to establish the clinical utility of our single cell and spatial technologies in oncology and autoimmunity. Our team is also making strong progress standing up an internal CLIA lab with the goal of launching it next year. While these efforts are still early, we are encouraged by our learnings and by the potential of Single Cell and Spatial in patient care.

So, coming back to where we started. We are at the beginning of an era in which AI will bring extraordinary advances in biology, and our products are delivering the data that is necessary for that progress. In executing our company mission, we have spent more than a decade building the assets, capabilities and expertise to put us in the position to capitalize on the opportunities created by this era. And our strong financial profile gives us the ability to realize the full potential of these opportunities. We are excited for the road ahead.

With that, I will turn the call over to Adam.

Adam Taich
Chief Financial Officer

Thanks, Serge. Unless otherwise noted, all growth rates referenced reflect year-over-year comparisons.

Revenue for the third quarter was $150.7 million, representing 1% growth over the prior year period.

Total consumables revenue was up 5%, with growth in both Single Cell and Spatial. Single Cell consumables revenue grew 1%, supported by double-digit growth in reaction volumes given strong demand for Flex Apex. Spatial consumables revenue grew 16%, driven primarily by Xenium consumables. It is especially encouraging to see Xenium continue to perform well even in anticipation of Atera. This demonstrates the strong momentum behind Spatial and reinforces our conviction in the opportunity for Atera.

Total instrument revenue declined 43%, with Chromium instrument revenue down 23% and Spatial instrument revenue down 57%, both primarily driven by a lower number of units sold. As anticipated, the decline in Spatial instruments reflects customers moderating purchases of our Visium and Xenium products in anticipation of Atera.

Turning to the rest of the P&L. Gross margin increased to 75%, up from 67% the prior year period. The increase in gross margin was primarily driven by lower inventory write-downs and changes in product mix.

Total operating expenses were $129.0 million for the quarter, as compared to $132.5 million in the prior-year period. The decrease was primarily driven by lower personnel and lab equipment expenses, partially offset by higher litigation expenses.

We ended the quarter with $576 million in cash, cash equivalents and marketable securities, up $94 million year-over-year and up $24 million sequentially.

Turning to our outlook for the rest of the year. We are raising our full-year outlook and now expect 2026 revenue to be in the range of $625 million to $635 million, up from $610 million to $630 million. Excluding non-recurring revenue related to patent litigation settlements in both 2026 and 2025, this represents 4% to 6% growth over the full year 2025.

The increase reflects our third quarter performance, stronger than anticipated Spatial consumables and a higher Atera shipment outlook for the year. Our Atera production ramp is progressing well as we've leveraged our experience building complex instruments like Xenium. As a result, we now expect to ship approximately 50 Atera instruments by year end, up from our previous expectation of approximately 40. Additionally, as Atera instrument shipments ramp in the fourth quarter, we expect gross margins to step down sequentially.

Our disciplined focus on cash generation and expense management has strengthened our financial position, giving us even greater capacity to invest for growth and capitalize on the significant opportunities ahead.

With that, I will turn the call back to Serge.

Serge Saxonov
Chief Executive Officer, Co-founder

Thanks, Adam.

Before we open it up for questions, I want to thank the entire 10x team.

Atera embodies so much of what makes this company special – the ambition to take on problems that seem out of reach, the persistence to work through them and the commitment to get the details right. Bringing it to life has drawn on talent and dedication from across the company, united by our mission to advance human health through a deeper understanding of biology.

I'm incredibly proud of this team and grateful for everything you do. Seeing what we can accomplish together gives me even greater conviction in the future we are building.

With that, we will now open it up for questions. Operator?

Forward Looking Statements

This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as contained in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. All statements included in this press release, other than statements of historical facts, may be forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "might," "will," "should," "expect," "plan," "outlook," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "see," "estimate," "predict," "potential," "would," "likely," "seek" or "continue" or the negatives of these terms or variations of them or similar terminology, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements include statements regarding 10x Genomics, Inc.'s products, services, business strategy, collaborations and opportunities and 10x Genomics, Inc.'s financial performance and results of operations, including expectations regarding revenue and guidance. These statements are based on management's current expectations, forecasts, beliefs, estimates, assumptions and information currently available to management. Actual outcomes and results could differ materially from these statements due to a number of factors and such statements should not be relied upon as representing 10x Genomics, Inc.'s views as of any date subsequent to the date of this press release. 10x Genomics, Inc. disclaims any obligation to update any forward-looking statements provided to reflect any change in 10x Genomics' expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law. The material risks and uncertainties that could affect 10x Genomics, Inc.'s financial and operating results and cause actual results to differ materially from those indicated by the forward-looking statements made in this press release include those discussed under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the company's most recently-filed 10-K for the fiscal year ended December 31, 2025 filed on February 12, 2026 and the company's quarterly report on Form 10-Q for the quarter ended June 30, 2026 to be filed with the U.S. Securities and Exchange Commission ("SEC"), and elsewhere in the documents 10x Genomics, Inc. files with the SEC from time to time.

Although 10x Genomics, Inc. believes that the expectations reflected in the forward-looking statements are reasonable, it cannot provide any assurance that these expectations will prove to be correct nor can it guarantee that the future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or occur. These forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments 10x Genomics may make. The forward-looking statements in this communication are based on information available to 10x Genomics, Inc. as of the date hereof, and 10x Genomics, Inc. disclaims any obligation to update any forward-looking statements provided to reflect any change in our expectations or any change in events, conditions, or circumstances on which any such statement is based, except as required by law. These forward-looking statements should not be relied upon as representing 10x Genomics, Inc.'s views as of any date subsequent to the date of this communication.