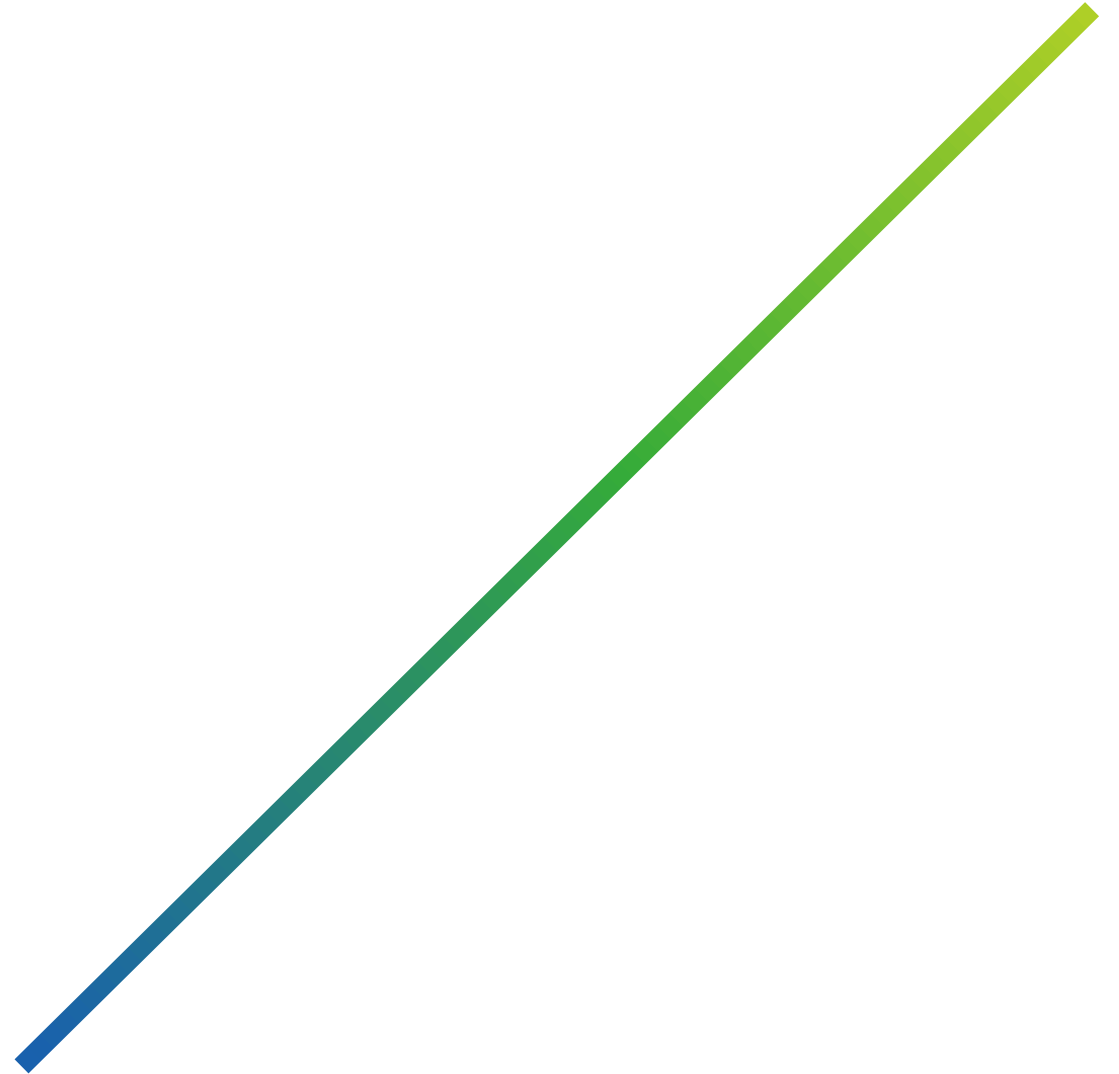




# Q1 FY26 Conference Call

November 4, 2025



# Forward Looking Statements and Financial Presentation

*This presentation and our earnings call contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These include statements regarding: our belief and expectations with respect to our markets, including the cloud end market and the broader networking market, customers and industry, cloud and AI investments and buildout and their transformation of industries and long-term effects, industry infrastructure, any anticipation or guidance as to demand for our products or the effects, importance or market size of our innovation or products, our competitive advantage, strategic partnerships, our ability to capture market share and value, our leadership opportunities, our revenue and profitability, future growth drivers, revenue growth prospects, the sustainability of our growth, product ramp and phase out, product shipment volumes and timing, momentum, product offerings and mix, product type growth and contribution, production capabilities and capacities, and our guidance with respect to future net revenue, non-GAAP diluted earnings per share, and non-GAAP operating margins, and related assumptions. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected. Among the factors that could cause actual results to differ from those contemplated are: (a) uncertainty and volatility in the global markets, including uncertainty and volatility in the macroeconomic environment, volatility and uncertainty with respect to economic growth, inflationary pressures, changes in the political or economic environment, such as geopolitical conflicts, war, international trade and restrictions (including tariffs, duties and export controls to be implemented by the U.S. and other countries), including for certain rare earth minerals, and the effect of such market disruptions on demand for our products, technology spending by our customers, our costs and expenses and our ability to obtain components for our products; (b) quarter-over-quarter product mix fluctuations, which can materially impact profitability measures due to the broad gross margin ranges across our portfolio; (c) decline of average selling prices across our businesses or increase in costs, either of which will also decrease our margins; (d) effects of seasonality; (e) the ability of our suppliers and contract manufacturers to meet production, quality, and delivery requirements for our forecasted demand; (f) changes in customer demand, including due to changes in inventory practices and end-customer demand; (g) our ability to attract and retain new customers, particularly in the cloud photonics and imaging and sensing markets; (h) the risk that our markets will not grow or develop as expected or that our strategies and ability to compete in those markets are not successful, (i) the risk that Lumentum's financing or operating strategies will not be successful; (j) risks related to our restructuring initiatives and changes to our operations, and (k) failure to successfully integrate acquisitions into our business or that we will not achieve the expected benefits. A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in the Company's Annual Report on Form 10-K for the year ended June 28, 2025 filed with the Securities and Exchange Commission (the "SEC"), and in the Company's other filings with the SEC, including the Quarterly Report on Form 10-Q for the fiscal quarter ended September 27, 2025, which will be filed with the SEC, available at [www.sec.gov](http://www.sec.gov), under the caption "Risk Factors" and elsewhere. The forward-looking statements contained in this presentation are made as of the date hereof and the Company assumes no obligation to update such statements, except as required by applicable law.*

*Unless otherwise stated, all financial results and projections are on a non-GAAP basis. Our GAAP results, details about our non-GAAP financial measures, and a reconciliation between GAAP and non-GAAP results can be found in our first quarter of fiscal year 2026 earnings press release which is available on our web site, [www.lumentum.com](http://www.lumentum.com), under the Investors section.*

*We have not provided reconciliations from GAAP to non-GAAP measures for our outlook. A large portion of non-GAAP adjustments, such as stock-based compensation and related payroll taxes, acquisition related costs, integration related costs, restructuring and related charges, foreign exchange gains and losses, net, non-GAAP income tax reconciling adjustments, and other charges or income related to non-recurring activities, are by their nature highly volatile and we have low visibility as to the range that may be incurred in the future.*

# Revenue by Product Type

Beginning Q1 FY26, we disaggregate revenue by product type: **Components** and **Systems**.

- **Components:** Individual building blocks (e.g., laser chips, sub-assemblies, wavelength management systems) supplied to customers who integrate them into larger systems.
- **Systems:** Complete, stand-alone products (e.g., cloud transceivers, optical circuit switches, industrial lasers) that deliver full functionality directly to end customers.

Fiscal year 2025 quarterly revenue by product type is shown below:

<i>\$ in millions</i>	<b>Q1 FY25</b>	<b>Q2 FY25</b>	<b>Q3 FY25</b>	<b>Q4 FY25</b>	<b>FY25</b>
Components	\$231.4	\$263.7	\$300.8	\$320.4	\$1,116.3
Systems	105.5	138.5	124.4	160.3	528.7
<b>Total Revenue</b>	<b>\$336.9</b>	<b>\$402.2</b>	<b>\$425.2</b>	<b>\$480.7</b>	<b>\$1,645.0</b>

A more detailed description of these product type categories can be found in our Form 10-Q filing, dated November 4, 2025.

# Q1 FY26 Key Points

## ▪ Revenue & Performance

- Cloud and AI business accelerating, driving Q1 revenue up 58% and expanding operating margin >1,500 bps (YoY basis)
- Q1 revenue and EPS at high end of guided range

## ▪ Components

- Revenue up 18% QoQ and 64% YoY; broad-based growth from intra-data center, DCI, and long-haul applications
- Set new records in 100G and 200G EML laser shipments and launched CW laser shipments
- Continued growth in ultra-high-power lasers for CPO solution; broader ramp expected in 2H CY26
- Narrow linewidth lasers for DCI grew >70% YoY; 7<sup>th</sup> straight sequential quarter of growth
- Enabling up to 100km scale-across DCI with industry-leading laser assemblies and transport line subsystems
- Delivered a record quarter in pump lasers for sub-sea transmission
- Strong sequential growth in coherent components for long-haul networks
- 3D sensing revenue below 5% of total company revenue

## ▪ Systems

- Revenue up 47% YoY, led by cloud transceivers, reflecting progress in manufacturing ramp
- Revenue down 4% QoQ; cloud transceivers ~flat, initial ramp in OCS offset by sequential decline in industrial lasers
- OCS manufacturing on track to CY26 ramp plans

# Q1 FY26 Results (GAAP)

<i>\$ in millions except for EPS, % of revenue</i>	Q1 FY26		Q4 FY25		Q1 FY25	
<b>Revenue</b>	<b>\$533.8</b>		<b>\$480.7</b>		<b>\$336.9</b>	
<b>Gross Margin</b>	<b>181.5</b>	<b>34.0%</b>	<b>159.9</b>	<b>33.3%</b>	<b>77.9</b>	<b>23.1%</b>
<b>Operating Expenses</b>	<b>174.8</b>	<b>32.7%</b>	<b>168.3</b>	<b>35.0%</b>	<b>160.3</b>	<b>47.6%</b>
<b>Operating Income (Loss)</b>	<b>6.7</b>	<b>1.3%</b>	<b>(8.4)</b>	<b>(1.7)%</b>	<b>(82.4)</b>	<b>(24.5)%</b>
<b>Diluted EPS</b>	<b>\$0.05</b>		<b>\$2.96</b>		<b>\$(1.21)</b>	
<b>Diluted Shares-M</b>	<b>78.3</b>		<b>72.0</b>		<b>68.3</b>	

# Q1 FY26 Results (Non-GAAP)

<i>\$ in millions except for EPS, % of revenue</i>	Q1 FY26		Q4 FY25		Q1 FY25	
<b>Revenue</b>	<b>\$533.8</b>		<b>\$480.7</b>		<b>\$336.9</b>	
<b>Gross Margin</b>	<b>210.3</b>	<b>39.4%</b>	<b>181.6</b>	<b>37.8%</b>	<b>110.4</b>	<b>32.8%</b>
<b>Operating Expenses</b>	<b>110.5</b>	<b>20.7%</b>	<b>109.3</b>	<b>22.7%</b>	<b>100.4</b>	<b>29.8%</b>
<b>Operating Income</b>	<b>99.8</b>	<b>18.7%</b>	<b>72.3</b>	<b>15.0%</b>	<b>10.0</b>	<b>3.0%</b>
<b>Diluted EPS</b>	<b>\$1.10</b>		<b>\$0.88</b>		<b>\$0.18</b>	
<b>Diluted Shares-M</b>	<b>78.3</b>		<b>72.0</b>		<b>69.1</b>	

# Balance Sheet

Selected Items	Q1 FY26	Q4 FY25
<i>\$ in millions</i>		
Cash and Short-term Investments	\$1,121.8	\$877.1
Working Capital <sup>(1)</sup>	516.6	447.4
Property, Plant & Equipment, net	794.8	726.4
<b>Total Assets</b>	<b>4,613.1</b>	<b>4,218.7</b>
<b>Total Liabilities</b>	<b>3,832.3</b>	<b>3,084.0</b>
<b>Shareholder's Equity</b>	<b>780.8</b>	<b>1,134.7</b>

(1) Working capital excluding cash and short-term investments and short-term debt

# Q2 FY26 Guidance (Non-GAAP)

*Guidance is based on our expectations as of today and will not be updated or confirmed*

<i>\$ in millions except for EPS, % of revenue</i>	<b>Q1 FY26 Actual</b>	<b>Q2 FY26 Guidance</b>
<b>Revenue</b>	<b>\$533.8</b>	<b>\$630 – \$670</b>
<b>Operating Margin</b>	<b>18.7%</b>	<b>20.0% – 22.0%</b>
<b>Diluted EPS</b>	<b>\$1.10</b>	<b>\$1.30 – \$1.50</b>
<b>Diluted Shares – M</b>	<b>78.3</b>	<b>83.5</b>

- **Mid-point of revenue guidance assumes:**
  - Components up Q/Q
  - Systems up Q/Q
- **FY26 non-GAAP effective tax rate of 16.5%**



Thank you

