KEYSIGHT TECHNOLOGIES, INC.
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KEYSIGHT TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(In millions, except per share data)
(Unaudited)
PRELIMINARY

	Three months ended October 31,		Year ended October 31,	
	2026	2025	2026	2025
Orders	$ 2,339	$ 1,533	$ 8,126	$ 5,452
Revenue	$ 1,994	$ 1,419	$ 7,157	$ 5,375
Costs and expenses:				
Cost of products and services	673	550	2,447	2,038
Research and development	318	258	1,253	1,007
Selling, general and administrative	421	399	1,770	1,474
Other operating expense (income), net	(4)	(5)	(15)	(20)
Total costs and expenses	1,408	1,202	5,455	4,499
Income from operations	586	217	1,702	876
Interest income	24	31	78	102
Interest expense	(27)	(28)	(107)	(96)
Other income (expense), net	1	102	4	200
Income from continuing operations before taxes	584	322	1,677	1,082
Provision for income taxes	97	70	163	213
Net income from continuing operations, net of income taxes	487	252	1,514	869
Net loss from discontinued operations, net of income taxes	(1)	(19)	(1)	(19)
Net income	$ 486	$ 233	$ 1,513	$ 850
Basic income (loss) per share:				
Net income per share from continuing operations	$ 2.86	$ 1.47	$ 8.86	$ 5.04
Net loss per share from discontinued operations	—	(0.11)	—	(0.11)
Net income per share	$ 2.86	$ 1.36	$ 8.86	$ 4.93
Diluted income (loss) per share:				
Net income per share from continuing operations	$ 2.82	$ 1.46	$ 8.75	$ 5.02
Net loss per share from discontinued operations	—	(0.11)	—	(0.11)
Net income per share	$ 2.82	$ 1.35	$ 8.75	$ 4.91
Weighted average shares used in computing net income (loss) per share:				
Basic	170	172	171	172
Diluted	172	173	173	173

KEYSIGHT TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(In millions, except par value and share data)
(Unaudited)
PRELIMINARY

	October 31, 2026	October 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,916	$ 1,873
Accounts receivable, net	1,252	939
Inventory	1,130	1,050
Other current assets	598	486
Total current assets	5,896	4,348
Property, plant and equipment, net	771	795
Operating lease right-of-use assets	213	236
Goodwill	3,437	3,424
Other intangible assets, net	1,043	1,304
Long-term investments	191	211
Long-term deferred tax assets	335	373
Other assets	684	610
Total assets	$ 12,570	$ 11,301
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 700	$ —
Accounts payable	489	355
Employee compensation and benefits	481	399
Deferred revenue	725	652
Income and other taxes payable	204	207
Operating lease liabilities	52	51
Other accrued liabilities	210	186
Total current liabilities	2,861	1,850
Long-term debt	1,809	2,534
Retirement and post-retirement benefits	55	75
Long-term deferred revenue	277	232
Long-term operating lease liabilities	168	193
Other long-term liabilities	448	536
Total liabilities	5,618	5,420
Stockholders' equity:		
Preferred stock; $0.01 par value; 100 million shares authorized; none issued and outstanding	—	—
Common stock; $0.01 par value; 1 billion shares authorized; 203 million and 202 million shares issued, respectively	2	2
Treasury stock, at cost; 33.1 million shares and 30.8 million shares, respectively	(4,470)	(3,799)
Additional paid-in-capital	3,097	2,851
Retained earnings	8,588	7,075
Accumulated other comprehensive loss	(265)	(248)
Total stockholders' equity	6,952	5,881
Total liabilities and equity	$ 12,570	$ 11,301

KEYSIGHT TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(In millions)
(Unaudited)
PRELIMINARY

	Year ended October 31,	
	2026	**2025**
Cash flows from operating activities:		
Net income	$ 1,513	$ 850
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	153	131
Amortization	267	145
Share-based compensation	226	162
Deferred tax expense (benefit)	(51)	(116)
Excess and obsolete inventory-related charges	41	43
Gain on sale of investments	(6)	(21)
Unrealized loss (gain) on investments	50	(93)
Other non-cash expenses (income), net	16	6
Changes in assets and liabilities, net of effects of businesses acquired and divested:		
Accounts receivable	(327)	23
Inventory	(120)	(24)
Accounts payable	99	26
Employee compensation and benefits	79	47
Deferred revenue	109	35
Income taxes payable	(44)	105
Income taxes receivable	(5)	105
Other assets and liabilities	(114)	(15)
Net cash provided by operating activities[(a)]	1,886	1,409
Cash flows from investing activities:		
Investments in property, plant and equipment	(139)	(127)
Acquisitions of businesses and intangible assets, net of cash acquired	(33)	(2,022)
Proceeds from divestiture	—	399
Proceeds from sale of investments	22	30
Purchase of investments	(44)	(7)
Other investing activities	4	—
Net cash used in investing activities	(190)	(1,727)
Cash flows from financing activities:		
Proceeds from issuance of common stock under employee stock plans	68	63
Payment of taxes related to net share settlement of equity awards	(43)	(39)
Treasury stock repurchases, including excise tax payments	(669)	(377)
Proceeds from issuance of long-term debt	—	748
Payment of acquisition-related consideration	(21)	—
Debt issuance costs	(1)	(8)
Other financing activities	—	(2)
Net cash provided by (used in) financing activities	(666)	385
Effect of exchange rate movements	6	9
Net increase (decrease) in cash, cash equivalents, and restricted cash	1,036	76
Cash, cash equivalents, and restricted cash at beginning of year	1,890	1,814
Cash, cash equivalents, and restricted cash at end of year	$ 2,926	$ 1,890

[(a)] Cash payments included in operating activities:

Interest payments	$ 129	$ 77
Income tax paid, net	$ 257	$ 120

KEYSIGHT TECHNOLOGIES, INC.
COMMUNICATIONS SOLUTIONS GROUP (CSG)
(In millions, except percentages)
(Unaudited)
PRELIMINARY

	FY 2026				
	Q1	Q2	Q3	Q4	Total
Revenue	$ 1,124	$ 1,231	$ 1,345	$ 1,496	$ 5,196
Gross margin, %	68.5%	74.1%	70.8%	70.6%	71.0%
Income from operations	$ 309	$ 411	$ 458	$ 555	$ 1,733
Operating margin, %	27.5%	33.4%	34.0%	37.1%	33.4%

	FY 2025				
	Q1	Q2	Q3	Q4	Total
Revenue	$ 883	$ 913	$ 940	$ 990	$ 3,726
Gross margin, %	68.0%	66.9%	66.7%	65.9%	66.9%
Income from operations	$ 240	$ 236	$ 246	$ 264	$ 986
Operating margin, %	27.2%	25.9%	26.1%	26.7%	26.5%

Segment revenue and income from operations is consistent with the respective non-GAAP financial measures as discussed on last page.

KEYSIGHT TECHNOLOGIES, INC.
ELECTRONIC INDUSTRIAL SOLUTIONS GROUP (EISG)
(In millions, except percentages)
(Unaudited)
PRELIMINARY

	FY 2026				
	Q1	Q2	Q3	Q4	Total
Revenue	$ 476	$ 486	$ 501	$ 498	$ 1,961
Gross margin, %	62.4%	67.8%	64.1%	64.2%	64.6%
Income from operations	$ 130	$ 161	$ 155	$ 159	$ 605
Operating margin, %	27.2%	33.1%	31.0%	32.0%	30.9%

	FY 2025				
	Q1	Q2	Q3	Q4	Total
Revenue	$ 415	$ 393	$ 412	$ 429	$ 1,649
Gross margin, %	61.1%	59.4%	57.4%	60.4%	59.6%
Income from operations	$ 114	$ 92	$ 92	$ 109	$ 407
Operating margin, %	27.4%	23.4%	22.3%	25.4%	24.7%

Segment revenue and income from operations is consistent with the respective non-GAAP financial measures as discussed on last page.

KEYSIGHT TECHNOLOGIES, INC.
GROSS PROFIT AND OPERATING MARGIN RECONCILIATIONS
(In millions, except percentages)
(Unaudited)
PRELIMINARY

Reconciliation of gross profit to non-GAAP gross profit

	Three months ended October 31,		Year ended October 31,	
	2026	**2025**	**2026**	**2025**
Gross profit, as reported	$ 1,321	$ 869	$ 4,710	$ 3,337
Amortization of acquisition-related balances	44	25	194	83
Share-based compensation	8	12	45	40
Acquisition and integration costs	2	—	3	1
Restructuring and others	1	6	6	13
Non-GAAP gross profit	$ 1,376	$ 912	$ 4,958	$ 3,474
GAAP gross margin, %	66.3%	61.3%	65.8%	62.1%
Non-GAAP gross margin, %	69.0%	64.3%	69.3%	64.6%

Reconciliation of income from operations to non-GAAP income from operations

	Three months ended October 31,		Year ended October 31,	
	2026	**2025**	**2026**	**2025**
Income from operations, as reported	$ 586	$ 217	$ 1,702	$ 876
Amortization of acquisition-related balances	65	41	283	141
Share-based compensation	45	45	227	176
Acquisition and integration costs	6	54	95	152
Restructuring and others	12	16	31	48
Non-GAAP income from operations	$ 714	$ 373	$ 2,338	$ 1,393
GAAP operating margin, %	29.4%	15.3%	23.8%	16.3%
Non-GAAP operating margin, %	35.8%	26.3%	32.7%	25.9%

Please refer to the last page for details on the use of non-GAAP financial measures.

KEYSIGHT TECHNOLOGIES, INC.
IEEPA TARIFF REFUND CLAIMS
(In millions, except where noted)
(Unaudited)
PRELIMINARY

	Operating results	IEEPA tariff refund claims[(a)]	Reported
Revenue	$ 7,198	$ (40)	$ 7,157
Gross profit	$ 4,904	$ 54	$ 4,958
Gross margin, %	68.1%	1.1%	69.3%
Income from operations	$ 2,280	$ 58	$ 2,338
Operating margin, %	31.7%	1.0%	32.7%
Net income	$ 1,974	$ 53	$ 2,027
EPS	$ 11.41	$ 0.31	$ 11.72

[(a)] Reflects the claims for recovery of IEEPA tariffs previously paid, including related statutory interest on tariff refunds, as well as the refund of tariff surcharges previously collected from customers, with a corresponding reduction to revenue in the condensed consolidated statement of operations.

Non-GAAP measures, except revenue. Please refer to the last page for details on the use of non-GAAP financial measures.
Amounts in table above may not total due to rounding.

KEYSIGHT TECHNOLOGIES, INC.
RECONCILIATION OF CORE REVENUE
(In millions)
(Unaudited)
PRELIMINARY

	Year-over-year			Year-over-year		
	Q4'26	Q4'25	Percent Inc/(Dec)	FY26	FY25	Percent Inc/(Dec)
Revenue	$ 1,994	$ 1,419	41%	$ 7,157	$ 5,375	33%
Adjustments:						
Revenue from acquisitions or divestitures	(73)	—		(348) [(a)]	—	
Currency impacts	6	—		(21)	—	
Core Revenue	$ 1,927	$ 1,419	36%	$ 6,788	$ 5,375	26%

[(a)] Reflects FY26 revenue from acquired businesses within 12 months of transaction close (Spirent, October 15, 2025; Synopsys' Optical Solutions Group and Ansys' PowerArtist, October 17, 2025)

Please refer last page for discussion on our non-GAAP financial measures.

KEYSIGHT TECHNOLOGIES, INC.
OPERATING EXPENSES RECONCILIATIONS
(In millions)
(Unaudited)
PRELIMINARY

Reconciliation of research & development expenses to non-GAAP research & development expenses

	Three months ended October 31,		Year ended October 31,	
	2026	2025	2026	2025
Research & development expenses, as reported	$ 318	$ 258	$ 1,253	$ 1,007
Share-based compensation	(13)	(10)	(62)	(44)
Acquisition and integration costs	—	—	(5)	(1)
Restructuring and others	(2)	(2)	(4)	(8)
Non-GAAP research & development expenses	$ 303	$ 246	$ 1,182	$ 954

Reconciliation of selling, general & administrative expenses to non-GAAP selling, general & administrative expenses

	Three months ended October 31,		Year ended October 31,	
	2026	2025	2026	2025
Selling, general & administrative expenses, as reported	$ 421	$ 399	$ 1,770	$ 1,474
Amortization of acquisition-related balances	(21)	(16)	(89)	(58)
Share-based compensation	(24)	(23)	(120)	(92)
Acquisition and integration costs	(4)	(54)	(87)	(150)
Restructuring and others	(9)	(8)	(21)	(27)
Non-GAAP selling, general & administrative expenses	$ 363	$ 298	$ 1,453	$ 1,147

Reconciliation of other operating expense (income), net to non-GAAP other operating expense (income), net

	Three months ended October 31,		Year ended October 31,	
	2026	2025	2026	2025
Other operating expense (income), net, as reported	$ (4)	$ (5)	$ (15)	$ (20)
Non-GAAP other operating expense (income), net	$ (4)	$ (5)	$ (15)	$ (20)

Reconciliation of operating expenses to non-GAAP operating expenses

	Three months ended October 31,		Year ended October 31,	
	2026	2025	2026	2025
Operating expenses, as reported	$ 735	$ 652	$ 3,008	$ 2,461
Amortization of acquisition-related balances	(21)	(16)	(89)	(58)
Share-based compensation	(37)	(33)	(182)	(136)
Acquisition and integration costs	(4)	(54)	(92)	(151)
Restructuring and others	(11)	(10)	(25)	(35)
Non-GAAP operating expenses	$ 662	$ 539	$ 2,620	$ 2,081

Please refer to the last page for details on the use of non-GAAP financial measures.

KEYSIGHT TECHNOLOGIES, INC.
NET INCOME AND DILUTED EPS RECONCILIATION
(In millions, except per share data)
(Unaudited)
PRELIMINARY

	Three months ended October 31,				Year ended October 31,			
	2026		2025		2026		2025	
	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS
GAAP Net income	$ 486	$ 2.82	$ 233	$ 1.35	$ 1,513	$ 8.75	$ 850	$ 4.91
Less: Net loss from discontinued operations, net of income taxes	(1)	—	(19)	(0.11)	(1)	—	(19)	(0.11)
Net income from continuing operations, net of income taxes	487	2.82	252	1.46	1,514	8.75	869	5.02
Non-GAAP adjustments:								
Amortization of acquisition-related balances	65	0.38	41	0.24	283	1.63	141	0.81
Share-based compensation	45	0.26	45	0.26	227	1.31	176	1.02
Acquisition and integration costs	6	0.04	36	0.21	94	0.55	106	0.61
Restructuring and others	12	0.07	16	0.09	32	0.19	51	0.30
Net loss (gain) on investments	12	0.07	(75)	(0.44)	43	0.25	(114)	(0.66)
Adjustment for taxes[(a)]	(4)	(0.03)	16	0.09	(166)	(0.96)	11	0.06
Non-GAAP Net income	$ 623	$ 3.61	$ 331	$ 1.91	$ 2,027	$ 11.72	$ 1,240	$ 7.16
Weighted average shares outstanding - diluted	172		173		173		173	

[(a)] For both the three months and year ended October 31, 2026 and 2025, management uses a non-GAAP effective tax rate of 14%.

Please refer to the last page for details on the use of non-GAAP financial measures.

KEYSIGHT TECHNOLOGIES, INC.
RECONCILIATIONS OF CORE REVENUE BY SEGMENT AND REGION
(In millions)
(Unaudited)
PRELIMINARY

	Year-over-Year							
	Revenue			Revenue from acquisitions or divestitures	Currency impacts	Core revenue		
Revenue by segment	**Q4'26**	**Q4'25**	**YoY % Chg.**	**Q4'26**	**Q4'26**	**Q4'26**	**Q4'25**	**YoY % Chg.**
Communications Solutions Group	$ 1,496	$ 990	51%	$ 61	$ (2)	$ 1,437	$ 990	45%
Electronic Industrial Solutions Group	498	429	16%	12	(4)	490	429	14%
Total revenue	$ 1,994	$ 1,419	41%	$ 73	$ (6)	$ 1,927	$ 1,419	36%

	Revenue			Revenue from acquisitions or divestitures	Currency impacts	Core revenue		
Revenue by region	**Q4'26**	**Q4'25**	**YoY % Chg.**	**Q4'26**	**Q4'26**	**Q4'26**	**Q4'25**	**YoY % Chg.**
Americas	$ 792	$ 581	36%	$ 46	$ —	$ 746	$ 581	29%
Europe	314	257	22%	10	2	302	257	17%
Asia Pacific	888	581	53%	17	(8)	879	581	51%
Total revenue	$ 1,994	$ 1,419	41%	$ 73	$ (6)	$ 1,927	$ 1,419	36%

Please refer to the last page for details on the use of non-GAAP financial measures.

KEYSIGHT TECHNOLOGIES, INC.
REVENUE BY END MARKETS
(In millions)
(Unaudited)
PRELIMINARY

	Q4'26	Q4'25	Percent Inc/(Dec)	FY26	FY25	Percent Inc/(Dec)
Aerospace, Defense and Government	$ 351	$ 330	7%	$ 1,429	$ 1,238	15%
Commercial Communications	1,145	660	73%	3,767	2,488	51%
Electronic Industrial	498	429	16%	1,961	1,649	19%
Total Revenue	$ 1,994	$ 1,419	41%	$ 7,157	$ 5,375	33%

KEYSIGHT TECHNOLOGIES, INC.
FREE CASH FLOW
(In millions)
(Unaudited)
PRELIMINARY

	Three months ended October 31,		Year ended October 31,	
	2026	**2025**	**2026**	**2025**
Net cash provided by operating activities	$ 507	$ 225	$ 1,886	$ 1,409
Adjustments:				
Investments in property, plant and equipment	(42)	(37)	(139)	(127)
Free cash flow	$ 465	$ 188	$ 1,747	$ 1,282

Please refer to the last page for details on the use of non-GAAP financial measures.

Non-GAAP Financial Measures

Our financial results are prepared in accordance with generally accepted accounting principles in the U.S. ("GAAP"). To provide investors with additional insight, management uses both GAAP and non-GAAP financial measures to analyze and assess the overall performance of the business, to make operating decisions and to forecast and plan for future periods. We believe that our investors benefit from seeing our results "through the eyes of management" in addition to seeing our GAAP results. This information enhances investors' understanding of the continuing performance of our business and facilitates comparison of performance to our historical and future periods.

Our non-GAAP financial measures may not be comparable to similarly titled measures used by other companies, including industry peer companies, limiting the usefulness of these measures for comparative purposes.

These non-GAAP measures should be considered supplemental to and not a substitute for financial information prepared in accordance with GAAP. The discussion below presents information about each of the non-GAAP financial measures and the company's reasons for including or excluding certain categories of income or expenses from our non-GAAP results. In future periods, we may exclude such items and may incur income and expenses similar to these excluded items. Accordingly, adjustments for these items and other similar items in our non-GAAP presentation should not be interpreted as implying that these items are non-recurring, infrequent or unusual.

The following items are excluded from our non-GAAP financial measures:

- *Acquisition-related items:* We exclude the impact of certain items recorded in connection with business combinations from our non-GAAP financial measures that are either non-cash or not normal, recurring operating expenses due to their nature, variability of amounts and lack of predictability as to occurrence or timing. These amounts may include non-cash items such as the amortization of acquired intangible assets and amortization of items associated with fair value purchase accounting adjustments. We also exclude other acquisition and integration costs associated with business acquisitions that are not normal recurring operating expenses, including gains/losses on foreign exchange contracts and legal, accounting and due diligence costs. While we have a history of acquisition activity, we do not acquire businesses on a predictable cycle, and the amount of an acquisition's purchase price allocated to intangible assets and the related amortization term are unique to each acquisition and can vary significantly from acquisition to acquisition.

- *Share-based compensation expense:* We exclude share-based compensation expense from our non-GAAP financial measures as it is primarily a non-cash charge and can vary significantly from period to period based on the company's share price, as well as the timing, size and nature of equity awards granted. Share-based compensation expenses will recur in future periods. Management believes the exclusion of this expense facilitates the ability of investors to compare the company's operating results with those of other companies, many of which also exclude share-based compensation expense in determining their non-GAAP financial measures.
- *Restructuring and others:* We exclude incremental expenses associated with restructuring initiatives, including those of acquired entities, that are usually aimed at material changes in the business or cost structure. Such costs may include employee separation costs, facility-related costs, contract termination fees, and costs to move operations from one location to another. These activities can vary significantly from period to period based on the timing, size and nature of restructuring plans; therefore, we do not consider such costs to be normal, recurring operating expenses.

  We also exclude "others," not normal, recurring, cash operating income/expenses from our non-GAAP financial measures. Such items are evaluated on an individual basis, based on both quantitative and qualitative factors and generally represent items that we do not anticipate occurring as part of our normal business. While not all-inclusive, examples of such items would include significant non-recurring events like realized gains or losses associated with our employee benefit plans, asset impairments, costs and recoveries related to unusual events, gains/losses on sale of assets/divestitures, adjustment attributable to non-controlling interest, etc. We believe that these costs do not reflect expected future operating expenses and do not contribute to a meaningful evaluation of the company's current operating performance or comparisons to our operating performance in other periods.
- *Net gains/losses on investments*: We also exclude net gains and losses on investments, which primarily represent profits or losses recognized from changes in the fair value and/or sale of securities. Such fluctuations are driven by market conditions and factors beyond our control and are not indicative of the Company's core operating results.
- *Estimated tax rate:* We utilize a consistent methodology for long-term projected non-GAAP tax rate. When projecting this long-term rate, we exclude any tax benefits or expenses that are not directly related to ongoing operations and which are either isolated or cannot be expected to occur again with any regularity or predictability. Additionally, we evaluate our current long-term projections, current tax structure and other factors, such as existing tax positions in various jurisdictions and key tax holidays in major jurisdictions where Keysight operates. This tax rate could change in the future for a variety of reasons, including but not limited to significant changes in geographic earnings mix including acquisition activity, or fundamental tax law changes in major jurisdictions where Keysight operates. The above reasons also limit our ability to reasonably estimate the future GAAP tax rate and provide a reconciliation of the expected non-GAAP earnings per share for the first quarter of fiscal 2027 to the GAAP equivalent.

Management recognizes that these items can have a material impact on our cash flows and/or our net income. Our GAAP financial statements, including our Condensed Consolidated Statement of Cash Flows, portray those effects. Although we believe it is useful for investors to see core performance free of special items, investors should understand that the excluded costs are actual expenses that may impact the cash available to us for other uses. To gain a complete picture of all effects on the company's profit and loss from any and all events, management does (and investors should) rely upon the Condensed Consolidated Statement of Operations prepared in accordance with GAAP. The non-GAAP measures focus instead upon the core business of the company, which is only a subset, albeit a critical one, of the company's performance.

Core Revenue/Margin excludes the impact of a) foreign currency changes and b) revenue/expenses associated with acquisitions or divestitures completed within the last twelve months. We exclude from the current period the impact of foreign currency changes as currency rates can fluctuate based on factors outside our control and may obscure underlying growth trends. To determine this impact, current period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the actual exchange rates in effect during the respective prior periods. Given the nature, size and number of acquisitions can vary significantly from period to period and as compared to our peers, we also exclude revenue/expenses associated with recently acquired businesses to facilitate comparisons of growth and analysis of underlying business trends.

Free cash flow includes cash provided by operating activities calculated according to GAAP less net investments in property, plant and equipment. Management believes free cash flow provides useful supplemental information regarding the company's ability to generate cash after investments required to support ongoing business operations and facilitates an evaluation of the company's liquidity, financial flexibility, and capital allocation priorities.

Percentages and period-over-period changes are calculated using underlying unrounded values and may not precisely reconcile to the rounded figures presented.