

Lam Research Corporation

September quarter 2026 financial results

October 21, 2026

Cautionary statement regarding forward-looking statements

This presentation and the accompanying discussion contain “forward-looking statements” under U.S. securities laws. Forward-looking statements include any statements that are not statements of historical fact. Examples of forward-looking statements include, but are not limited to: (1) anticipated or expected business, balance sheet, cash flow, and financial measures and results and related drivers, including guidance or expectations, whether on a GAAP or non-GAAP basis, regarding revenue, gross margin, operating margin, earnings per share, share count, tax rate, variability in other income and expense, R&D and capital spending, and inventory growth; (2) economic, market, industry, and industry segment expectations or trends, including our outlook for calendar years 2026 and 2027 WFE and related assumptions, and demand, device complexity, technology adoption, deposition and etch intensity trends related to AI and related perceived opportunities or benefits, our belief regarding a multiyear investment cycle; (3) product performance, adoption, utilization, and growth trends, and changes in market share or customer requirements, including SAM expansion trends and perceived opportunities for growing SAM and market share, our expected outperformance relative to WFE, and customer focus on installed base efficiency; and (4) our ability to successfully execute business, capital allocation, product and growth plans or strategies, or otherwise deliver value for customers and stockholders, including to drive sustained outperformance, our capital return plans over time, the available amount for repurchase under our share repurchase program, and our progress on our cost scaling and pricing initiatives. Forward-looking statements speak only as of the date they are made and are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied, including: our assumptions related to continued expansion of the wafer fabrication equipment market, continued rapid adoption of AI by enterprises and consumers, growth of deposition and etch intensity, the timing, composition, and amount of customer investments, our SAM and market share growth, and scaling of our operations may prove invalid; business, economic, political, and/or regulatory conditions in the consumer electronics industry, the semiconductor industry and the overall economy, including wafer fabrication equipment spending or demand related to AI, may deteriorate or change; the actions, performance, or investment levels of our customers and competitors may be inconsistent with our expectations; customer and product mix, including across market segments and geographical regions, may change; we may be unable to realize the value of our products and technology, successfully commercialize new products and technologies, implement pricing initiatives, or execute on perceived opportunities; we may be unable to achieve anticipated operational, manufacturing, supply chain, procurement, and scale efficiencies; customer technology transitions, capacity expansions, and fab construction projects may have different timing or be less successful than we expect; we may be unable to manage operating expenses effectively while continuing to invest in research and development, product innovation, customer support, and future growth opportunities; trade regulations, export controls (including entity listings, end use/user controls, technology controls, and foreign direct product rules), tariffs, trade disputes, and other geopolitical developments may inhibit our ability to sell our products or services; supply chain cost increases, tariffs, and other inflationary pressures may continue to impact our profitability; supply chain disruptions or manufacturing capacity constraints may limit our ability to manufacture and sell our products; natural and human-caused disasters, disease outbreaks, war, terrorism, political or governmental unrest or instability, or other events beyond our control may impact our operations and revenue in affected areas; as well as the other factors discussed in our filings with the Securities and Exchange Commission, including specifically the “Risk Factors” described in our most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. You should not place undue reliance on forward-looking statements. Lam undertakes no obligation to update any forward-looking statements, except as required by law.

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A global leader in wafer fabrication equipment and services since 1980

$23.2B	$2.4B	~24,300
REVENUE*	R&D*	EMPLOYEES
		As of September 27, 2026

14 PRIMARY LOCATIONS

- Fremont, CA
- Livermore, CA
- Sherwood, OR
- Tualatin, OR
- Springfield, OH
- Eaton, OH
- Villach, Austria
- Hwaseong-si, Korea
- Osan, Korea
- Yongin, Korea
- Hsinchu City, Taiwan
- Taoyuan City, Taiwan
- Bengaluru, India
- Batu Kawan, Malaysia



AWARDS AND RECOGNITION

World's Best Employers
Forbes

America's Best Employers for Company Culture
Forbes

World's Greenest Companies
Newsweek

World's Most Admired Companies
Fortune

World's Most Ethical Companies
Ethisphere

Equality 100 Award
Human Rights Campaign

*Revenue and R&D expense are presented on a GAAP basis for fiscal year 2026.

Business review & industry outlook

Tim Archer, President and Chief Executive Officer

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Record revenue and profitability

September quarter: Another record

Gross margin*, operating margin*, EPS* all at record levels

Operating margin* above 40% for the first time

CY26: Expect third consecutive year of WFE outperformance

Expect systems revenue to grow well over 40% for the year

Driven by SAM expansion and share gains

CY27: Rapid AI adoption underpinning WFE growth

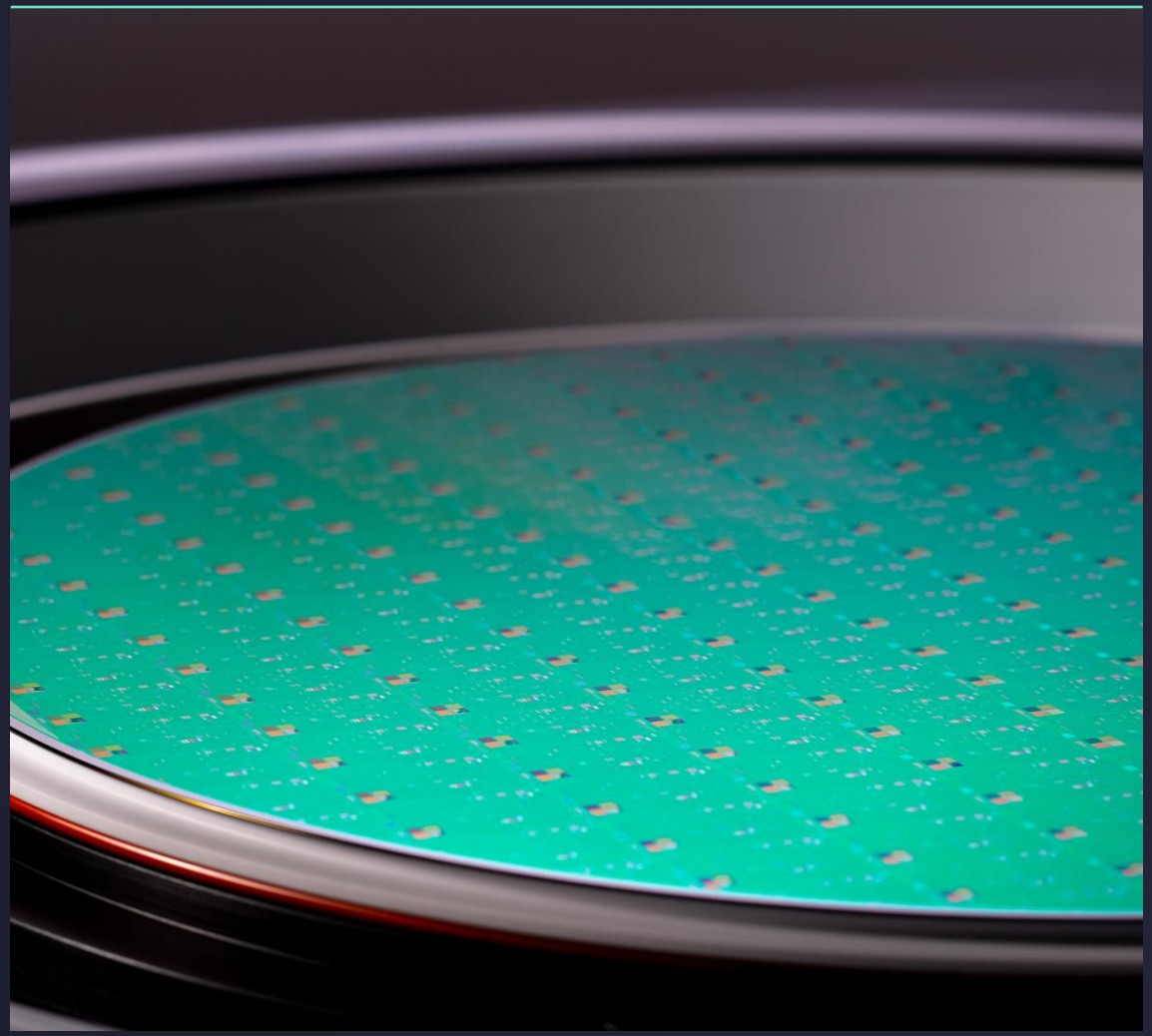
Agentic workflows expanding demand for compute, memory, and storage

WFE: CY26 mid-$150B range | Preliminary CY27 >$200B

Cleanroom space availability and supply chain constraints for certain components limiting industry's ability to fully meet end demand

*A reconciliation of U.S. GAAP results to non-GAAP results can be found at the end of this presentation.

NAND: *AI driving demand for multiple storage tiers*



Expect QLC, TLC, and SLC-class storage tiers, each optimized for different AI workloads, to all grow

SLC storage tier adoption could become a meaningful driver of NAND wafer capacity, requiring more capacity for the same bit demand

Lam well positioned: industry's largest NAND installed base, comprehensive deposition & etch portfolio

Foundry/Logic & DRAM: Winning at key inflections



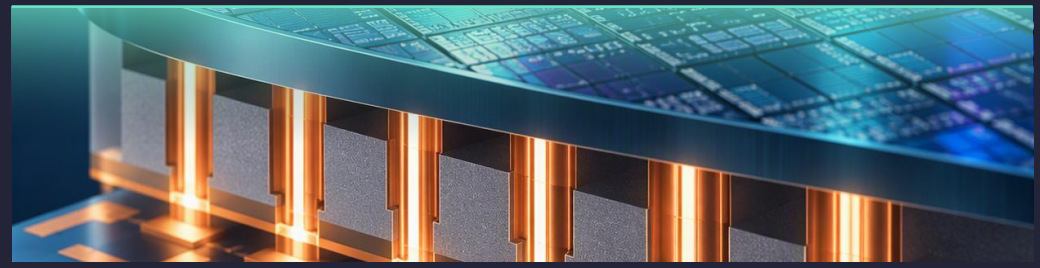
Advanced patterning

Akara® conductor etch

- Adopted by multiple chipmakers

Aether® dry resist

- Ramping in HBM high-volume manufacturing
- Expect ~$2.5B cumulative revenue by the end of the decade



Backside power

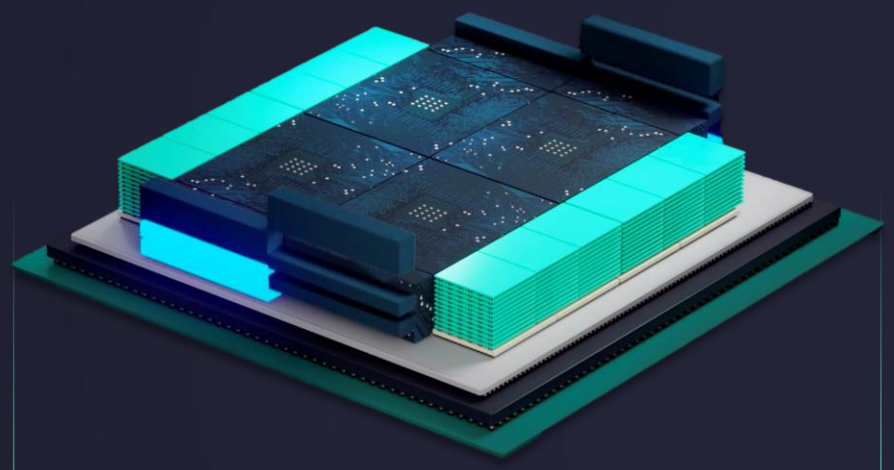
More deposition, plating & etch steps

- Production-proven VECTOR®, SABRE®, Flex®
- Halo gaining traction in emerging Moly applications

Gaining share in expanding SAM

- Tool-of-record wins at a leading customer

Advanced packaging: A major growth driver for Lam



Expect our panel-level packaging position to surpass our strong wafer-level packaging position

TSV & bonding

- Syndion®: four new positions across multiple customers in advanced logic & HBM TSV applications
- Striker® ALD: multiple TSV liner wins
- VECTOR® and TEOS 3D: wins for high-energy bonding films & inter-die gap fill applications

Panel-level packaging

- Panel plating systems shipped to >20 customers
- Kallisto™: differentiated coplanarity and plating uniformity
- Well positioned for glass-core substrates

CSBG: *Exiting CY26 with solid momentum*

- **CY26 revenue expected to grow >30% YoY**
- Broad-based growth across upgrades, spares, services, supported by high fab utilization and customers' focus on installed base efficiency
- Equipment Intelligence® and Dextro™ cobots recently helped secure performance-based service contracts with multiple memory manufacturers
- Expect >15% revenue growth in CY27 YoY



Positioned for sustained outperformance



Early stages of a multiyear investment cycle, with customer visibility extending through 2028



Manufacturing complexity, new materials integration, and advanced packaging driving higher deposition & etch intensity



Technology leadership, growing installed base, and strategic investments in products and capacity position Lam to capitalize on inflections

September quarter 2026 financial results & December quarter 2026 outlook

Doug Bettinger, Executive Vice President and Chief Financial Officer

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September quarter highlights



QSEP'26 REVENUE

$8.22B

QJun'26 revenue: $6.72B

QSEP'26 EARNINGS PER SHARE*

$2.20

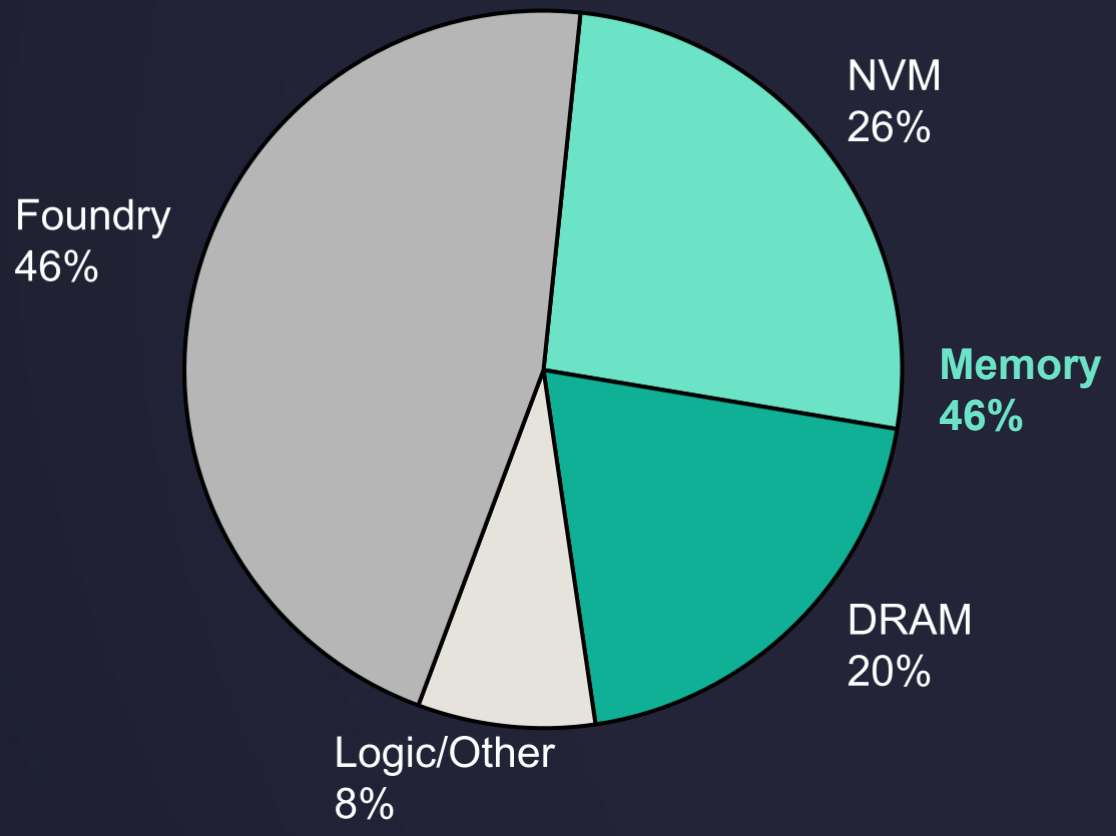
QJun'26 earnings per share*: $1.82

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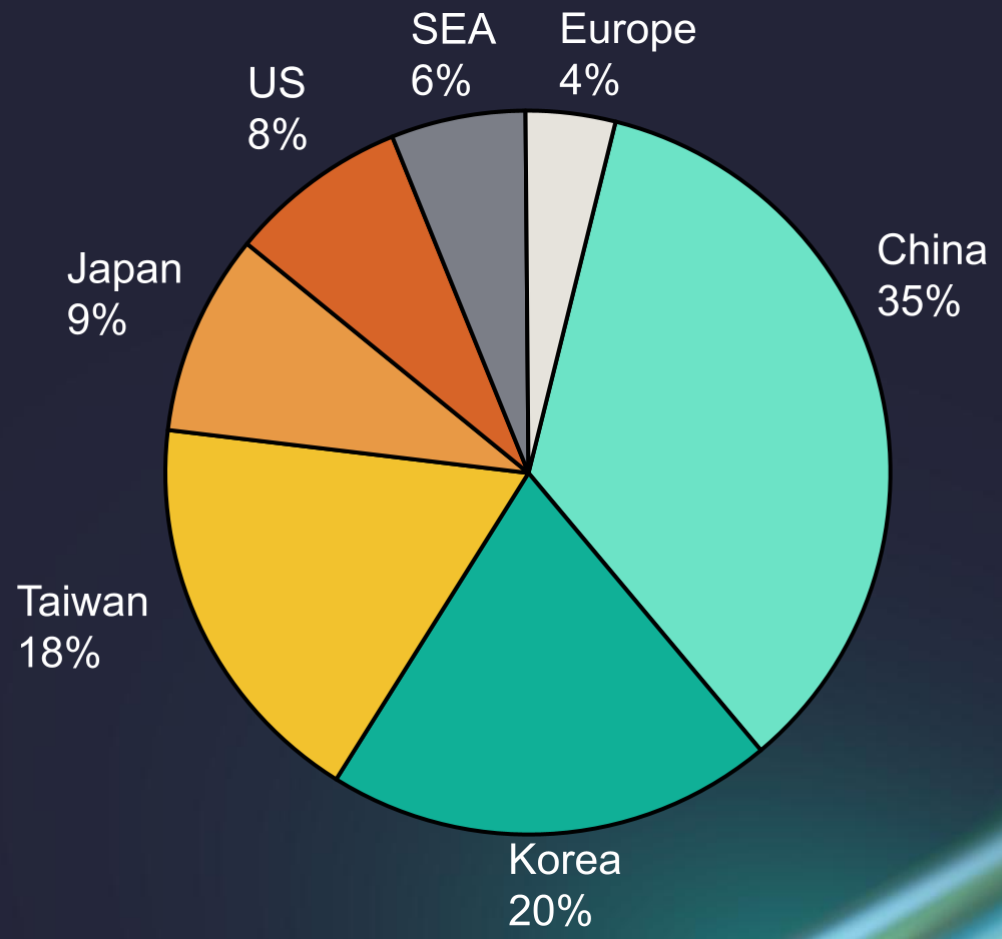
*Data is presented on a non-GAAP basis. Reconciliations of U.S. GAAP results to non-GAAP results can be found at the end of this presentation. Based on a diluted share count of approximately 1.256 billion shares for QSep'26 and 1.256 billion shares for QJun'26.

September quarter revenue mix

SYSTEMS REVENUE BY MARKET SEGMENT*



REVENUE BY REGION



*Systems revenue includes equipment and equipment upgrade sales from etch, deposition, clean, and our Reliant® product line.

Customer Support Business Group



QSEP'26 CSBG REVENUE

$2.49B

QJun'26 CSBG revenue: $2.47B

QSep'25 CSBG revenue: $1.78B

September quarter financial results

	QSEP'26	QJUN'26
Revenue	**$8,219M**	$6,722M
Non-GAAP Gross Margin*	**52.4 %**	52.0 %
Non-GAAP Operating Expenses*	**$1,004M**	$916M
Non-GAAP Operating Income*	**$3,301M**	$2,581M
Non-GAAP Operating Income as a percentage of Revenue*	**40.2 %**	38.4 %
Non-GAAP Other Income (Expense), Net*	**$16M**	($19M)
Non-GAAP Income Tax Rate*	**16.5 %**	11.0 %
U.S. GAAP Diluted EPS	**$2.19**	$1.81
Non-GAAP Diluted EPS*	**$2.20**	$1.82
Diluted Share Count	**1,256M**	1,256M

*A reconciliation of U.S. GAAP results to non-GAAP results can be found at the end of this presentation.

Capital return and key financial metrics

	QSEP'26	QJUN'26
Share Repurchases	**$1,011M**	$246M
Cash Dividends	**$325M**	$325M
Total Consolidated Gross Cash Balance	**$7,451M**	$5,598M
Account Receivables, Net	**$5,658M**	$5,340M
Days Sales Outstanding	**63 Days**	72 Days
Inventories	**$4,551M**	$4,276M
Inventory Turns	**3.4**	3.0
Deferred Revenue*	**$2,661M**	$2,434M
Equity Compensation Expense	**$115M**	$104M
Amortization Expense	**$16M**	$15M
Depreciation Expense	**$106M**	$105M
Capital Expenditures	**$258M**	$189M
Headcount	**~24,300**	~22,400

*Lam's deferred revenue balance does not include shipments to customers in Japan, to whom title does not transfer until customer acceptance. Estimated future revenue from shipments to customers in Japan was approximately $468M as of September 27, 2026 and $490M as of June 28, 2026.

December 2026 quarter guidance

$8.60B +/- $400M
Revenue

52.5% +/- 1%
Non-GAAP gross margin*

40.5% +/- 1%
Non-GAAP operating margin*

$2.33 +/- $0.15**
Non-GAAP earnings per share*

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*A reconciliation of U.S. GAAP projected results to non-GAAP projected results can be found at the end of this presentation.
**Based on a diluted share count of approximately 1.253 billion shares.

Q&A

Appendix – reconciliation

Reconciliation of U.S. GAAP Net Income to Non-GAAP Net Income
(in thousands, except per share data)
(unaudited)

	Three Months Ended	
	September 27, 2026	June 28, 2026
U.S. GAAP net income	$ 2,753,138	$ 2,277,282
Pre-tax non-GAAP items:		
Amortization related to intangible assets acquired through certain business combinations - cost of goods sold	2,668	2,668
Elective deferred compensation ("EDC") related liability valuation increase - cost of goods sold	3,498	15,379
Workforce optimization charges - cost of goods sold	—	549
EDC related liability valuation increase - research and development	6,299	27,682
Workforce optimization charges - research and development	—	960
Amortization related to intangible assets acquired through certain business combinations - selling, general and administrative	348	348
EDC related liability valuation increase - selling, general and administrative	4,199	18,454
Workforce optimization charges - selling, general and administrative	—	1,388
Amortization of note discounts - other income (expense), net	508	504
Gain on EDC related asset - other income (expense), net	(12,870)	(61,325)
Net income tax benefit on non-GAAP items	(825)	(3,921)
Income tax expense from a change in tax law	11,454	—
Non-GAAP net income	$ 2,768,417	$ 2,279,968
Non-GAAP net income per diluted share	$ 2.20	$ 1.82
U.S. GAAP net income per diluted share	$ 2.19	$ 1.81
U.S. GAAP and non-GAAP number of shares used for per diluted share calculation	1,255,768	1,256,032

Appendix – reconciliation

Reconciliation of U.S. GAAP Gross Margin, Operating Expenses and Operating Income to Non-GAAP Gross Margin, Operating Expenses and Operating Income
(in thousands, except percentages)
(unaudited)

	Three Months Ended	
	September 27, 2026	June 28, 2026
U.S. GAAP gross margin	$ 4,298,853	$ 3,478,740
Pre-tax non-GAAP items:		
Amortization related to intangible assets acquired through certain business combinations	2,668	2,668
EDC related liability valuation increase	3,498	15,379
Workforce optimization charges	—	549
Non-GAAP gross margin	$ 4,305,019	$ 3,497,336
U.S. GAAP gross margin as a percent of revenue	52.3 %	51.7 %
Non-GAAP gross margin as a percent of revenue	52.4 %	52.0 %
U.S. GAAP operating expenses	$ 1,015,126	$ 965,252
Pre-tax non-GAAP items:		
Amortization related to intangible assets acquired through certain business combinations	(348)	(348)
EDC related liability valuation increase	(10,498)	(46,136)
Workforce optimization charges	—	(2,348)
Non-GAAP operating expenses	$ 1,004,280	$ 916,420
U.S. GAAP operating income	$ 3,283,727	$ 2,513,488
Non-GAAP operating income	$ 3,300,739	$ 2,580,916
U.S. GAAP operating margin	40.0 %	37.4 %
Non-GAAP operating margin	40.2 %	38.4 %

Appendix – reconciliation

Reconciliation of U.S. GAAP Other Income (Expense), Net to Non-GAAP Other Income (Expense), Net
(in thousands)
(unaudited)

	Three Months Ended	
	September 27, 2026	June 28, 2026
U.S. GAAP Other income (expense), net	$ 28,493	$ 41,654
Pre-tax non-GAAP items:		
Amortization of note discounts	508	504
Gain on EDC related asset	(12,870)	(61,325)
Non-GAAP Other income (expense), net	$ 16,131	$ (19,167)

Appendix – reconciliation

Calculation of Free Cash Flows
(in thousands)
(unaudited)

	Three Months Ended September 27, 2026	Calendar Year to Date September 27, 2026
U.S. GAAP net cash provided by operating activities	$ 3,497,652	$ 6,096,300
U.S. GAAP cash used for capital expenditures and intangible assets	(257,697)	(778,102)
Total free cash flow	$ 3,239,955	$ 5,318,198

Appendix – reconciliation

Reconciliation of U.S. GAAP Income Tax Rate to Non-GAAP Income Tax Rate
(in thousands, except percentages)
(unaudited)

	Three Months Ended	
	September 27, 2026	June 28, 2026
U.S. GAAP income before income taxes	$ 3,312,220	$ 2,555,142
U.S. GAAP income tax expense	$ 559,082	$ 277,860
U.S. GAAP income tax rate	16.9 %	10.9 %
Pre-tax non-GAAP items:		
Amortization related to intangible assets acquired through certain business combinations - cost of goods sold	$ 2,668	$ 2,668
EDC related liability valuation increase - cost of goods sold	3,498	15,379
Workforce optimization charges - cost of goods sold	—	549
EDC related liability valuation increase - research and development	6,299	27,682
Workforce optimization charges - research and development	—	960
Amortization related to intangible assets acquired through certain business combinations - selling, general and administrative	348	348
EDC related liability valuation increase - selling, general and administrative	4,199	18,454
Workforce optimization charges - selling, general and administrative	—	1,388
Amortization of note discounts - other income (expense), net	508	504
Gain on EDC related asset - other income (expense), net	(12,870)	(61,325)
Non-GAAP income before taxes	$ 3,316,870	$ 2,561,749
Net income tax benefit on non-GAAP items	$ 825	$ 3,921
Income tax expense from a change in tax law	$ (11,454)	$ —
Non-GAAP income tax expense	$ 548,453	$ 281,781
Non-GAAP income tax rate	16.5 %	11.0 %

Appendix – reconciliation

Reconciliation of U.S. GAAP to Non-GAAP Guidance for the quarter ended December 27, 2026

	U.S. GAAP			Reconciling Items	Non-GAAP		
Revenue	$8.60 Billion	+/-	$400 Million	—	$8.60 Billion	+/-	$400 Million
Gross margin as a percentage of revenue	52.5%	+/-	1%	$ 2.7 Million	52.5%	+/-	1%
Operating income as a percentage of revenue	40.5%	+/-	1%	$ 3.0 Million	40.5%	+/-	1%
Net income per diluted share	$2.33	+/-	$0.15	$ 3.3 Million	$2.33	+/-	$0.15
Diluted share count	1.253 Billion			—	1.253 Billion		

The information provided above is only an estimate of what the Company believes is realizable as of the date of this release and does not incorporate the potential impact of any business combinations, asset acquisitions, divestitures, restructuring, balance sheet valuation adjustments, financing arrangements, other investments, or other items that may be completed or realized after the date of this release, except as described below. U.S. GAAP to non-GAAP reconciling items provided include only those items that are known and can be estimated as of the date of this release. Actual results will vary from this model and the variations may be material. Reconciling items included above are as follows:

- Gross margin - amortization related to intangible assets acquired through certain business combinations, $2.7 million.
- Operating margin - amortization related to intangible assets acquired through certain business combinations, $3.0 million.
- Net income per diluted share - amortization related to intangible assets acquired through certain business combinations, $3.0 million; amortization of note discounts, $0.5 million; and associated tax benefit for non-GAAP items ($0.2 million); totaling $3.3 million.

Glossary

ACRONYM	DEFINITION
AI	Artificial intelligence
ALD	Atomic layer deposition
CSBG	Customer Support Business Group
CY	Calendar year
DRAM	Dynamic random-access memory
EPS	Earnings per share
EUV	Extreme ultraviolet (lithography)
GAAP	Generally accepted accounting principles
HBM	High-bandwidth memory
KV (KV-cache)	Key-value cache
Moly	Molybdenum
NA	Numerical aperture

ACRONYM	DEFINITION
NAND	Short for “NOT AND” flash memory
NVM	Non-volatile memory
QLC	Quad-level cell
R&D	Research and development
SAM	Served available market
SEA	Southeast Asia
SLC	Single-level cell
TLC	Triple-level cell
TSV	Through-silicon via
WFE	Wafer fabrication equipment
YoY	Year-over-year
YTD	Year-to-date


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