

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
Date of report (Date of earliest event reported): May 5, 2026

**Mercury Systems, Inc.**

(Exact Name of Registrant as Specified in its Charter)

Massachusetts  
(State or Other Jurisdiction  
of Incorporation)

001-41194  
(Commission File Number)

04-2741391  
(IRS Employer  
Identification No.)

50 Minuteman Road, Andover, Massachusetts  
(Address of Principal Executive Offices)

01810  
(Zip Code)

Registrant's telephone number, including area code: (978) 256-1300

Not Applicable  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01	MRCY	Nasdaq Global Select Market

**Item 2.02. Results of Operations and Financial Condition.**

On May 5, 2026, Mercury Systems, Inc. (the "Company") issued a press release and an earnings presentation regarding its financial results for the third quarter ended March 27, 2026. The Company's press release and earnings presentation are attached as exhibits 99.1 and 99.2 to this Current Report on Form 8-K and incorporated by reference herein.

Information in Item 2.02 of this Current Report on Form 8-K and the exhibits 99.1 and 99.2 attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing.

**Use of Non-GAAP Financial Measures**

In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, the Company provides adjusted EBITDA, adjusted income, adjusted EPS, and free cash flow, which are non-GAAP financial measures. Adjusted EBITDA, adjusted income, and adjusted EPS exclude certain non-cash and other specified charges. The Company believes these non-GAAP financial measures are useful to help investors more completely understand its past financial performance and prospects for the future. However, the presentation of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for financial information provided in accordance with GAAP. Management believes these non-GAAP financial measures assist in providing a more complete understanding of the Company's underlying operational results and trends, and management uses these measures along with the corresponding GAAP financial measures to manage the Company's business, to evaluate its performance compared to prior periods and the marketplace, and to establish operational goals.

**Item 9.01. Financial Statements and Exhibits.**

**(d) Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
99.1	Press Release dated May 5, 2026
99.2	Earnings Presentation dated May 5, 2026
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Dated: May 5, 2026

MERCURY SYSTEMS, INC.

By: /s/ David E. Farnsworth  
David E. Farnsworth  
Executive Vice President, Chief Financial Officer

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EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press Release, dated May 5, 2026 of Mercury Systems, Inc.</u></a>
<a href="#"><u>99.2</u></a>	<a href="#"><u>Earnings Presentation, dated May 5, 2026 of Mercury Systems, Inc.</u></a>



Innovation That Matters®

FOR IMMEDIATE RELEASE

## Mercury Systems Reports Third Quarter Fiscal 2026 Results

- **Record Q3 FY26 Bookings of \$348 million grew 73.7% year-over-year; book-to-bill of 1.48**
- **Record backlog of approximately \$1.6 billion; up 17.9% year-over-year**
- **Q3 FY26 Revenue of \$236 million; up 11.5% organically year-over-year**
- **GAAP net loss of \$3 million; and adjusted EBITDA of \$36 million, up 46.2% year-over-year**

**ANDOVER, Mass. May 5, 2026** Mercury Systems, Inc. (NASDAQ: MRCY, [www.mrcy.com](http://www.mrcy.com)), reported operating results for the third quarter of fiscal year 2026, ended March 27, 2026.

"We delivered third quarter fiscal 2026 results that were ahead of our expectations, with significant year-over-year growth in backlog, revenue, and adjusted EBITDA," said Bill Ballhaus, Mercury's Chairman and CEO. "Strong demand signals and solid execution contributed to better than expected organic growth and margin expansion this quarter."

"In the third quarter we delivered record bookings of \$348 million, with a 1.48 book-to-bill, resulting in a record backlog of approximately \$1.6 billion. Revenue for the third quarter was \$236 million, up 11.5% year-over-year. GAAP net loss of \$3 million, adjusted EBITDA of \$36 million, and adjusted EBITDA margin of 15.3%, each improving year-over-year."

### Third Quarter Fiscal 2026 Results

Third quarter fiscal 2026 revenues were \$236 million, compared to \$211 million in the third quarter of fiscal 2025.

Total bookings for the third quarter of fiscal 2026 were \$348 million, yielding a book-to-bill ratio of 1.48 for the quarter.

GAAP net loss and loss per share for the third quarter of fiscal 2026 were \$3 million and \$0.04, respectively, compared to GAAP net loss and loss per share of \$19 million and \$0.33, respectively, for the third quarter of fiscal 2025. Adjusted earnings per share ("adjusted EPS") was \$0.27 per share for the third quarter of fiscal 2026, compared to \$0.06 per share in the third quarter of fiscal 2025.

Third quarter fiscal 2026 adjusted EBITDA was \$36 million, compared to \$25 million for the third quarter of fiscal 2025.

Cash flows provided by operating activities in the third quarter of fiscal 2026 were \$6 million, compared to \$30 million in the third quarter of fiscal 2025. Free cash flow, defined as cash flows from operating activities less capital expenditures for property and equipment, was \$(2) million for the third quarter of fiscal 2026 and \$24 million for the third quarter of fiscal 2025.

### **Backlog**

Mercury's total backlog at March 27, 2026 was approximately \$1.6 billion, an approximate \$240 million increase from a year ago. Of the March 27, 2026 total backlog, \$891 million represents orders expected to be recognized as revenue within the next 12 months.

### **Conference Call Information**

Management will host a conference call and simultaneous webcast at 5:00 p.m. ET on Tuesday, May 5, 2026, to discuss Mercury's quarterly financial results, business highlights and outlook. In addition, Company representatives may answer questions concerning business and financial developments and trends, the Company's view on earnings forecasts, and other business and financial matters affecting the Company, the responses to which may contain information that has not been previously disclosed.

To participate in the conference call Q&A as an analyst please register online at <https://events.q4inc.com/analyst/603599389?pwd=RYGqad9c> or dial +1 585 542 9983 by phone using Meeting ID: 603599389. The live listen-only webcast and replay will be available [ir.mrcy.com/events-presentations](http://ir.mrcy.com/events-presentations). A replay of the webcast will be available two hours after the call and archived on the same web page for six months.

**Use of Non-GAAP Financial Measures**

In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, the Company provides adjusted EBITDA, adjusted income, adjusted earnings per share ("adjusted EPS") and free cash flow, which are non-GAAP financial measures. Adjusted EBITDA, adjusted income, and adjusted EPS exclude certain non-cash and other specified charges. The Company believes these non-GAAP financial measures are useful to help investors understand its past financial performance and prospects for the future. However, these non-GAAP measures should not be considered in isolation or as a substitute for financial information provided in accordance with GAAP. Management believes these non-GAAP measures assist in providing a more complete understanding of the Company's underlying operational results and trends, and management uses these measures along with the corresponding GAAP financial measures to manage the Company's business, to evaluate its performance compared to prior periods and the marketplace, and to establish operational goals. A reconciliation of GAAP to non-GAAP financial results discussed in this press release is contained in the attached exhibits.

**Mercury Systems – Innovation that Matters®**

Mercury Systems is a global technology company that delivers mission-critical processing power to the edge, making advanced technologies profoundly more accessible for today's most challenging aerospace and defense missions. The Mercury Processing Platform allows customers to tap into innovative capabilities from silicon to system scale, turning data into decisions on timelines that matter. Mercury's products and solutions are deployed in more than 300 programs and across 35 countries, enabling a broad range of applications in mission computing, sensor processing, command and control, and communications. Mercury is headquartered in Andover, Massachusetts, and has more than 20 locations worldwide. To learn more, visit [mrcy.com](http://mrcy.com). (Nasdaq: MRCY)

Investors and others should note that we announce material financial information using our website ([www.mrcy.com](http://www.mrcy.com)), SEC filings, press releases, public conference calls, webcasts, and social media, including X ([X.com/mrcy](https://x.com/mrcy)) and LinkedIn ([www.linkedin.com/company/mercury-systems](https://www.linkedin.com/company/mercury-systems)). Therefore, we encourage investors and others interested in Mercury to review the information we post on the social media and other communication channels listed on our website.

**Forward-Looking Safe Harbor Statement**

This press release contains certain forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995, including those relating to the Company's focus on enhanced execution of the Company's strategic plan. You can identify these statements by the words "may," "will," "could," "should," "would," "plans," "expects," "anticipates," "continue," "estimate," "project," "intend," "likely," "forecast," "probable," "potential," and similar expressions. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected or anticipated. Such risks and uncertainties include, but are not limited to, continued funding of defense programs, the timing and amounts of such funding, general economic and business conditions, including unforeseen weakness in the Company's markets, effects of any U.S. federal government shutdown or extended continuing resolution, effects of increasingly volatile geopolitical events and regional conflicts, competition, changes in technology and methods of marketing, delays in or cost increases related to completing development, engineering and manufacturing programs, changes in customer order patterns, changes in product mix, continued success in technological advances and delivering technological innovations, changes in, or in the U.S. government's interpretation of, federal export control or procurement rules and regulations, including tariffs, changes in, or in the interpretation or enforcement of, environmental rules and regulations, market acceptance of the Company's products, shortages in or delays in receiving components, supply chain delays or volatility for critical components, production delays or unanticipated expenses including due to quality issues or manufacturing execution issues, failure to meet contractual performance specifications, adherence to required manufacturing standards, capacity underutilization, increases in scrap or inventory write-offs, failure to achieve or maintain manufacturing quality certifications, such as AS9100, failure to achieve or maintain qualified business systems, such as those required by the DFARS, adverse finding in government audits or investigations, the impact of supply chain disruption, inflation and labor shortages, among other things, on program execution and the resulting effect on customer satisfaction, inability to fully realize the expected benefits from acquisitions, restructurings, and operational efficiency initiatives or delays in realizing such benefits, challenges in integrating acquired businesses and achieving anticipated synergies, effects of shareholder activism, increases in interest rates, changes to industrial security and cyber-security regulations and requirements and impacts from any cyber or insider threat events, including risks from heightened, persistent, and increasingly sophisticated nation-state level cyberattacks and emerging threats associated with agentic AI-enabled cyber tools, changes in tax rates or tax regulations, changes to interest rate swaps or other cash flow hedging arrangements, changes to generally accepted accounting principles, difficulties in retaining key employees and customers, litigation, including the federal securities class action lawsuit and related claims, unanticipated costs under fixed-price service and system integration engagements, and various other factors beyond our control. These risks and uncertainties also include such additional risk factors as are discussed in the Company's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended June 27, 2025 and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made.

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## Contact:

Tyler Hojo, CFA, Vice President of Investor Relations  
Mercury Systems, Inc.  
978-967-3676

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MERCURY SYSTEMS, INC.  
 UNAUDITED CONSOLIDATED BALANCE SHEETS  
 (In thousands)

	March 27, 2026	June 27, 2025
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 331,800	\$ 309,099
Accounts receivable, net	95,547	109,588
Unbilled receivables and costs in excess of billings, net	269,498	278,475
Inventory	361,693	332,920
Prepaid income taxes	1,294	457
Prepaid expenses and other current assets	56,899	27,639
Total current assets	1,116,731	1,058,178
Property and equipment, net	102,592	101,440
Goodwill	942,614	938,093
Intangible assets, net	185,210	210,611
Operating lease right-of-use assets, net	50,094	52,264
Deferred tax asset	75,964	69,016
Other non-current assets	8,082	5,162
Total assets	\$ 2,481,287	\$ 2,434,764
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 104,066	\$ 79,116
Accrued expenses	69,059	35,264
Due to factoring facility	14,107	7,879
Accrued compensation	36,952	51,321
Deferred revenues and customer advances	126,312	126,797
Total current liabilities	350,496	300,377
Income taxes payable	4,046	4,046
Long-term debt	591,500	591,500
Operating lease liabilities	48,343	52,738
Other non-current liabilities	9,230	12,642
Total liabilities	1,003,615	961,303
<b>Shareholders' equity:</b>		
Preferred stock	—	—
Common stock	595	590
Additional paid-in capital	1,314,770	1,287,478
Retained earnings	151,424	181,895
Accumulated other comprehensive income	10,883	3,498
Total shareholders' equity	1,477,672	1,473,461
Total liabilities and shareholders' equity	\$ 2,481,287	\$ 2,434,764

**MERCURY SYSTEMS, INC.**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share data)

	Third Quarters Ended		Nine Months Ended	
	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
Net revenues	\$ 235,759	\$ 211,358	\$ 693,840	\$ 638,914
Cost of revenues <sup>(1)</sup>	166,709	154,248	501,258	469,188
Gross margin	69,050	57,110	192,582	169,726
<b>Operating expenses:</b>				
Selling, general and administrative <sup>(1)</sup>	39,138	43,044	127,183	116,698
Research and development <sup>(1)</sup>	15,014	15,983	43,579	55,734
Amortization of intangible assets	9,561	10,185	29,514	32,574
Restructuring and other charges	(48)	4,931	5,591	7,231
Acquisition costs and other related expenses	155	311	900	666
Total operating expenses	63,820	74,454	206,767	212,903
Income (loss) from operations	5,230	(17,344)	(14,185)	(43,177)
Interest income	2,507	1,290	6,182	2,240
Interest expense	(7,331)	(8,068)	(23,066)	(25,404)
Other (expense) income, net	(3,093)	2,304	(5,613)	(2,900)
Loss before income tax provision (benefit)	(2,687)	(21,818)	(36,682)	(69,241)
Income tax provision (benefit)	174	(2,648)	(6,211)	(14,967)
Net loss	\$ (2,861)	\$ (19,170)	\$ (30,471)	\$ (54,274)
Basic net loss per share	\$ (0.04)	\$ (0.33)	\$ (0.51)	\$ (0.93)
Diluted net loss per share	\$ (0.04)	\$ (0.33)	\$ (0.51)	\$ (0.93)
<b>Weighted-average shares outstanding:</b>				
Basic	59,422	58,749	59,386	58,614
Diluted	59,422	58,749	59,386	58,614
<b>(1) Includes stock-based compensation expense, allocated as follows:</b>				
Cost of revenues	\$ 950	\$ 813	\$ 4,573	\$ 759
Selling, general and administrative	\$ 6,556	\$ 6,228	\$ 19,878	\$ 17,156
Research and development	\$ 1,543	\$ 1,507	\$ 4,765	\$ 4,687

**MERCURY SYSTEMS, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

	Third Quarters Ended		Nine Months Ended	
	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
<b>Cash flows from operating activities:</b>				
Net loss	\$ (2,861)	\$ (19,170)	\$ (30,471)	\$ (54,274)
Depreciation and amortization	17,956	19,916	55,169	62,058
Other non-cash items, net	12,335	8,989	37,490	19,674
Changes in operating assets and liabilities	(20,988)	20,239	(1,953)	73,318
Net cash provided by operating activities	6,442	29,974	60,235	100,776
<b>Cash flows from investing activities:</b>				
Purchases of property and equipment	(8,263)	(5,914)	(20,713)	(15,705)
Acquisition of assets and businesses, net of cash acquired	(1,415)	—	(1,415)	—
Other investing activities	—	2,700	—	4,600
Net cash used in investing activities	(9,678)	(3,214)	(22,128)	(11,105)
<b>Cash flows from financing activities:</b>				
Proceeds from employee stock plans	—	—	2,728	1,492
Payments for retirement of common stock	—	—	(15,001)	—
Payments of deferred financing and offering costs	—	—	(3,156)	(2,249)
Net cash used in financing activities	—	—	(15,429)	(757)
Effect of exchange rate changes on cash and cash equivalents	46	497	23	387
Net (decrease) increase in cash and cash equivalents	(3,190)	27,257	22,701	89,301
Cash and cash equivalents at beginning of period	334,990	242,565	309,099	180,521
Cash and cash equivalents at end of period	\$ 331,800	\$ 269,822	\$ 331,800	\$ 269,822

**UNAUDITED SUPPLEMENTAL INFORMATION RECONCILIATION OF GAAP TO NON-GAAP MEASURES**

(In thousands, except per share data)

Adjusted EBITDA, a non-GAAP measure for reporting financial performance, excludes the impact of certain items and, therefore, has not been calculated in accordance with GAAP. Management believes that exclusion of these items assists in providing a more complete understanding of the Company's underlying results and trends, and management uses these measures along with the corresponding GAAP financial measures to manage the Company's business, to evaluate its performance compared to prior periods and the marketplace, and to establish operational goals. The adjustments to calculate this non-GAAP financial measure, and the basis for such adjustments, are outlined below:

*Other non-operating adjustments.* The Company records other non-operating adjustments such as gains or losses on foreign currency remeasurement, investments and fixed asset sales or disposals among other adjustments. These adjustments may vary from period to period without any direct correlation to underlying operating performance.

*Interest income and expense.* The Company receives interest income on investments and incurs interest expense on loans, financing leases and other financing arrangements. These amounts may vary from period to period due to changes in cash and debt balances and interest rates driven by general market conditions or other circumstances which may be outside of the normal course of the Company's operations.

*Income taxes.* The Company's GAAP tax expense can fluctuate materially from period to period due to tax adjustments that are not directly related to underlying operating performance or to the current period of operations.

*Depreciation.* The Company incurs depreciation expense related to capital assets purchased to support the ongoing operations of the business. These assets are recorded at cost or fair value and are depreciated using the straight-line method over the useful life of the asset. Purchases of such assets may vary significantly from period to period and without any direct correlation to underlying operating performance.

*Amortization of intangible assets.* The Company incurs amortization of intangible assets primarily as a result of acquired intangible assets such as backlog, customer relationships and completed technologies but also due to licenses, patents and other arrangements. These intangible assets are valued at the time of acquisition or upon receipt of right to use the asset, amortized over the requisite life and generally cannot be changed or influenced by management after acquisition.

*Restructuring and other charges.* The Company incurs restructuring and other charges in connection with management's decisions to undertake certain actions to realign operating expenses through workforce reductions and the closure of certain Company facilities, businesses and lines of business. The Company's adjustments reflected in restructuring and other charges are typically related to acquisitions and organizational redesign programs initiated as part of discrete post-acquisition integration activities. Management believes these items are non-routine and may not be indicative of ongoing operating results.

*Impairment of long-lived assets.* The Company incurs impairment charges of long-lived assets based on events that may or may not be within the control of management. Management believes these items are outside the normal operations of the Company's business and are not indicative of ongoing operating results.

*Acquisition, financing and other third party costs.* The Company incurs transaction costs related to acquisition and potential acquisition opportunities, such as legal, accounting, and other third party advisory fees. The Company may also incur third party costs, such as legal, banking, communications, proxy solicitation, and other third party advisory fees in connection with engagements by activist investors or unsolicited acquisition offers. Although the Company may incur such third party costs and other related charges and adjustments, it is not indicative that any transaction will be consummated. Additionally, the Company incurs unused revolver and bank fees associated with maintaining its credit facility as well as non-cash financing expenses associated with obtaining its credit facility. Management believes these items are outside the normal operations of the Company's business and are not indicative of ongoing operating results.

*Fair value adjustments from purchase accounting.* As a result of applying purchase accounting rules to acquired assets and liabilities, certain fair value adjustments are recorded in the opening balance sheet of acquired companies. These adjustments are then reflected in the Company's income statements in periods subsequent to the acquisition. In addition, the impact of any changes to originally recorded contingent consideration amounts are reflected in the income statements in the period of the change. Management believes these items are outside the normal operations of the Company and are not indicative of ongoing operating results.

*Litigation and settlement income and expense.* The Company periodically receives income and incurs expenses related to pending claims and litigation and associated legal fees and potential case settlements and/or judgments. Although the Company may incur such costs and other related charges and adjustments, it is not indicative of any particular outcome until the matter is fully resolved. Management believes these items are outside the normal operations of the Company's business, often occur in periods other than the period of activity, and are not indicative of ongoing operating results. The Company periodically receives warranty claims from customers and makes warranty claims towards its vendors and supply chain. Management believes the expenses and gains associated with these recurring warranty items are within the normal operations and operating cycle of the Company's business. Therefore, management deems no adjustments are necessary unless under extraordinary circumstances.

*Stock-based and other non-cash compensation expense.* The Company incurs expense related to stock-based compensation included in its GAAP presentation of cost of revenues, selling, general and administrative expense and research and development expense. The Company also incurs non-cash based compensation in the form of pension related expenses and matching contributions to its defined contribution plan. Although stock-based and other non-cash compensation is an expense of the Company and viewed as a form of compensation, these expenses vary in amount from period to period, and are affected by market forces that are difficult to predict and are not within the control of management, such as the market price and volatility of the Company's shares, risk-free interest rates and the expected term and forfeiture rates of the awards, as well as pension actuarial assumptions. Management believes that exclusion of these expenses allows comparisons of operating results to those of other companies, both public, private or foreign, that disclose non-GAAP financial measures that exclude stock-based compensation and other non-cash compensation.

Mercury uses adjusted EBITDA as an important indicator of the operating performance of its business. Management excludes the above-described items from its internal forecasts and models when establishing internal operating budgets, supplementing the financial results and forecasts reported to the Company's board of directors, determining a portion of bonus compensation for executive officers and other key employees based on operating performance, evaluating short-term and long-term operating trends in the Company's operations, and allocating resources to various initiatives and operational requirements. The Company believes that adjusted EBITDA permits a comparative assessment of its operating performance, relative to its performance based on its GAAP results, while isolating the effects of charges that may vary from period to period without direct correlation to underlying operating performance. The Company believes that these non-GAAP financial adjustments are useful to investors because they allow investors to evaluate the effectiveness of the methodology and information used by management in its financial and operational decision-making. The Company believes that trends in its adjusted EBITDA are valuable indicators of its operating performance.

Adjusted EBITDA is a non-GAAP financial measure and should not be considered in isolation or as a substitute for financial information provided in accordance with GAAP. This non-GAAP financial measure may not be computed in the same manner as similarly titled measures used by other companies. The Company expects to continue to incur expenses similar to the adjusted EBITDA financial adjustments described above, and investors should not infer from the Company's presentation of this non-GAAP financial measure that these costs are unusual, infrequent or non-recurring.

The following table reconciles the most directly comparable GAAP financial measure to the non-GAAP financial measure.

	Third Quarters Ended		Nine Months Ended	
	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
Net loss	\$ (2,861)	\$ (19,170)	\$ (30,471)	\$ (54,274)
Other non-operating adjustments, net	2,445	(3,911)	2,894	(3,097)
Interest expense, net	4,824	6,778	16,884	23,164
Income tax provision (benefit)	174	(2,648)	(6,211)	(14,967)
Depreciation	8,395	9,731	25,655	29,484
Amortization of intangible assets	9,561	10,185	29,514	32,574
Restructuring and other charges	(48)	4,931	5,591	7,231
Impairment of long-lived asset	—	—	—	—
Acquisition, financing and other third party costs	581	1,072	3,412	4,512
Fair value adjustments from purchase accounting	132	131	394	486
Litigation and settlement expense, net	2,120	5,467	11,631	8,948
Stock-based and other non-cash compensation expense	10,768	12,124	42,381	34,108
Adjusted EBITDA	\$ 36,091	\$ 24,690	\$ 101,674	\$ 68,169

Free cash flow, a non-GAAP measure for reporting cash flow, is defined as cash provided by operating activities less capital expenditures for property and equipment, which includes capitalized software development costs, and, therefore, has not been calculated in accordance with GAAP. Management believes free cash flow provides investors with an important perspective on cash available for investment and acquisitions after making capital investments required to support ongoing business operations and long-term value creation. The Company believes that trends in its free cash flow are valuable indicators of its operating performance and liquidity.

Free cash flow is a non-GAAP financial measure and should not be considered in isolation or as a substitute for financial information provided in accordance with GAAP. This non-GAAP financial measure may not be computed in the same manner as similarly titled measures used by other companies. The Company expects to continue to incur expenditures similar to the free cash flow financial adjustment described above, and investors should not infer from the Company's presentation of this non-GAAP financial measure that these expenditures reflect all of the Company's obligations which require cash.

The following table reconciles the most directly comparable GAAP financial measure to the non-GAAP financial measure.

	Third Quarters Ended		Nine Months Ended	
	March 27, 2026	March 28, 2025	March 27, 2026	March 28, 2025
Net cash provided by operating activities	\$ 6,442	\$ 29,974	\$ 60,235	\$ 100,776
Purchases of property and equipment	(8,263)	(5,914)	(20,713)	(15,705)
Free cash flow	\$ (1,821)	\$ 24,060	\$ 39,522	\$ 85,071

Adjusted income and adjusted earnings per share ("adjusted EPS") are non-GAAP measures for reporting financial performance, exclude the impact of certain items and, therefore, have not been calculated in accordance with GAAP. Management believes that exclusion of these items assists in providing a more complete understanding of the Company's underlying results and trends and allows for comparability with its peer company index and industry. These non-GAAP financial measures may not be computed in the same manner as similarly titled measures used by other companies. The Company uses these measures along with the corresponding GAAP financial measures to manage the Company's business and to evaluate its performance compared to prior periods and the marketplace. The Company defines adjusted income as income before other non-operating adjustments, amortization of intangible assets, restructuring and other charges, impairment of long-lived assets, acquisition, financing and other third party costs, fair value adjustments from purchase accounting, litigation and settlement income and expense, and stock-based and other non-cash compensation expense. The impact to income taxes includes the impact to the effective tax rate, current tax provision and deferred tax provision<sup>(1)</sup>. Adjusted EPS expresses adjusted income on a per share basis using weighted average diluted shares outstanding.

The following tables reconcile the most directly comparable GAAP financial measures to the non-GAAP financial measures.

	Third Quarters Ended			
	March 27, 2026		March 28, 2025	
Net loss and loss per share	\$ (2,861)	\$ (0.04)	\$ (19,170)	\$ (0.33)
Other non-operating adjustments, net	2,445		(3,911)	
Amortization of intangible assets	9,561		10,185	
Restructuring and other charges	(48)		4,931	
Impairment of long-lived assets	—		—	
Acquisition, financing and other third party costs	581		1,072	
Fair value adjustments from purchase accounting	132		131	
Litigation and settlement expense, net	2,120		5,467	
Stock-based and other non-cash compensation expense	10,768		12,124	
Impact to income taxes <sup>(1)</sup>	(6,279)		(7,240)	
Adjusted income and adjusted earnings per share <sup>(2)</sup>	\$ 16,419	\$ 0.27	\$ 3,589	\$ 0.06
Diluted weighted-average shares outstanding		60,776		59,367

(1) Impact to income taxes is calculated by recasting income before income taxes to include the items involved in determining adjusted income and recalculating the income tax provision using this adjusted income from operations before income taxes. The recalculation also adjusts for any discrete tax provision or benefit related to the items.

(2) Adjusted earnings per share is calculated using diluted shares whereas Net loss per share is calculated using basic shares. There was a \$0.01 impact and no impact to the calculation of adjusted earnings per share as a result of this for the third quarters ended March 27, 2026 and March 28, 2025, respectively.

	Nine Months Ended							
	March 27, 2026		March 28, 2025					
Net loss and loss per share	\$	(30,471)	\$	(0.51)	\$	(54,274)	\$	(0.93)
Other non-operating adjustments, net		2,894				(3,097)		
Amortization of intangible assets		29,514				32,574		
Restructuring and other charges		5,591				7,231		
Impairment of long-lived assets		—				—		
Acquisition, financing and other third party costs		3,412				4,512		
Fair value adjustments from purchase accounting		394				486		
Litigation and settlement expense, net		11,631				8,948		
Stock-based and other non-cash compensation expense		42,381				34,108		
Impact to income taxes <sup>(1)</sup>		(23,930)				(20,515)		
Adjusted income and adjusted earnings per share <sup>(2)</sup>	\$	41,416	\$	0.68	\$	9,973	\$	0.17
Diluted weighted-average shares outstanding				60,525				59,024

(1) Impact to income taxes is calculated by recasting income before income taxes to include the items involved in determining adjusted income and recalculating the income tax provision using this adjusted income from operations before income taxes. The recalculation also adjusts for any discrete tax provision or benefit related to the items.

(2) Adjusted earnings per share is calculated using diluted shares whereas Net loss per share is calculated using basic shares. There was no impact and a \$0.01 impact to the calculation of adjusted earnings per share as a result of this for the nine months ended March 27, 2026 and March 28, 2025, respectively.



# THIRD QUARTER FISCAL YEAR 2026 FINANCIAL RESULTS

Bill Ballhaus

Chairman and CEO

David Farnsworth

Executive Vice President and CFO

May 5, 2026, 5:00 pm ET

WEBCAST LOGIN AT [WWW.MRCY.COM/INVESTOR](http://WWW.MRCY.COM/INVESTOR)

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## Forward-looking safe harbor statement

This presentation contains certain forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995, including those relating to the Company's focus on enhanced execution of the Company's strategic plan. You can identify these statements by the words "may," "will," "could," "should," "would," "plans," "expects," "anticipates," "continue," "estimate," "project," "intend," "likely," "forecast," "probable," "potential," and similar expressions. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected or anticipated. Such risks and uncertainties include, but are not limited to, continued funding of defense programs, the timing and amounts of such funding, general economic and business conditions, including unforeseen weakness in the Company's markets, effects of any U.S. federal government shutdown or extended continuing resolution, effects of increasingly volatile geopolitical events and regional conflicts, competition, changes in technology and methods of marketing, delays in or cost increases related to completing development, engineering and manufacturing programs, changes in customer order patterns, changes in product mix, continued success in technological advances and delivering technological innovations, changes in, or in the U.S. government's interpretation of, federal export control or procurement rules and regulations, including tariffs, changes in, or in the interpretation or enforcement of, environmental rules and regulations, market acceptance of the Company's products, shortages in or delays in receiving components, supply chain delays or volatility for critical components, production delays or unanticipated expenses including due to quality issues or manufacturing execution issues, failure to meet contractual performance specifications, adherence to required manufacturing standards, capacity underutilization, increases in scrap or inventory write-offs, failure to achieve or maintain manufacturing quality certifications, such as AS9100, failure to achieve or maintain qualified business systems, such as those required by the DFARS, adverse findings in government audits or investigations, the impact of supply chain disruption, inflation and labor shortages, among other things, on program execution and the resulting effect on customer satisfaction, inability to fully realize the expected benefits from acquisitions, restructurings, and operational efficiency initiatives or delays in realizing such benefits, challenges in integrating acquired businesses and achieving anticipated synergies, effects of shareholder activism, increases in interest rates, changes to industrial security and cyber-security regulations and requirements and impacts from any cyber or insider threat events, including risks from heightened, persistent, and increasingly sophisticated nation-state level cyberattacks and emerging threats associated with agentic AI-enabled cyber tools, changes in tax rates or tax regulations, changes to interest rate swaps or other cash flow hedging arrangements, changes to generally accepted accounting principles, difficulties in retaining key employees and customers, litigation, including the federal securities class action lawsuit and related claims, unanticipated costs under fixed-price service and system integration engagements, and various other factors beyond our control. These risks and uncertainties also include such additional risk factors as are discussed in the Company's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended June 27, 2025 and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. The Company cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made.

### Use of Non-GAAP (Generally Accepted Accounting Principles) Financial Measures

In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, the Company provides adjusted EBITDA, adjusted income, adjusted EPS, and free cash flow, which are non-GAAP financial measures. Adjusted EBITDA, adjusted income, and adjusted EPS exclude certain non-cash and other specified charges. The Company believes these non-GAAP financial measures are useful to help investors better understand its past financial performance and prospects for the future. However, these non-GAAP measures should not be considered in isolation or as a substitute for financial information provided in accordance with GAAP. Management believes these non-GAAP measures assist in providing a more complete understanding of the Company's underlying operational results and trends, and management uses these measures along with the corresponding GAAP financial measures to manage the Company's business, to evaluate its performance compared to prior periods and the marketplace, and to establish operational goals. A reconciliation of GAAP to non-GAAP financial results discussed in this presentation is contained in the Appendix hereto.

## Today's call

- Opening remarks on business and results
- Update on our four priorities
- Performance expectations for FY26 and beyond
- Q&A

## Business and results

- Our Q3 results reflected robust organic growth and margin expansion:
  - Record quarterly bookings of \$348M and a 1.48 book-to-bill resulting in record backlog approaching \$1.6B.
  - Q3 revenue of \$236M, up 11.5% organically year-over-year.
  - Q3 adjusted EBITDA of \$36M and adjusted EBITDA margin of 15.3% (up 46% and 360 basis points respectively, year-over-year).
  - Free cash outflow of \$2M, meaningfully outperforming our expectations. Ended Q3 with \$332M of cash on hand.
- These results reflect ongoing focus on our four priority areas with highlights that include:
  - Solid execution across our broad portfolio of production and development programs.
  - Backlog growth of 18% year-over-year and a sequential increase of 12-month backlog of 10.3%.
  - Streamlined operating structure enabling increased positive operating leverage.
  - Continued progress on free cash flow drivers with net working capital down 4.1% year-over-year.

## Driving performance excellence

- Efforts to align our supply base to yield faster backlog conversion contributed to top-line growth, adjusted EBITDA margin, and free cash flow that exceeded our expectations.
  - Focus on accelerating customer deliveries generated approximately \$25M of revenue, \$15M of adjusted EBITDA, and \$25M of cash all primarily planned for Q4.
- Our domestic revenue, representing approximately 88% of our Q3 revenue, generated 17% year-over-year growth.
- Progressed on a number of actions to increase capacity, add automation, and consolidate sub-scale sites as part of ongoing efforts to drive scalability and efficiency:
  - Added capacity to highly-automated manufacturing footprint in Phoenix, Arizona and initiated operations to support ramped production for our Common Processing Architecture.
  - Completed the acquisition of a critical manufacturing process technology provider integral to a number of our key ramping programs.

## Driving organic growth

- Record Q3 bookings of \$348M resulted in a book-to-bill of 1.48 and record backlog approaching \$1.6B.
- Q3 bookings were driven largely by follow-on production orders, reflecting strong customer demand across franchise programs.
  - This bookings mix reflects the transition of our business toward higher rate production.
- Largest bookings in the quarter were across several missile, C4I, and space programs.
- The quarter featured the strongest bookings of the fiscal year for solutions that leverage our Common Processing Architecture.
- Secured a follow-on development award on a strategic program that has the potential to proliferate across multiple platforms.
- Continue to see the potential for higher demand across multiple programs, driven by increased defense budgets globally and domestic priorities like Golden Dome.

## Expanding margins

- In our efforts to progress toward our targeted adjusted EBITDA margins in the low to mid 20% range, we remain focused on the following drivers:
  - Backlog margin expansion as we convert low-margin backlog and add new bookings aligned with our target margin profile.
  - Ongoing initiatives to further simplify, automate, and optimize our operations.
  - Driving organic growth to increase positive operating leverage.
- Q3 adjusted EBITDA margin of 15.3% was ahead of our expectations and up 360 basis points year-over-year.
- Gross margin of 29.3% was up 230 basis points year-over-year consistent with our expectation that average backlog margin will continue to increase as we convert legacy lower-margin backlog.
- Operating expenses were down year-over-year, both on an absolute basis and as a percent of sales, reflecting our focus on continually driving cost structure efficiencies as we accelerate organic growth.

## Driving improved free cash flow conversion and release

- Progress on drivers of free cash flow. Net working capital at approximately \$434M is down \$19M year-over-year.
- Net debt down to \$260M.
- Our strong balance sheet provides sufficient flexibility for us to pursue and capture potential market tailwinds.

## Expectations for FY26 and beyond

- Optimistic about our expected ability to deliver results in line with our target profile of above market top-line growth, adjusted EBITDA margins in the low to mid 20% range, and FCF conversion of 50%.
- Our Q4 bookings have the potential to be the strongest of the year, based on a pipeline of opportunities that is more robust than our Q3 pipeline.
  - We believe this could be an indicator of increased top-line growth and further margin expansion beyond FY26.
- Now expect full year FY26 revenue growth approaching mid single-digits, up from low single-digits.
  - Efforts to stage material earlier and better align our supply base have improved revenue linearity.
  - Outlook incorporates backlog conversion that historically may have materialized in accelerations and results ahead of forecast.
- Expect full year FY26 adjusted EBITDA margin of mid-teens, up from approaching mid-teens.
- Expect free cash flow to be positive for Q4.
- Outlook excludes upside stemming from domestic priorities like Golden Dome or increased global defense budgets.

## Q3 FY26 vs. Q3 FY25

\$ millions, except percentage and per share data	Q3 FY26 <sup>(2)</sup>	Q3 FY25 <sup>(2)</sup>	CHANGE
Bookings	\$348.3	\$200.4	74%
Book-to-Bill	1.48	0.95	
Backlog	\$1,580.6	\$1,340.9	18%
12-Month Backlog	890.6	787.6	
Revenue	\$235.8	\$211.4	12%
Gross Margin	29.3%	27.0%	230 bps
Operating Expenses	\$63.8	\$74.5	
Selling, General & Administrative	39.1	43.0	
Research & Development	15.0	16.0	(14%)
Amortization/Restructuring/Acquisition	9.7	15.5	
GAAP Net Loss	(\$2.9)	(\$19.2)	N.A.
GAAP Net Loss Per Share	(\$0.04)	(\$0.33)	N.A.
Weighted Average Diluted Shares	59.4	58.7	
Adjusted EPS <sup>(1)</sup>	\$0.27	\$0.06	350%
Adj. EBITDA <sup>(1)</sup>	\$36.1	\$24.7	46%
% of revenue	15.3%	11.7%	
Operating Cash Flow	\$6.4	\$30.0	(79%)
Free Cash Flow <sup>(1)</sup>	(\$1.8)	\$24.1	N.A.
% of Adjusted EBITDA	N/A	97.4%	

Notes  
1. Non-GAAP, see reconciliation table.  
2. All references in this presentation to the third quarter of fiscal 2026 are to the quarter ended March 27, 2026. All references in this presentation to the third quarter of fiscal 2025 are to the quarter ended March 28, 2025.

## Balance sheet

(In \$ millions) <sup>(1)</sup>	As of				
	3/28/25	6/27/25	9/26/25	12/26/25	3/27/26
<b>ASSETS</b>					
Cash & cash equivalents	\$269.8	\$309.1	\$304.7	\$335.0	\$331.8
Accounts receivable and unbilled receivables, net	374.7	388.1	367.5	379.8	365.0
Inventory, net	352.7	332.9	340.2	349.6	361.7
PP&E, net	107.5	101.4	102.6	102.0	102.6
Goodwill and intangibles, net	1,154.1	1,148.7	1,138.5	1,131.3	1,127.8
Other	155.6	154.6	204.1	204.4	192.4
<b>TOTAL ASSETS</b>	<b>\$2,414.4</b>	<b>\$2,434.8</b>	<b>\$2,457.6</b>	<b>\$2,502.1</b>	<b>\$2,481.3</b>
<b>LIABILITIES AND S/E</b>					
AP and accrued expenses	\$154.1	\$173.6	\$196.7	\$246.1	\$224.2
Deferred revenues and customer advances	142.5	126.8	125.5	136.9	126.3
Other liabilities	75.2	69.4	68.9	67.6	61.6
Debt	591.5	591.5	591.5	591.5	591.5
<b>Total liabilities</b>	<b>963.3</b>	<b>961.3</b>	<b>982.6</b>	<b>1,042.1</b>	<b>1,003.6</b>
<b>Stockholders' equity</b>	<b>1,451.1</b>	<b>1,473.5</b>	<b>1,475.0</b>	<b>1,460.0</b>	<b>1,477.7</b>
<b>TOTAL LIABILITIES AND S/E</b>	<b>\$2,414.4</b>	<b>\$2,434.8</b>	<b>\$2,457.6</b>	<b>\$2,502.1</b>	<b>\$2,481.3</b>

Notes  
1. Rounded amounts used.

## Cash flow summary

(In \$ millions) <sup>(1)</sup>	For the Fiscal Quarters Ended				
	3/28/25	6/27/25	9/26/25	12/26/25	3/27/26
<b>Net (loss) income</b>	<b>(\$19.2)</b>	<b>\$16.4</b>	<b>(\$12.5)</b>	<b>(\$15.1)</b>	<b>(\$2.9)</b>
Depreciation and amortization	19.9	20.0	18.9	18.3	18.0
Other non-cash items, net	9.0	6.9	12.7	12.5	12.3
<b>Changes in Operating Assets and Liabilities</b>					
Accounts receivable, unbilled receivables, and costs in excess of billings	9.3	(10.8)	20.1	(12.0)	14.5
Inventory	(7.3)	12.0	(12.1)	(11.6)	(12.7)
Accounts payable and accrued expenses	14.5	13.4	20.9	46.1	(19.5)
Other	3.8	(19.8)	(45.8)	13.4	(3.3)
	<b>20.2</b>	<b>(5.2)</b>	<b>(16.9)</b>	<b>35.9</b>	<b>(21.0)</b>
<b>Operating Cash Flow</b>	<b>30.0</b>	<b>38.1</b>	<b>2.2</b>	<b>51.6</b>	<b>6.4</b>
Capital expenditures	(5.9)	(4.1)	(6.6)	(5.9)	(8.3)
<b>Free Cash Flow<sup>(2)</sup></b>	<b>\$24.1</b>	<b>\$34.0</b>	<b>(\$4.4)</b>	<b>\$45.7</b>	<b>(\$1.8)</b>
<i>Free Cash Flow<sup>(2)</sup> / Adjusted EBITDA<sup>(2)</sup></i>	<i>97.6%</i>	<i>66.3%</i>	<i>N/A</i>	<i>152.3%</i>	<i>N/A</i>
<i>Free Cash Flow<sup>(2)</sup> / GAAP Net (Loss) Income</i>	<i>N.A.</i>	<i>208%</i>	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>

Notes  
1. Rounded amounts used.  
2. Non-GAAP, see reconciliation table.

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APPENDIX



## Adjusted EPS reconciliation

(In thousands, except per share data) <sup>(2)</sup>	Q3 FY25	Q3 FY26	LTM Q3 FY25	LTM Q3 FY26
<b>Loss per share<sup>(1)</sup></b>	<b>(\$0.33)</b>	<b>(\$0.04)</b>	<b>(\$1.12)</b>	<b>(\$0.24)</b>
<b>Net Loss</b>	<b>(\$19,170)</b>	<b>(\$2,861)</b>	<b>(\$65,051)</b>	<b>(\$14,101)</b>
Other non-operating adjustments, net	(3,911)	2,445	(3,314)	(1,751)
Amortization of intangible assets	10,185	9,561	43,885	39,789
Restructuring and other charges	4,931	(48)	14,012	5,576
Impairment of long-lived assets	—	—	—	—
Acquisition, financing and other third party costs	1,072	581	5,912	5,538
Fair value adjustments from purchase accounting	131	132	664	525
Litigation and settlement expense, net	5,467	2,120	9,893	15,693
Stock-based and other non-cash compensation expense	12,124	10,768	44,758	46,546
Impact to income taxes <sup>(3)</sup>	(7,240)	(6,279)	(27,548)	(28,506)
<b>Adjusted income</b>	<b>\$3,589</b>	<b>\$16,419</b>	<b>\$23,211</b>	<b>\$69,309</b>
<b>Adjusted earnings per share<sup>(1)(5)</sup></b>	<b>\$0.06</b>	<b>\$0.27</b>	<b>\$0.40</b>	<b>\$1.16</b>
Weighted-average shares outstanding:				
Basic	58,749	59,422		
Diluted	59,367	60,776		

### Notes

- Per share information is presented on a fully diluted basis.
- Rounded amounts used.
- Impact to income taxes is calculated by recasting income before income taxes to include the items involved in determining adjusted income and recalculating the income tax provision using this adjusted income from operations before income taxes. The recalculation also adjusts for any discrete tax provision or benefit related to the items.
- All references in this presentation to the third quarter of fiscal 2026 and LTM Q3 FY25 are to the quarter ended March 27, 2026, and the four-quarter period ended March 27, 2026. All references in this presentation to the third quarter of fiscal 2025 and LTM Q3 FY25 are to the quarter ended March 28, 2025, and the four-quarter period ended March 28, 2025.
- Earnings per share and Adjusted earnings per share is calculated using diluted shares whereas loss per share and adjusted loss per share is calculated using basic shares. There was a \$0.01 impact and no impact to the calculation of adjusted earnings per share as a result of this for the third quarters ended March 27, 2026 and March 28, 2025, respectively.

## Adjusted EBITDA reconciliation

(In thousands) <sup>(1)(2)</sup>	Q3 FY25	Q3 FY26	LTM Q3 FY25	LTM Q3 FY26
<b>Net loss</b>	<b>(\$19,170)</b>	<b>(\$2,861)</b>	<b>(\$65,051)</b>	<b>(\$14,101)</b>
Other non-operating adjustments, net	(3,911)	2,445	(3,314)	(1,751)
Interest expense, net	6,778	4,824	31,798	23,543
Income tax (benefit) provision	(2,648)	174	(22,791)	(3,764)
Depreciation	9,731	8,395	39,564	35,349
Amortization of intangible assets	10,185	9,561	43,885	39,789
Restructuring and other charges	4,931	(48)	14,012	5,576
Impairment of long-lived assets	—	—	—	—
Acquisition, financing and other third party costs	1,072	581	5,912	5,538
Fair value adjustments from purchase accounting	131	132	664	525
Litigation and settlement expense, net	5,467	2,120	9,893	15,693
Stock-based and other non-cash compensation expense	12,124	10,768	44,758	46,546
<b>Adjusted EBITDA</b>	<b>\$24,690</b>	<b>\$36,091</b>	<b>\$99,330</b>	<b>\$152,943</b>

### Notes

1. Rounded amounts used.
2. All references in this presentation to the third quarter of fiscal 2026 and LTM Q3 FY26 are to the quarter ended March 27, 2026, and the four-quarter period ended March 27, 2026. All references in this presentation to the third quarter of fiscal 2025 and LTM Q3 FY25 are to the quarter ended March 28, 2025, and the four-quarter period ended March 28, 2025.

## Free cash flow reconciliation

(In thousands) <sup>(1)</sup>	Q3 FY25	Q3 FY26	LTM Q3 FY25	LTM Q3 FY26
<b>Cash provided by operating activities</b>	<b>\$29,974</b>	<b>\$6,442</b>	<b>\$172,537</b>	<b>\$98,310</b>
Purchases of property and equipment	(5,914)	(8,263)	(26,053)	(24,811)
<b>Free cash flow</b>	<b>\$24,060</b>	<b>(\$1,821)</b>	<b>\$146,484</b>	<b>\$73,499</b>

Notes  
1. Rounded amounts used.

