on 07-Oct-2026

BERNSTEIN
SOCIETE GENERALE GROUP

7 October 2026

US Networking & Communications Equipment

AI Value Chain: What do we need to believe to believe the AI build is healthy?



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In terms of calling the cycle, while there are different approaches to measuring and estimate supply, it's generally possible to underwrite well-informed forecasts for AI infrastructure supply. No matter how you slice it, AI infrastructure capacity is growing considerably. We anchor to hyperscalar capex dollars as a reasonable first order approximation, but GW supply or even compute capacity are arguably more meaningful approaches which all reach the same directional conclusion: the supply of AI infrastructure is increasing a lot.

However, perhaps due to a lack of imagination on our front, we are unable to come with a way to forecast long-term AI end user demand with any real conviction. As a result, we don't have high conviction forecasts for long term AI demand, and are skeptical of anyone who says that they do. This in turn makes it hard to have real conviction on when the AI supply demand balance might turn.

That said, we believe the assumptions needed to underwrite growth are plausible. We crudely estimate that hyperscalars will have brought ~$1.2T worth of AI infrastructure online by 2027. Assuming a 15% ROI hurdle, that implies AI data center operators would need ~$175B in net profits to justify the investment; at 24% net margins that implies ~$729B in spend. This is about 3x Exponential View's estimate of $229B in AI ARR in August. While this implies a pace of adoption which is faster than past adoption cycles, we believe that the AI adoption cycle has already outpaced past technology cycles, and that this doesn't appear out of line with the current pace of growth in the ecosystem. Accordingly, we believe that the assumptions needed to underwrite continued investment are plausible.

We observe that technology leaders continue to hold deeper conviction. We note that the conviction in AI leaders is underpinned by a belief in the scaling laws. Technology leaders continue to believe that 1) AI models' capabilities will continue to scale with greater compute and data; 2) expanding AI model capability will in turn unlock new addressable markets for AI based solutions and 3) there is enough end user willingness to adopt AI that delaying the availability of AI means forgoing revenues and growth.

Accordingly, we see model scaling and AI adoption as the key leading indicators.

Both signals appear positive, and accordingly we net out positive on the AI infrastructrue trade as well.

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BERNSTEIN TICKER TABLE

Ticker	Rating	Cur	5 Oct 2026 Closing Price	Price Target	TTM Rel. Perf.	Reported EPS Cur	2025A	2026E	2027E	Reported P/E (x) 2025A	2026E	2027E
CLS (Celestica)	O	USD	382.69	520.00	48.4%	USD	6.06	11.35	23.79	63.2	33.7	16.1
ANET (Arista)	O	USD	206.90	250.00	26.8%	USD	2.96	4.11	5.61	69.8	50.3	36.9
CSCO (Cisco)	M	USD	112.82	110.00	53.7%	USD	3.73	4.33	5.11	30.2	26.1	22.1
LITE (Lumentum)	O	USD	1,091.67	1,220.00	591.3%	USD	2.05	8.37	22.40	533.7	130.4	48.7
COHR (Coherent)	O	USD	333.64	350.00	176.9%	USD	3.53	5.58	9.51	94.4	59.8	35.1
CIEN (Ciena)	O	USD	389.69	440.00	168.8%	USD	2.64	7.15	12.46	147.5	54.5	31.3
GLW (Corning)	M	USD	159.37	140.00	83.9%	USD	2.54	3.22	4.16	62.8	49.5	38.3
SPX			7,818.93									

O - Outperform, M - Market-Perform, U - Underperform, NR - Not Rated, CS - Coverage Suspended

Source: Bloomberg, Bernstein estimates and analysis.

INVESTMENT IMPLICATIONS

We rate CLS, ANET, LITE, COHR, and CIEN Outperform. We rate CSCO and GLW Market-Perform.

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VALUATION COMPS TABLE

TABLE 1: **Networking and Communications Comps – Consensus Estimates**

						Price / Earnings		EV/ EBIT		EV/ Free Cash Flow		2026A-2028E CAGR			
	Name	Ticker	Price	Currency adj.	Market Cap ($B)	P/ 2026E EPS	P/ 2027E EPS	EV/ 2026E EBIT	EV/ 2027E EBIT	EV/ 2026E FCF	EV/ 2027E FCF	Revenue	EBIT	EPS	FCF
Bernstein Networking and Optical Coverage	ARISTA NETWORKS INC	ANET US Equity	204.49	206.90	260.95	91.15	69.43	84.09	64.21	67.35	58.23	33%	39%	32%	23%
	CIENA CORP	CIEN US Equity	379.14	389.69	55.26	214.12	147.61	335.57	283.05	147.96	84.04	28%	135%	87%	38%
	CELESTICA INC	CLS CN Equity	545.98	383.06	48.30	98.73	63.32	81.07	46.68	160.34	106.01	55%	73%	72%	20%
	COHERENT CORP	COHR US Equity	319.19	333.64	65.34	199.78	94.52	699.36	231.90	337.95	348.74	31%	198%	78%	-201%
	CISCO SYSTEMS INC	CSCO US Equity	108.76	112.82	444.80	30.25	29.61	37.77	39.12	45.06	34.62	11%	28%	11%	22%
	CORNING INC	GLW US Equity	160.42	159.37	137.28	81.31	63.24	127.51	63.50	148.58	102.42	17%	68%	30%	38%
	LUMENTUM HOLDINGS INC	LITE US Equity	1,045.78	1,091.67	97.92	1,080.86	529.94	(223.17)	(537.79)	(894.33)	(925.08)	67%	-281%	178%	-308%
	Median				**97.92**	**98.73**	**69.43**	**84.09**	**63.50**	**147.96**	**84.04**	**31%**	**68%**	**72%**	**22%**
Enterprise Networking	EXTREME NETWORKS INC	EXTR US Equity	23.33	23.33	3.08	72.91	27.77	(47.03)	180.92	82.06	24.08	8%	-254%	60%	65%
	HEWLETT PACKARD ENTERPRISE	HPE US Equity	64.58	68.36	90.75	34.35	35.24	47.87	(239.90)	53.11	167.20	22%	56%	33%	39%
	UBIQUITI INC	UI US Equity	609.29	609.29	36.88	103.80	55.59	72.84	43.46	68.64	57.93	25%	41%	44%	22%
	Median				**69.52**	**82.03**	**45.41**	**60.36**	**45.07**	**68.00**	**58.08**	**24%**	**40%**	**39%**	**23%**
Optical Transport	NEC CORP	6701 JT EQUITY	4,927.00	31.20	42.52	40.13	36.14	33.83	26.16	32.44	30.78	0%	29%	24%	-48%
	FUJITSU	6702 JP EQUITY	4,063.00	25.73	44.71	27.40	32.41	40.63	24.15	53.51	44.77	-5%	36%	7%	31%
	NOKIA	NOKIA FH EQUITY	9.17	10.29	58.98	24.39	31.38	26.74	62.90	26.15	34.52	7%	14%	3%	-1%
	Median				**44.71**	**30.25**	**31.38**	**37.77**	**26.16**	**32.44**	**34.52**	**7%**	**29%**	**11%**	**-1%**
Optical Components	APPLIED OPTOELECTRONICS INC	AAOI US Equity	121.57	121.57	10.28	(153.89)	(467.58)	(142.15)	(184.61)	(89.26)	(28.51)	126%	-294%	-280%	85%
	FABRINET	FN US Equity	453.84	453.84	16.26	51.11	44.63	55.13	47.17	41.86	73.84	28%	34%	26%	-1%
	INNOLIGHT	300308 CH Equity	808.44	120.55	143.31	188.74	89.28	172.04	75.77	3,697.59	123.68		147%	133%	460%
	EOPTOLINK TECH-A	300502 CH EQUITY	389.00	58.00	80.90	204.63	60.71	189.25	54.67	(692.05)	90.27	126%	148%	139%	-453%
	Median				**73.12**	**194.26**	**74.99**	**113.59**	**50.92**	**(23.70)**	**82.06**	**67%**	**91%**	**106%**	**-101%**
AI Interconnect	ASTERA LABS INC	ALAB US Equity	362.34	362.34	62.86	431.36	196.92	(462.25)	309.37	523.79	190.42	99%	-318%	98%	149%
	BROADCOM INC	AVGO US Equity	362.51	362.51	1,730.49	74.44	53.15	131.17	69.30	90.96	65.61	50%	104%	58%	65%
	CREDO TECHNOLOGY GROUP HOLDI	CRDO US Equity	212.48	212.48	39.94	2,360.89	303.54	(1,057.60)	1,055.72	2,293.97	1,350.44	135%	-424%	312%	272%
	MARVELL TECHNOLOGY INC	MRVL US Equity	271.25	271.25	237.86	179.64	172.77	(421.37)	(332.10)	231.30	171.28	30%	-299%	41%	38%
	Median				**237.86**	**98.73**	**69.43**	**37.77**	**64.21**	**90.96**	**65.61**	**33%**	**-169%**	**41%**	**23%**

Source: Bloomberg (as of 10/05/26), Bernstein analysis

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DETAILS

We initiated on Networking and Communications Equipment last week; you can find our initiation here: US Networking: Scaling the bandwidth wall. Initiating with a positive view. *Our positive view on the sector is underpinned by our generally positive view on the AI trade at a thematic level. In this note, we summarize our top down view of the theme.*

THE AI BONANZA GOES ON

We continue to be positive on AI in both the short-, medium- and long-term, and see upside to AI infrastructure exposed names. While it is still possible we will have an overbuild at some point, demand continues to exceed supply and the assumptions needed to underwrite continued investments do not appear aggressive compared to the pace of adoption thus far. Both point to a higher-for-longer cycle. We also see model capability as a key leading indicator, and scaling remains positive. For more details on the AI build more broadly, see our Blackbook: Artificial Intelligence: The AI Infrastructure Value Chain.

In the short-term, the AI infrastructure trade is about the willingness of AI data center operators to keep spending. We have clear visibility to continued near-term capex. The investment is underpinned by the continued conviction of technology leaders to invest in AI - and with demand signals as positive as they are, if anything that conviction is likely to strengthen rather than weaken.

- **The visibility to near-term growth for AI infrastructure is clear.** AI infrastructure names are largely selling to AI data center operators, and guided data center capex is growing a lot: Consensus is now expecting data center capex to reach $1.3T in 2027E, up from ~$259B in 2024 (Exhibit 1 & Exhibit 2).

- **This investment is underpinned by the continued conviction of technology leaders to invest in AI, and there are real data points supporting this conviction.** While it is not uncommon for Wall Street to scoff at Silicon Valley's positivity, there are real data points that support this conviction. Four years into the AI data center build, Exponential View's State of the AI Economy report (link) sized AI ARR at $229B as of August 2026, up 3x YTD. Anthropic has seen revenues grow 7x YTD and has seen user growth outpace that. AI adoption is outpacing every past technology adoption cycle we have data on (Exhibit 3). Similarly, concurrent indicators suggest that demand exceeds supply across the AI infrastructure stack, with Nebius[1] reportedly hiking GPU rental prices (link) and memory/storage prices continuing to run hot (Exhibit 4- for more details see: MEMORY TRACKER (Aug): Conventional DRAM & NAND price to rise nearly 20% in 3Q26). Accordingly, it appears rational for data center investors to continue to building out capacity, at least in the near term.

In the medium-term, trading AI infrastructure depends on whether AI demand is sufficient to drive a healthy data center ROI. We believe that the assumptions needed to underwrite this are not aggressive. Looking past near-term capex plans and committed orders, believing in continued growth in AI infrastructure means believing that AI data center operators can underwrite a healthy ROI on continued infrastructure investments. We attempt to estimate "what you need to believe" in order to believe in a sustainable build-out - starting with hyperscaler capex assumptions, assuming an ROI hurdle of ~15%, and backing into the sizes of the IaaS market and end-user spend in order to achieve that hurdle. We find that end-user spend would need to be ~$730B in 2027E, about 3x current estimates for ARR (Exhibit 5). While this implies a pace of adoption which is faster than past technology cycles, we observe that the AI adoption cycle has already been extremely fast (Exhibit 6 and Exhibit 7), outpacing past technology cycles (Exhibit 3, again), and this adoption pace does not appear aggressive compared to the current pace; Exponential View estimates that AI ARR is up 3.5x YoY (link, again) depends on whether AI adoption (and thus demand) can continue to outpace infrastructure capacity, translating to a healthy ROI.

Longer-term, it's hard to have deep conviction, but we see model scaling as the key leading indicator, and the scaling laws look intact. Accordingly, we skew positive. It's easy to wave off long-term concerns with the observation that the TAM is clearly huge, but cost deflation has historically been one of the defining characteristics of the industry. As a result, it's not enough for demand to grow, but it must also outgrow the natural supply growth from decreasing costs. However, we see the scaling of model performance as a key long-term leading indicator, in part because as long as the scaling laws are intact, excess capacity will likely be reinvested into training new and more capable models that can unlock new use cases. We believe that this leading indicator looks intact, and are willing to extrapolate demand growing at least in line with supply as long as that remains the case.

- **Long-term, cost deflation has historically been one of the defining characteristics of the industry…** Historically, the technology infrastructure industry has been defined by massive cost deflation: Moore's Law implies that semis and hardware computing costs should decline by a staggering 30% CAGR over time. AI is clearly not an exception. The GPUs

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that underpin the AI computing build-out have actually seen NVIDIA deliver a 1,000x performance increase from the K20X in 2012 to the H100 in 2022 (roughly 100% CAGR over 10 years). Progress is also continuing, with Rubin boasting a 5x performance increase in inference and 3.5x in training over Blackwell. That creates a strong incentive to match the pace of capacity build-outs to that of end-user adoption (why buy anything you don't need today if it will be 30% cheaper next year?). As a result, is not hard to imagine a scenario where the build-out outpaces end-user adoption, causing operators to pull back on investment until demand grows into their capacity. Accordingly, bubble fears have been around since the beginning (for our July 2023 take, see: AI Infrastructure: The build-out is huge. Bonanza or bubble?).

- **… it's hard to have real conviction about the long term, but the demand outlook certainly looks good, and elasticity has been sufficient to translate cost deflation into greater usage…** It's easy to wave off questions about the long-term outlook by saying that the TAM is clearly huge. And to be clear, we think it IS huge (Exhibit 8 - for more details, see our note: The Intelligence Revolution: How big is it? And what signposts are we looking for along the way?). But the history of hardware and networking shows that, in an industry dominated by cost deflation, it's not good enough for demand to grow - in order for the industry to grow, demand also needs to outgrow the natural supply growth that comes from decreasing costs. But we also observe that there are very few examples of investors successfully calling a cycle by building 10-year supply and demand forecasts and pointing to where the supply and demand curves cross. We don't claim that we can predict where AI adoption will be in 2030, and are skeptical of anyone who says they can. So far though, demand has clearly outgrown supply, in part because elasticity has been sufficient to translate cost declines into greater usage.

- **…We see model performance as a key long-term leading indicator, and so far it looks pretty good.** We also observe that as long as technology leaders believe that model capability continues to scale with greater compute, and that higher capability models will unlock new use cases and expand the TAM, there is potential to smooth over near-term air pockets by redeploying compute capacity to training. This has arguably already happened, when end user demand seemed to decelerate in the back half of 2024, before re-accelerating with greater adoption of chain-of-thought and the launch of Claude Code in early 2025 (for more details, see: AI Infrastructure: Revisiting the Gen AI scaling math - is inferencing really as big as we think?). We also observe that this belief in the scaling laws appears well supported by the historical track record: looking at the OSWorld agentic task benchmark, models show steady improvement, and the launch of models that surpass the human-level benchmark with GPT 5.4 in March 2026 lines up well with the inflection in agentic adoption (Exhibit 9). With that in mind, as long as model capability continues to improve and new use cases continue to open up, we are comfortable extrapolating demand as outgrowing supply.

On net, the range of outcomes is wide, but we see more upside than downside to AI capex expectations, and view risk/reward on AI infrastructure stocks as positive. The leading and concurrent indicators that we track appear healthy, the supply-demand balance looks favorable and key decision-makers appear to have conviction in continued spend. Moreover, we suspect that hyperscalers may still be sandbagging capex expectations, given the track record of repeated capex guidance increases and the fact that the semiconductor ecosystem seems to imply higher numbers than hyperscaler guidance. On net, we see more upside than downside to AI capex, and view risk/reward on AI infrastructure stocks as positive. While it's probably true that the foreseeable future in this space is not a very long time, and the degree of visibility in the space appears to drop off beyond 2028, we note that this does not necessarily imply that 2028 will mark the peak; after all, it was not such a long time ago that bears were arguing that the degree of visibility drops off beyond 2026. It is easy to envision a scenario where AI spend sees a sharp digestion and eventually settles into a steady state below current levels. But it is also hard to rule out the scenario where AI models simply keep getting bigger and better until they achieve artificial superintelligence and supplant humanity - in which case the AI industry will scale as fast as supply permits until reaching that point, and mere humans like ourselves could scarcely hope to predict what happens afterwards.

Within AI infrastructure, we believe networking and optical companies to be structural winners, and initiate on the sector with a positive skew. Networking is the 3rd biggest area behind compute and memory/storage. As performance improvement in bandwidth has lagged compute, networking is increasingly the bottleneck in AI use cases, supporting higher specs and pricing. Adjusting for the shift from 2 chiplets to 4, we expect accelerator volumes to double through 2028, and for AI back-end switching to outpace that growth (Exhibit 10 & Exhibit 11). We also expect Arista and Celestica to continue to gain share.

The Muse moment: Time to size-up AI longs? The AI trade has corrected after overheating in the first half of 2026, and many AI stocks are trading below May-June peaks. However, revisions to fundamentals have continued to be positive, leading to multiples that appear increasingly undemanding - and given our belief in upside to numbers for outperforms, we believe the true multiples are even cheaper. We observe that the 1H rally was driven by upward revisions in hyperscaler capex. With inflecting demand for consumer AI following Meta's launch of Muse, we believe that this could open the door for further guidance

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revisions, potentially driving a rally in AI stocks.

- **The AI trade has corrected after overheating in the first half, and many AI stocks are trading below May-June peaks.** While fundamental data points were clearly positive, the AI trade appeared to overheat, driving investors into crowded longs and exhausting incremental buyers. This created an environment where non-fundamental catalysts could spark a correction, as we saw with the de-leveraging of Korean retail traders and the blow-up of Situational Awareness' highly levered public book. As a result, many stocks are now trading below May-June peaks.

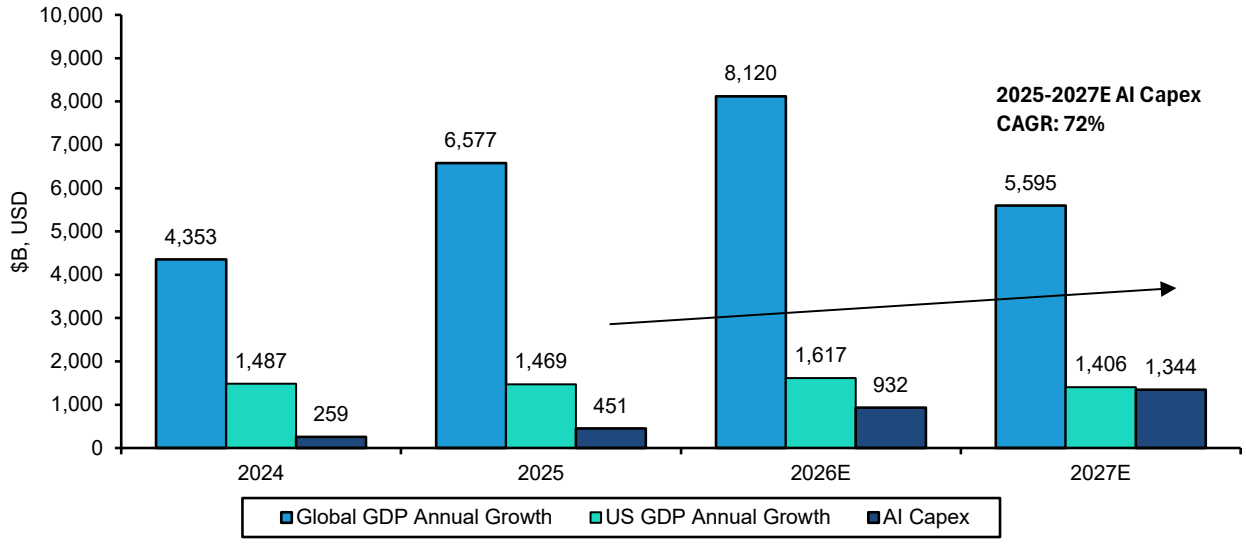
- **Valuations have now come in, and many multiples are starting to look inexpensive on our numbers.** However, while stock prices have come in, fundamental revisions continued to trend upwards. Given that we see upside to numbers for many of our stocks, we believe that these revisions are justified - or even understated. Accordingly, the valuation multiples on many AI stocks have begun to look more attractive, improving risk-reward (Exhibit 12).

- **Muse could open the door for further guidance revisions, potentially driving a further rally in AI stocks.** We note that the 1H rally was driven by upward revisions in hyperscaler capex. With inflecting demand for consumer AI following Meta's launch of Muse (we also believe competitors are likely to launch copycats, especially given the widely anticipated Google Gemini 4 launch), we believe the door is open for Meta and other hyperscalers to take up capex expectations further. This could drive a rally in AI stocks, especially for Ciena and Arista, since Meta is a key customer for both.

- **We're a little more unsure on what to make of the Anthropic IPO.** While IPO prospectus numbers viewed by Reuters (link) are somewhat underwhelming, we also observe that they are largely for full year 2025. Anthropic has reportedly increased ARR over 7x YTD (Exhibit 6, again) and reached FCF breakeven. We suspect that the muted reaction to the Reuters report in Asia trading is because full year 2025 numbers are not necessarily reflective of Anthropic's business today, limiting the value of the incremental data point. Anthropic's IPO (currently expected for November or December) may be a meaningful catalyst. However we lack conviction in the direction: the IPO is likely negative for our stocks from a flows perspective, but anything Anthropic could disclose which would increase confidence in the sustainability of spend may outweigh the outflows into the IPO.

- **March will be another catalyst-rich period.** Beyond potential capex revisions in the October earnings cycle, we also expect March 2027 to be a catalyst rich period, between OFC from March 7-11 and Nvidia GTC on March 14-18 (in which Nvidia is expected to disclose further details about Feynman), with potential for companies to give positive upside ahead of April earnings.

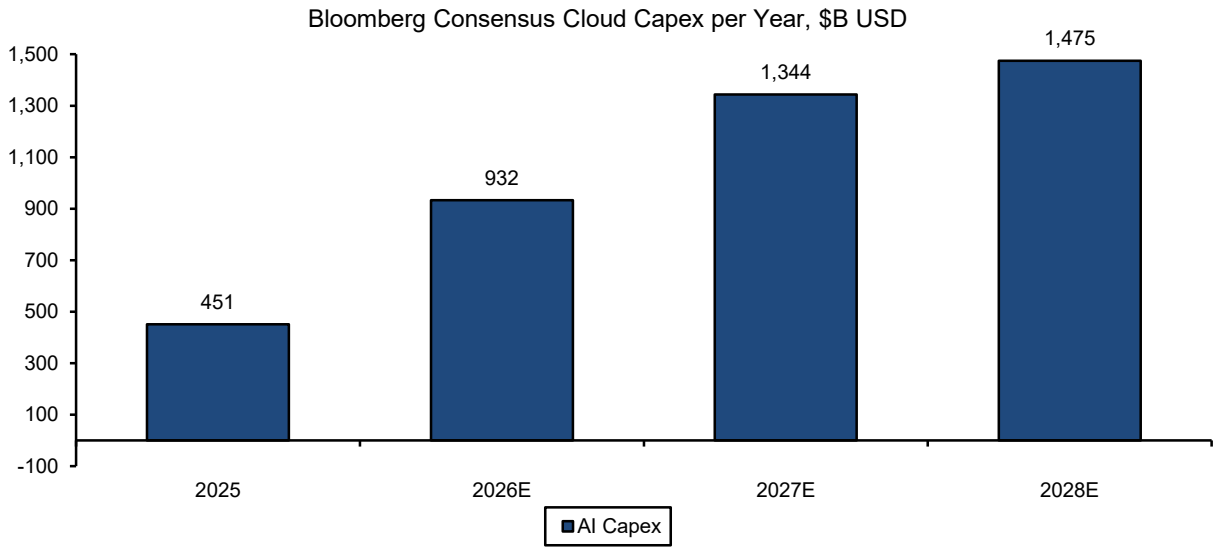
EXHIBIT 1: **AI total capex is predicted to equal nearly 20% of GDP growth by 2027**



Source: IMF 2026, Bloomberg (updated as of 10/05/26), Bernstein Asia Tech Hardware Team (Wang)

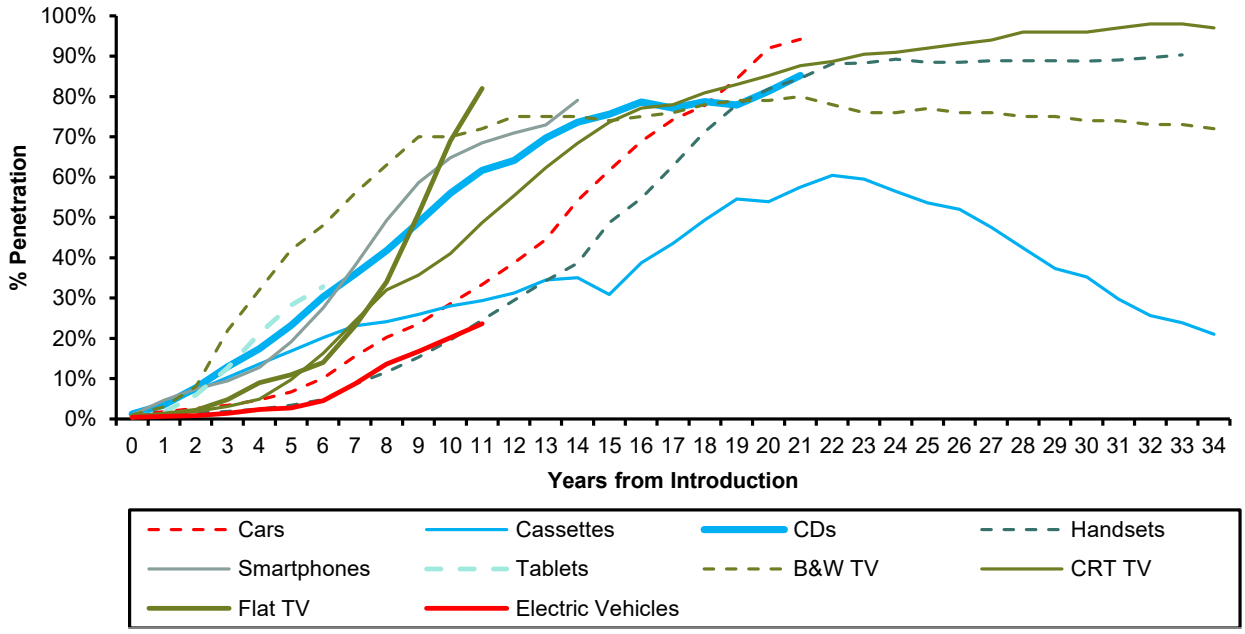
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EXHIBIT 2: **AI Capex, already at a multibillion dollar value, continues to grow**



Source: Bloomberg (updated as of 10/05/26), Reuters, CNBC, Bernstein estimates and analysis

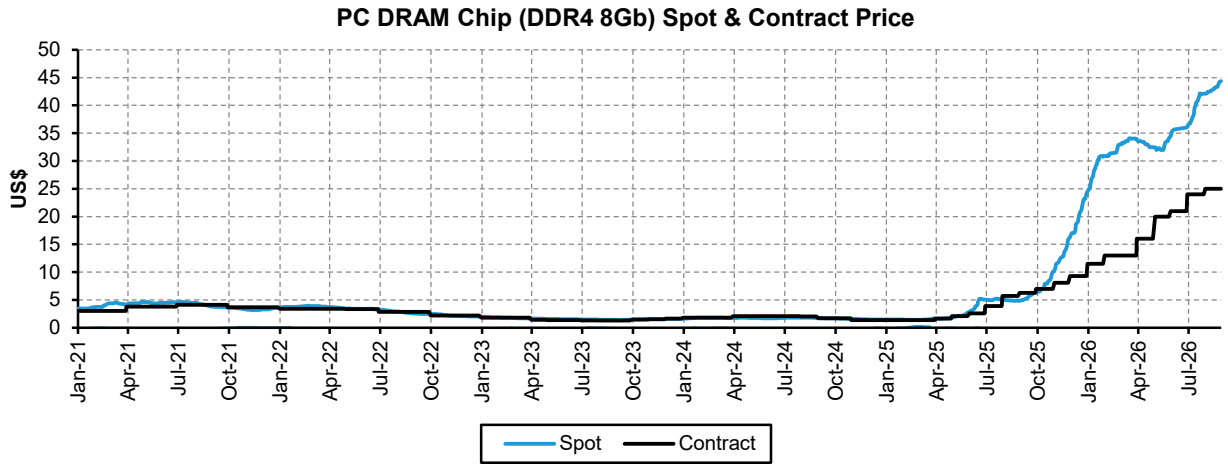
EXHIBIT 3: **Historical Adoption Curves for Disruptive Consumer Technologies**



Source: Bernstein estimates and analysis

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EXHIBIT 4: **PC DRAM Prices continue to rally in August**



Source: DRAMeXchange, Bernstein Global Memory Team (Mark Li)

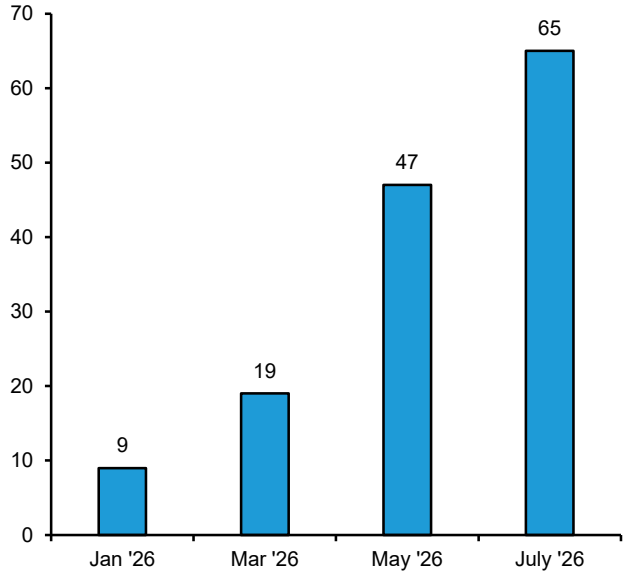
EXHIBIT 5: **Hyperscalers earn healthy ROI on existing AI capex; the assumptions needed to underwrite continued investments are plausible**

In US$ B	2024	2025	2026	2027	2028
Total capex	**259**	**451**	**932**	**1,344**	**1,475**
Incremental capex	99	292	773	1,184	1,315
Cumulative incremental capex	101	393	1,166	2,350	3,666
1-year lagged cumulative capex	**2**	**101**	**393**	**1,166**	**2,350**
Assume ROI needed	15%	15%	15%	15%	15%
Incremental profit needed	**0.3**	**15.2**	**59.0**	**174.9**	**352.6**
IaaS Net Margin	24%	24%	24%	24%	24%
IaaS Revenue	**1**	**63**	**246**	**729**	**1,469**
IaaS Cost as % of End User Spend	100%	100%	100%	100%	100%
Labor Contribution to GDP	63,579	67,987	70,645	75,437	82,742
% White Collar	67%	67%	67%	67%	67%
Productivity Increase	30%	30%	30%	30%	30%
Addressable opportunity	12,695	13,575	14,106	15,063	16,522
Spend as % of opportunity	**0.0%**	**0.5%**	**1.7%**	**4.8%**	**8.9%**

Source: IMF, Bloomberg (updated as of 10/05/26), Bernstein estimates and analysis

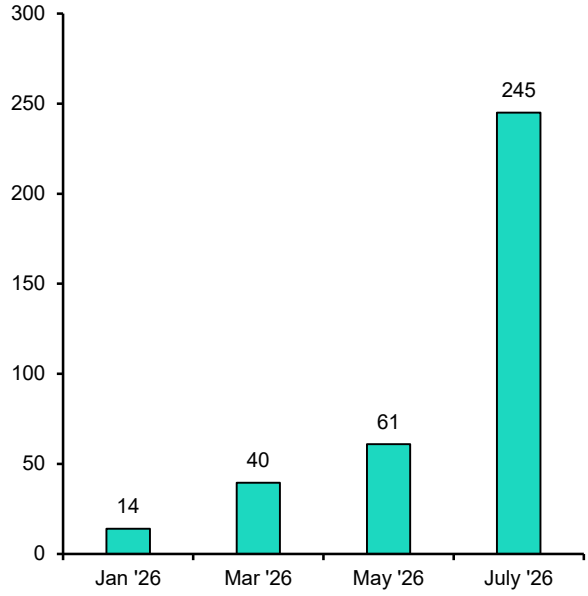
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EXHIBIT 6: **Anthropic 2026 Revenue Run Rate, $B USD**



Source: Anthropic, Bloomberg, Sensor Tower, Yahoo Finance, VentureBeat, SaaStr, Bernstein analysis

EXHIBIT 7: **Anthropic 2026 MAU, B**



Source: Anthropic, Bloomberg, Sensor Tower, Yahoo Finance, VentureBeat, SaaStr, Bernstein analysis

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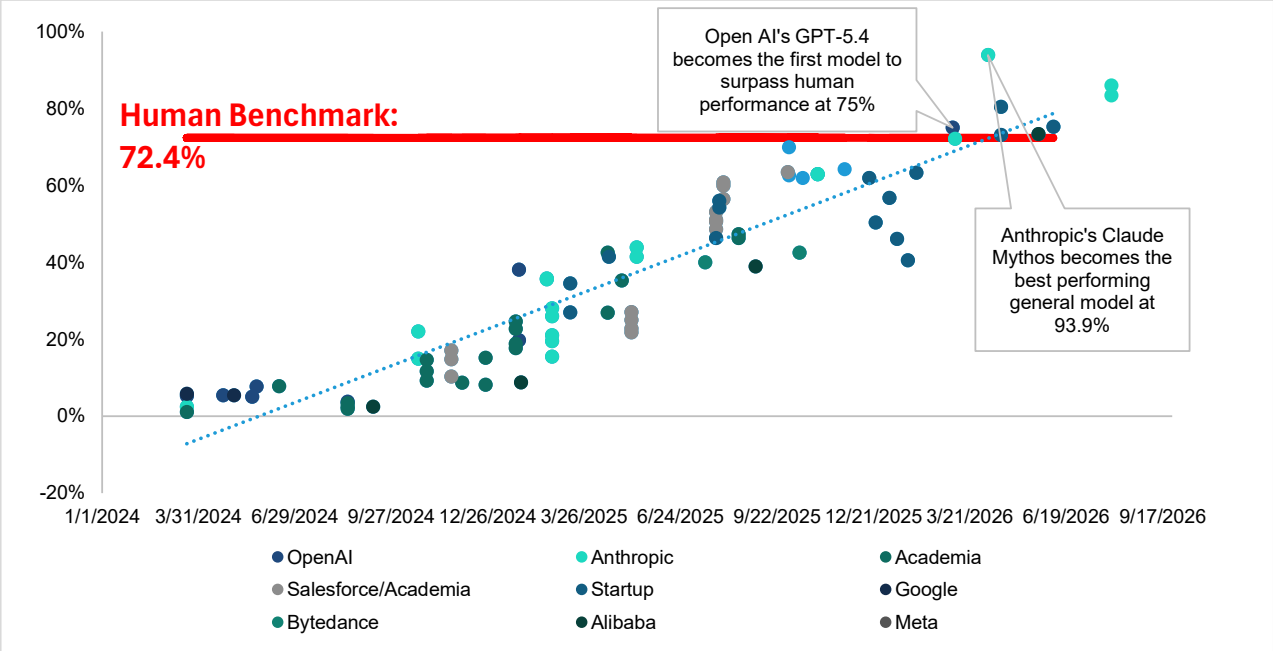
EXHIBIT 8: **Bernstein AI infrastructure model – bull case**

AI TAM	**2024**	**2030**
IMF GDP Forecast	109,569	132,106
IMF GDP growth	3.2%	3.1%
Total GDP	**109,569**	**166,279**
Imputed GDP growth	3.2%	10.5%
Labor % of GDP	53.8%	53.8%
Labor contribution to GDP	58,948	89,458
Global Labor Force	3.651	3.651
Average productivity per worker	**16,146**	**24,503**
% of workers addressable	62.7%	62.7%
Addressable users	**2.29**	**2.29**
Daily average users (M)	60	2,289
User growth (%)	*361.5%*	*0.2%*
User penetration (%)	2.6%	100.0%
Average productivity increase per user (%)	15.0%	100.0%
Productivity increase per user	2,417	24,503
Aggregate productivity increase	145	56,088
Enterprise IT ROI requirement	5x	5x
Enterprise AI Willingness to Pay	**29**	**11,218**
Potential productivity increase	5,535	56,109
Enterprise AI TAM	**1,107**	**11,222**

Source: Anthropic Economic Index, IMF, Bernstein estimates and analysis

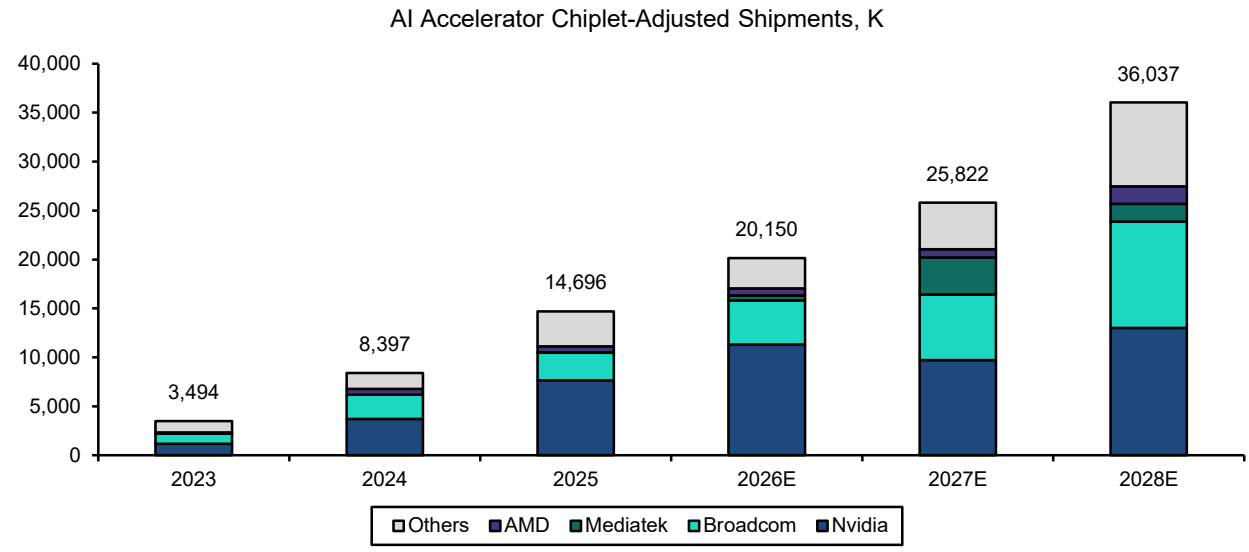
on 07-Oct-2026

EXHIBIT 9: **Performance of Models on OSWorld's Agentic Coding Test vs. Human Performance**



Source: OSWorld benchmark as of 09/29/2026, Anthropic Reports as of 06/17/2026, Bernstein estimates and analysis

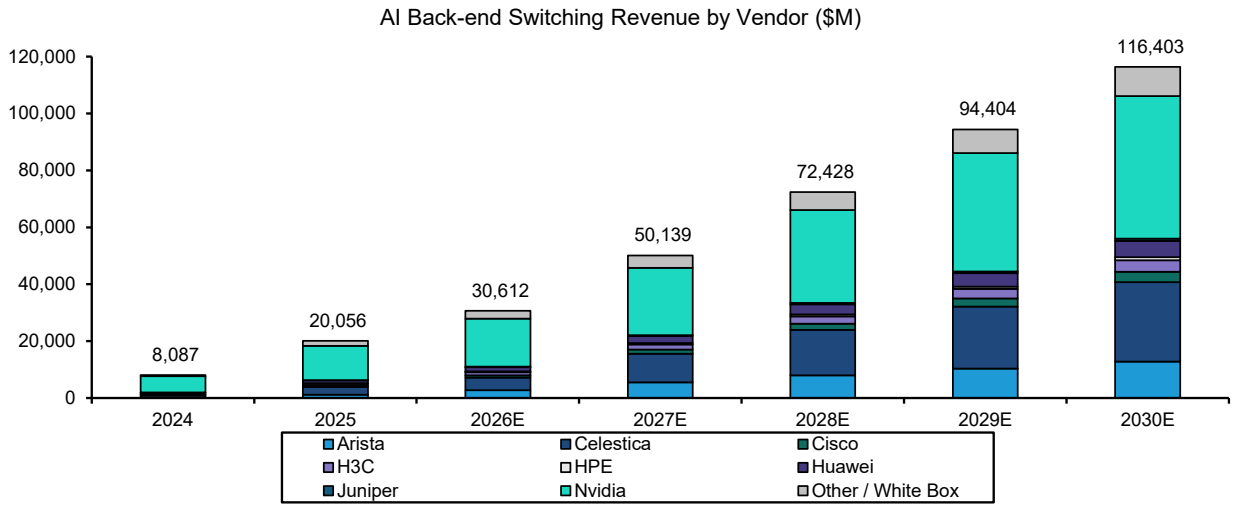
EXHIBIT 10: **We expect accelerator chiplet volumes to double 2025-28E and switch ports to grow proportionally**



Source: Bernstein Asia Semiconductors and Equipment & Global Memory team (Mark Li)

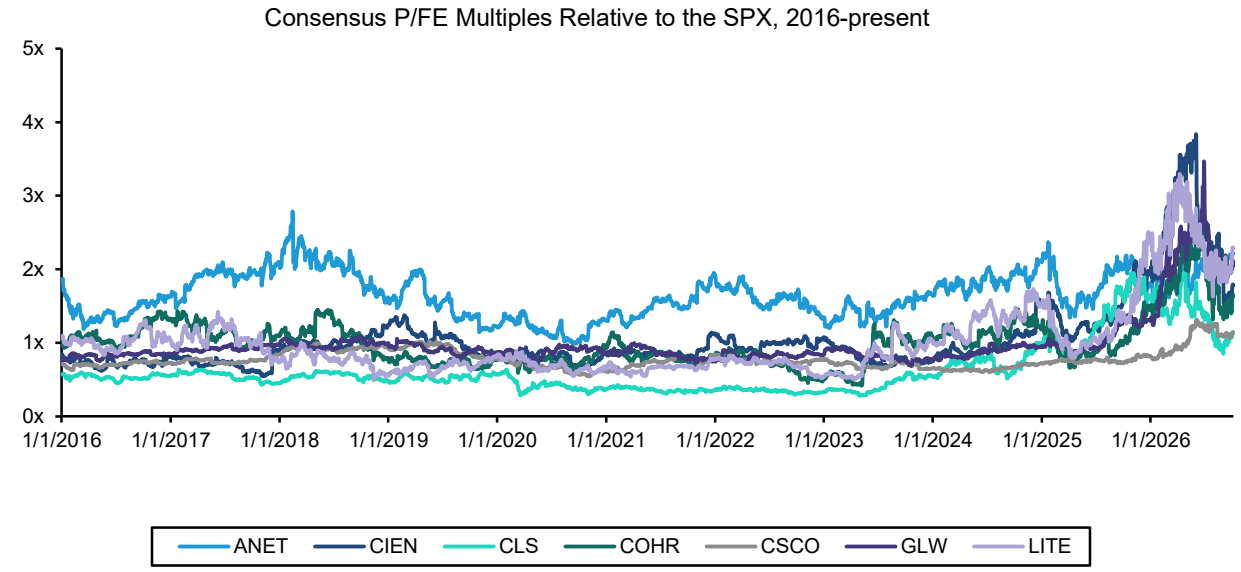
on 07-Oct-2026

EXHIBIT 11: **We expect AI back-end switching to outpace chiplet shipment growth**



Source: Dell'Oro, Bernstein estimates and analysis

EXHIBIT 12: **Stocks have cooled down since the summer run up**



Source: Bloomberg as of as of 10/05/2026, Bernstein analysis

on 07-Oct-2026

APPENDIX - FINANCIAL FORECASTS

EXHIBIT 13: **Celestica: Operating Model**

Celestica Inc - Operating Profit Model *In US$ M unless otherwise specified*	12/31/2025 2025A	12/31/2026 2026E	12/31/2027 2027E	12/31/2028 2028E	3/31/2025 1Q25A	6/30/2025 2Q25A	9/30/2025 3Q25A	12/31/2025 4Q25A	3/31/2026 1Q26A	6/30/2026 2Q26A	9/30/2026 3Q26E	12/31/2026 4Q26E
Revenue Drivers												
Non-GAAP Revenue												
Advanced Technology Solutions (ATS)	**3,202.4**	**3,514.6**	**3,901.2**	**4,096.3**	**807.2**	**819.1**	**781.0**	**795.1**	**806.0**	**888.3**	**906.0**	**914.4**
Communications	7,126.4	11,594.7	23,769.0	38,030.5	1,427.7	1,641.2	1,942.9	2,114.6	2,410.6	2,653.2	3,147.5	3,383.4
Enterprise	2,062.1	5,372.2	12,356.1	16,063.0	413.7	433.1	470.1	745.2	830.4	1,157.1	1,372.7	2,012.0
Connectivity & Cloud Solutions (CCS)	**9,188.5**	**16,966.9**	**36,125.2**	**54,093.5**	**1,841.4**	**2,074.3**	**2,413.0**	**2,859.8**	**3,241.0**	**3,810.3**	**4,520.2**	**5,395.4**
Total Revenue	**12,390.9**	**20,481.5**	**40,026.4**	**58,189.7**	**2,648.6**	**2,893.4**	**3,194.0**	**3,654.9**	**4,047.0**	**4,698.6**	**5,426.2**	**6,309.8**
Non-GAAP Revenue Growth												
Revenue growth % (YoY)												
Advanced Technology Solutions (ATS)	**1.5%**	**9.7%**	**11.0%**	**5.0%**	5.1%	6.7%	-4.1%	-1.3%	-0.1%	8.4%	16.0%	15.0%
Communications	82.5%	62.7%	105.0%	60.0%	90.1%	75.9%	85.1%	80.6%	68.8%	61.7%	62.0%	60.0%
Enterprise	-20.3%	160.5%	130.0%	30.0%	-40.0%	-37.4%	-26.0%	31.0%	100.7%	167.2%	192.0%	170.0%
Connectivity & Cloud Solutions (CCS)	**41.6%**	**84.7%**	**112.9%**	**49.7%**	**27.8%**	**27.7%**	**43.2%**	**64.4%**	**76.0%**	**83.7%**	**87.3%**	**88.7%**
Intersegment / Other												
Total Revenue Growth (YoY)	**28.5%**	**65.3%**	**95.4%**	**45.4%**	**19.9%**	**21.0%**	**27.8%**	**43.6%**	**52.8%**	**62.4%**	**69.9%**	**72.6%**
Reference: Industry model estimate for communications			127.0%	58.9%								

Source: Company reports, Bernstein estimates and analysis

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EXHIBIT 14: **Celestica: Financial Model**

Celestica Inc - Financial Model *In US$ M unless otherwise specified*	12/31/2025 2025A	12/31/2026 2026E	12/31/2027 2027E	12/31/2028 2028E	3/31/2025 1Q25A	6/30/2025 2Q25A	9/30/2025 3Q25A	12/31/2025 4Q25A	3/31/2026 1Q26A	6/30/2026 2Q26A	9/30/2026 3Q26E	12/31/2026 4Q26E
Income Statement												
Non-GAAP Income Statement												
Revenue	**12,390.9**	**20,481.5**	**40,026.4**	**58,189.7**	**2,648.6**	**2,893.4**	**3,194.0**	**3,654.9**	**4,047.0**	**4,698.6**	**5,426.2**	**6,309.8**
COGS	10,975.9	18,143.1	35,456.5	51,546.1	2,357.1	2,555.7	2,819.6	3,243.5	3,588.7	4,159.9	4,804.0	5,590.5
Gross Profit	**1,415.0**	**2,338.4**	**4,569.9**	**6,643.7**	**291.5**	**337.7**	**374.4**	**411.4**	**458.3**	**538.7**	**622.1**	**719.3**
SG&A	364.0	416.9	732.8	791.8	85.0	87.8	94.4	96.8	91.0	104.1	108.8	113.0
R&D	118.2	203.1	320.2	698.3	17.6	34.0	36.4	30.2	41.2	46.3	53.5	62.2
Other	5.8	7.9	15.4	22.4	1.1	1.2	1.4	2.1	0.9	2.0	2.3	2.7
Opex	**488.0**	**627.9**	**1,068.4**	**1,512.5**	**103.7**	**123.0**	**132.2**	**129.1**	**133.1**	**152.4**	**164.5**	**177.9**
Operating Income	**927.0**	**1,710.5**	**3,501.5**	**5,131.2**	**187.8**	**214.7**	**242.2**	**282.3**	**325.2**	**386.3**	**457.6**	**541.5**
Other income (expense), net:	52.6	62.9	62.9	62.9	13.7	13.5	12.8	12.6	16.0	17.4	14.9	14.6
Pre-tax Income	**874.4**	**1,647.6**	**3,438.6**	**5,068.3**	**174.1**	**201.2**	**229.4**	**269.7**	**309.2**	**368.9**	**442.7**	**526.9**
Income Tax	**171.2**	**331.1**	**691.0**	**1,018.5**	**34.0**	**40.0**	**46.3**	**50.9**	**59.7**	**73.5**	**90.8**	**107.1**
Effective Tax Rate %	*19.6%*	*20.1%*	*20.1%*	*20.1%*	*19.5%*	*19.9%*	*20.2%*	*18.9%*	*19.3%*	*19.9%*	*20.5%*	*20.3%*
Net Income	**703.2**	**1,316.5**	**2,747.6**	**4,049.8**	140.1	161.2	183.1	218.8	249.5	295.4	351.8	419.8
Diluted Share Count	116.1	116.0	115.5	115.0	116.9	115.9	115.9	115.9	115.7	116.2	116.1	116.0
Earnings per Share	**6.06**	**11.35**	**23.79**	**35.21**	**1.20**	**1.39**	**1.58**	**1.89**	**2.16**	**2.54**	**3.03**	**3.62**
Growth												
Drivers												
GAAP Net Income Reconciliation												
Adjusted Non-GAAP PF Net Income (Loss)	**703**	**1,317**	**2,748**	**4,050**	**140.1**	**161.2**	**183.1**	**218.8**	**249.5**	**295.4**	**351.8**	**419.8**
Share-based compensation	70	108	191	277	26	15.2	15.6	13	30.5	19.3	28.4	30.1
Amortization of intangible assets	40	67	-	72	10	9.9	10	9.9	10	19.3	19.1	18.5
Non-GAAP adjustments to tax	(21)	(16)	-	-	(6.5)	6.3	(3.2)	(17.1)	(15.7)	(0.7)	-	-
Others	(89)	(143)	-	-	(29.5)	(31.4)	(22.4)	(5.8)	(24.8)	(37.9)	(41.2)	(39.5)
GAAP PF Net Income (Loss)	**833**	**1,337**	**2,557**	**3,701**	**86.2**	**211**	**267.8**	**267.5**	**212.3**	**368.8**	**345.5**	**410.8**
	(129)	**(21)**	**191**	**349**								
Non-GAAP as % of GAAP	84%	98%	107%	109%	163%	76%	68%	82%	118%	80%	102%	102%
Drivers:												
SBC as % of revenue			0.5%	0.5%	1.0%	0.5%	0.5%	0.4%	0.8%	0.4%	0.5%	0.5%
Balance Sheet												
Assets												
Cash and Cash Equivalents	596	870	1,353	2,878	303.0	313.8	305.9	595.6	378.0	535.7	386.4	869.9
Accounts Receivable, Net	2,638	4,483	8,761	12,736	2,135.9	2,287.8	2,439.3	2,638.1	3,167.4	3,338.2	3,855.1	4,482.9
Inventories	2,188	4,572	8,934	12,988	1,788.3	1,918.1	2,046.7	2,188.0	2,672.9	3,401.7	3,928.4	4,571.5
Other current assets	252	479	936	1,361	149.3	251.3	350.9	251.5	178.6	298.7	424.9	478.9
Total Current Assets	**5,673**	**10,403**	**19,983**	**29,963**	**4,376.5**	**4,771.0**	**5,142.8**	**5,673.2**	**6,396.9**	**7,574.3**	**8,594.9**	**10,403.1**
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-
Property, plant & equipment, net	586	1,453	2,349	3,601	536.5	549.4	551.9	586.0	711.3	1,026.3	1,242.8	1,452.5
Operating lease right-of-use assets	124	153	153	153	124.6	123.5	124.5	124.1	149.8	152.7	152.7	152.7
Goodwill	333	333	333	333	340.5	340.8	340.7	333.1	333.0	332.9	332.9	332.9
Other intangible assets, net	266	207	207	136	297.5	286.8	275.4	266.2	255.6	244.9	225.8	207.3
Deferred income taxes	156	277	541	787	86.9	95.2	99.5	156.4	182.3	206.2	238.1	276.9
Other Non-Current Assets	74	336	657	955	72.4	74.4	71.9	74.1	231.1	250.3	289.1	336.1
Total Non-Current Assets	**1,540**	**2,758**	**4,240**	**5,965**	**1,458.4**	**1,470.1**	**1,463.9**	**1,539.9**	**1,863.1**	**2,213.3**	**2,481.4**	**2,758.5**
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	**7,213**	**13,162**	**24,223**	**35,928**	**5,834.9**	**6,241.1**	**6,606.7**	**7,213.1**	**8,260.0**	**9,787.6**	**11,076.2**	**13,161.6**
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities												
Accounts payable	1,866	5,575	10,895	15,839	1,377.8	1,595.2	1,679.8	1,866.1	3,087.9	3,819.7	4,632.9	5,575.1
Accruals and other current liabilities and provisions	1,897	3,137	6,131	8,913	1,649.7	1,699.0	1,795.1	2,047.5	1,966.8	2,333.5	2,435.0	3,137.3
Operating Liabilities	**3,914**	**8,712**	**17,026**	**24,753**	**3,027.5**	**3,294.2**	**3,474.9**	**3,913.6**	**5,054.7**	**6,153.2**	**7,067.9**	**8,712.4**
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-
Total Debt	777	810	810	810	941.7	875.2	784.1	776.5	772.4	810.4	810.4	810.4
Other non-operating liabilities	131	344	344	344	308.9	313.8	319.1	306.7	334.7	344.4	344.4	344.4
Total Non-Operating Liabilities	**1,083**	**1,155**	**1,155**	**1,155**	**1,250.6**	**1,189.0**	**1,103.2**	**1,083.2**	**1,107.1**	**1,154.8**	**1,154.8**	**1,154.8**
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	**4,997**	**9,867**	**18,181**	**25,908**	**4,278.1**	**4,483.2**	**4,578.1**	**4,996.8**	**6,161.8**	**7,308.0**	**8,222.7**	**9,867.2**
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-
Equity												
Total Equity	**2,216**	**3,294**	**6,042**	**10,020**	**1,556.8**	**1,757.9**	**2,028.6**	**2,216.3**	**2,098.2**	**2,479.6**	**2,853.5**	**3,294.4**
Assets - Liabilities & Equity	-	-	-	-	-	-	-	-	-	-	-	-
Book value per share	**$19.09**	**28.40**	**52.30**	**87.12**	*$13.32*	*$15.17*	*$17.50*	*$19.12*	*$18.13*	*$21.34*	*24.578146*	*28.399624*
Working Capital												
Revenue	12,391	20,482	40,026	58,190	2,648.6	2,893.4	3,194.0	3,654.9	4,047.0	4,698.6	5,426.2	6,309.8
COGS	10,976	18,143	35,456	51,546	2,357.1	2,555.7	2,819.6	3,243.5	3,588.7	4,159.9	4,804.0	5,590.5
Opex	488	628	1,068	1,512	103.7	123.0	132.2	129.1	133.1	152.4	164.5	177.9
Working Capital												
Accounts Receivable Days	77.7	79.9	79.9	79.9	73.6	72.2	69.7	65.9	71.4	64.8	64.8	64.8
Inventory Days	72.8	92.0	92.0	92.0	69.2	68.5	66.2	61.6	68.0	74.6	74.6	74.6
Accounts Payable Days	62.1	112.2	112.2	112.2	53.3	57.0	54.4	52.5	78.5	83.8	88.0	91.0
Cash Conversion Cycle	88.4	59.7	59.7	**59.7**	89.5	83.7	81.6	74.9	60.9	55.7	51.4	48.4
As % of revenue												
Other current assets	2.0%	2.3%	2.3%	2.3%	5.6%	8.7%	11.0%	6.9%	4.4%	6.4%	7.8%	7.6%
Other non-current assets	0.6%	1.6%	1.6%	1.6%	2.7%	2.6%	2.3%	2.0%	5.7%	5.3%	5.3%	5.3%

Source: Company reports, Bernstein estimates and analysis

on 07-Oct-2026

EXHIBIT 15: **Arista: Financial Model**

Arista Networks - Financial Model *In US$ M unless otherwise specified*	**Source**	12/31/2025 **2025A**	12/31/2026 **2026E**	12/31/2027 **2027E**	12/31/2028 **2028E**	3/31/2025 1Q25A	6/30/2025 2Q25A	9/30/2025 3Q25A	12/31/2025 4Q25A	3/31/2026 1Q26A	6/30/2026 2Q26A	9/30/2026 3Q26E	12/31/2026 4Q26E
Income Statement													
Non-GAAP Income Statement													
Revenue		**9,006**	**12,676**	**17,873**	**22,878**	**2,004.8**	**2,204.8**	**2,308.3**	**2,487.8**	**2,709.0**	**3,035.7**	**3,324.0**	**3,607.3**
COGS		3,190	4,721	6,702	8,693	720.0	757.8	803.1	909.4	1,018.2	1,111.0	1,246.5	1,345.5
Gross Profit		**5,815**	**7,955**	**11,171**	**14,184**	**1,284.8**	**1,447.0**	**1,505.2**	**1,578.4**	**1,690.8**	**1,924.7**	**2,077.5**	**2,261.8**
Research and development		977	1,187	1,674	2,143	209.4	243.3	251.4	272.5	271.5	278.1	305.8	331.9
Sales and marketing		429	500	705	903	96.7	107.7	118.3	106.6	111.8	118.1	129.6	140.7
General and administrative		94	93	132	169	23.7	22.0	22.4	26.3	21.8	23.1	23.3	25.3
Others		(22)	(41)	(9)	(11)	(2.4)	(2.4)	(8.8)	(8.3)	(8.3)	(8.3)	(10.0)	(14.4)
Opex		**1,478**	**1,740**	**2,502**	**3,203**	**327.4**	**370.6**	**383.3**	**397.1**	**396.8**	**411.0**	**448.7**	**483.4**
Operating Income		**4,337**	**6,215**	**8,668**	**10,981**	**957.4**	**1,076.4**	**1,121.9**	**1,181.3**	**1,294.0**	**1,513.7**	**1,628.7**	**1,778.4**
Other income (expense), net:		403	455	455	455	90.7	88.6	133.5	90.0	110.8	120.3	133.5	90.0
Pre-tax Income		**4,740**	**6,669**	**9,123**	**11,436**	**1,048.1**	**1,165.0**	**1,255.4**	**1,271.3**	**1,404.8**	**1,634.0**	**1,762.2**	**1,868.4**
Income Tax		959	1,428	1,953	2,448	221.9	241.5	258.5	236.7	296.6	332.3	387.7	411.0
Effective Tax Rate %		*20.2%*	*21.4%*	*21.4%*	*21.4%*	*21.2%*	*20.7%*	*20.6%*	*18.6%*	*21.1%*	*20.3%*	*22.0%*	*22.0%*
Net Income		**3,781**	**5,242**	**7,170**	**8,988**	**826.2**	**923.5**	**996.9**	**1,034.6**	**1,108.2**	**1,301.7**	**1,374.5**	**1,457.4**
Diluted Share Count		1,276	1,276	1,277	1,279	1,279.2	1,271.2	1,276.6	1,275.8	1,273.8	1,276.0	1,276.0	1,276.0
Earnings per Share		**2.96**	**4.11**	**5.61**	**7.03**	**0.65**	**0.73**	**0.78**	**0.81**	**0.87**	**1.02**	**1.08**	**1.14**
Balance Sheet													
Assets													
Cash and Cash Equivalents		1,964	5,177.2	12,935.4	22,662.3	1,845	2,226	2,327	1,964	2,790	2,290	3,411.4	5,177.2
Accounts Receivable, Net		1,887	2,796.0	3,942.4	5,046.3	1,436	1,624	1,489	1,887	1,924	2,266	2,733.1	2,796.0
Marketable securities		8,779	12,689.2	17,891.7	22,901.4	6,305	6,619	7,780	8,779	9,564	11,053	11,692.4	12,689.2
Inventories		2,247	2,796.0	3,969.3	5,148.5	1,957	2,059	2,156	2,247	2,380	2,535	2,733.1	2,796.0
Other current assets		1,510	2,339.5	3,298.7	4,222.4	734	976	1,434	1,510	1,900	2,019	2,155.7	2,339.5
Total Current Assets		**16,387**	**25,797.9**	**42,037.6**	**59,980.8**	**12,276**	**13,504**	**15,185**	**16,387**	**18,557**	**20,163**	**22,725.7**	**25,797.9**
Property, plant and equipment, net		203	365.9	219.0	383.0	124	152	173	203	250	313	337.1	365.9
Operating lease right-of-use		416	416.1	416.1	416.1	-	417	416	416	416	416	416.1	416.1
Deferred tax assets		1,774	2,516.5	3,548.2	4,541.7	1,544	1,803	1,665	1,774	1,887	2,002	2,318.8	2,516.5
Other Non-Current Assets		669	908.0	1,280.3	1,638.8	570	659	610	669	546	826	836.7	908.0
Total Non-Current Assets		**3,062**	**4,206.5**	**5,463.7**	**6,979.7**	**2,238**	**3,031**	**2,864**	**3,062**	**3,100**	**3,557**	**3,908.7**	**4,206.5**
Total Assets		**19,449**	**30,004.4**	**47,501.2**	**66,960.5**	**14,515**	**16,534**	**18,049**	**19,449**	**21,657**	**23,720**	**26,634.5**	**30,004.4**
Liabilities													
Short-term debt		-	-	-	-	-	-	-	-	-	-	-	-
Accounts payable		651.7	830.0	1,178.3	1,528.3	389	544	481	652	608	693	900.7	830.0
Short-Term Deferred Revenue		4,002.6	5,976.1	8,426.3	10,785.7	2,073	2,788	3,521	4,003	4,910	5,101	5,506.7	5,976.1
Accrued & Other		722.2	1,173.0	1,654.0	2,117.1	660	720	665	722	1,042	1,025	1,080.9	1,173.0
Total Current Liabilities		**5,376.5**	**7,979.1**	**11,258.5**	**14,431.1**	**3,122**	**4,051**	**4,667**	**5,377**	**6,560**	**6,818**	**7,488.2**	**7,979.1**
Operating lease liabilities		-	-	-	-	-	-	-	-	-	-	-	-
Long-Term Debt		-	-	-	-								
Long-Term Deferred Revenue		1,369.8	1,905.5	2,686.7	3,439.0	1,016	1,274	1,166	1,370	1,289	1,765	1,755.8	1,905.5
Other Non-Current Liabilities		331.8	448.4	632.3	809.4	258	307	310	332	320	339	413	448
Total Non-Current Liabilities		**1,701.6**	**2,353.9**	**3,319.0**	**4,248.3**	**1,273.9**	**1,581.2**	**1,475.1**	**1,701.6**	**1,609.3**	**2,104.0**	**2,169.0**	**2,353.9**
Total Liabilities		**7,078.1**	**10,333.0**	**14,577.6**	**18,679.4**	**4,396**	**5,633**	**6,142**	**7,078**	**8,169**	**8,922**	**9,657.2**	**10,333.0**
Equity													
Total stockholders equity		**12,371**	**19,671.3**	**32,923.7**	**48,281.1**	**10,119**	**10,902**	**11,907**	**12,371**	**13,487**	**14,798**	**16,977.2**	**19,671.3**
Book value per share		9.7	15.4	25.8	37.7	7.9	8.6	9.3	9.7	10.6	11.6	13.3	15.4
Cash Flow													
Cash flows from operating activities													
Net income		**3,511.4**	**5,067.7**	**7,170.2**	**8,987.9**	**813.8**	**888.8**	**853.0**	**955.8**	**1,022.9**	**1,212.9**	**1,374.5**	**1,457.4**
Depreciation and Amortization		72.6	93.5	131.8	168.7	13.8	12.8	23.2	22.8	23.3	23.4	23.4	23.4
Stock-based compensation		439.2	576.1	812.3	1,039.7	93.0	85.2	127.9	133.1	120.9	120.4	160.5	174.2
Deferred income tax		(312.0)	(728.0)	(1,031.7)	(993.5)	(107.1)	(230.8)	135.4	(109.5)	(104.9)	(108.2)	(317.2)	(197.7)
Other, Net		(27.1)	(21.3)	(30.0)	(38.4)	(12.1)	1,132.5	(1,143.9)	(3.6)	(3.4)	(7.2)	(5.1)	(5.6)
Change in Working Capital		687.8	775.6	965.7	895.2	(159.7)	(688.4)	1,272.6	263.3	634.7	(158.3)	(66.9)	366.1
Net cash provided by operating activities		**4,371.9**	**5,763.6**	**8,018.2**	**10,059.7**	**641.7**	**1,200.1**	**1,268.2**	**1,261.9**	**1,693.5**	**1,083.0**	1,169.3	1,817.9
Sum - Total			-	-	-	-	-	-	-	-	-	-	-
Cash flows from investing activities													
Capex		(120)	(184)	(260.0)	(332.8)	(28)	(24)	(30)	(37)	(55)	(30)	(48.0)	(52.1)
Investments		(4,210)	(2,326)	-	-	(738)	(301)	(1,884)	(1,288)	(816)	(1,510)	-	-
Acquistions & Other		753	(35)	-	-	-	(300)	728	326	5	(40)	-	-
Net cash provided by/(used in) investing activities		**(3,576)**	**(2,545)**	**(260.0)**	**(332.8)**	**(766)**	**(625)**	**(1,186)**	**(999)**	**(865)**	**(1,580)**	(48.0)	(52.1)
Sum - Total		-	-	-	-					-	-	-	-
Cash flows from financing activities													
Debt-related													
Buybacks		(1,603)	-	-	-	(787)	(196)	-	(620)	-	-	-	-
Dividends		-	-	-	-								
Financing - other		7	(2)	-	-	(7)	(1)	21	(5)	-	(2)	-	-
Net cash provided by/(used in) financing activities		**(1,596)**	**(2)**	-	-	**(794)**	**(197)**	**21**	**(626)**	-	**(2)**	-	-
Sum - Total			-	-	-	-	-	-	-	-	-	-	-
Cash reconciliation													
Effect of exchange rate changes on cash, cash equivalents and restricted cash			(3.6)	-	-					-2.6	-1	-	-
Net change in cash, cash equivalents and restricted cash			**3,213.3**	**7,758.3**	**9,726.9**					825.6	-499.3	1,121.2	1,765.7

Source: Company Filings, Bernstein estimates and analysis

on 07-Oct-2026

EXHIBIT 16: **Cisco: Operating Model**

Cisco Systems - Operating Model	12/31/2025	12/31/2026	12/31/2027	10/31/2025	1/31/2026	4/30/2026
In US$ M unless otherwise specified	2025A	2026A	2027E	1Q26A	2Q26A	3Q26A
Revenue Drivers						
Non-GAAP Revenue						
Networking	28,304	34,668	43,340	7,768	8,294	8,815
Security	8,093	8,232	8,943	1,980	2,018	2,008
Collaboration	4,154	4,300	4,592	1,055	1,054	1,024
Observability	1,055	1,095	1,130	274	277	269
Product	**41,608**	**48,295**	**58,005**	**11,077**	**11,642**	**12,117**
Services	**15,046**	**15,030**	**15,366**	**3,806**	**3,707**	**3,724**
Total Revenue	**56,654**	**63,325**	**73,371**	**14,883**	**15,349**	**15,841**
Inventory Days						
Non-GAAP Revenue Growth						
Revenue growth % (YoY)						
Networking	-3.2%	22.5%	25.0%	15.0%	21.1%	24.7%
Security	59.5%	1.7%	8.6%	-1.8%	-4.4%	-0.2%
Collaboration	1.0%	3.5%	6.8%	-2.8%	5.8%	-0.7%
Observability	26.0%	3.8%	3.2%	6.2%	0.0%	3.1%
Product	**6.0%**	**16.1%**	**20.1%**	**9.5%**	**13.8%**	**16.8%**
Services	**3.4%**	**-0.1%**	**2.2%**	**2.1%**	**-1.3%**	**-1.4%**
Total Revenue Growth (YoY)	**5.3%**	**11.8%**	**15.9%**	**7.5%**	**9.7%**	**12.0%**

Source: Company reports, Bernstein estimates and analysis

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EXHIBIT 17: **Cisco: Financial Model**

Cisco Systems - Financial Model *In US$ M unless otherwise specified*	12/31/2024 2024A	12/31/2025 2025A	12/31/2026 2026A	12/31/2027 2027E	12/31/2028 2028E	10/31/2025 1Q26A	1/31/2026 2Q26A	4/30/2026 3Q26A	7/31/2026 4Q26A	10/31/2026 1Q27E	1/31/2027 2Q27E	4/30/2027 3Q27E	7/31/2027 4Q27E
Income Statement													
Non-GAAP Income Statement													
Revenue	**53,803**	**56,654**	**63,325**	**73,371**	**79,987**	**14,883**	**15,349**	**15,841**	**17,252**	**18,141**	**17,714**	**18,375**	**19,140**
COGS	17,491	18,071	20,933	26,260	28,932	4,747	4,992	5,383	5,811	6,209	6,336	6,646	7,067
Gross Profit	**36,312**	**38,583**	**42,392**	**47,111**	**51,055**	**10,136**	**10,357**	**10,458**	**11,441**	**11,931**	**11,378**	**11,729**	**12,073**
Research and development	6,667	7,675	7,826	8,438	9,199	1,916	1,935	1,957	2,018	2,086	2,037	2,113	2,201
Sales and marketing	9,518	10,048	10,572	11,095	12,096	2,602	2,637	2,616	2,717	2,776	2,693	2,756	2,871
General and administrative	2,438	2,516	2,304	2,218	2,418	602	570	556	576	561	531	551	574
Others	(688)	(792)	(350)	(289)	(315)	(103)	(96)	(83)	(68)	(72)	(70)	(72)	(75)
Opex	**17,935**	**19,447**	**20,352**	**21,462**	**23,397**	**5,017**	**5,046**	**5,046**	**5,243**	**5,352**	**5,191**	**5,348**	**5,571**
Operating Income	**18,377**	**19,136**	**22,040**	**25,649**	**27,657**	**5,119**	**5,311**	**5,412**	**6,198**	**6,580**	**6,186**	**6,381**	**6,502**
Other income (expense), net:	202	(847)	(757)	(750)	(500)	(167)	(196)	(194)	(200)	(150)	(200)	(200)	(200)
Pre-tax Income	**18,579**	**18,289**	**21,283**	**24,899**	**27,157**	**4,952**	**5,115**	**5,218**	**5,998**	**6,430**	**5,986**	**6,181**	**6,302**
Income Tax	**3,429**	**3,349**	**4,034**	**4,606**	**5,024**	**941**	**972**	**991**	**1,130**	**1,190**	**1,107**	**1,143**	**1,166**
Net Income	**15,150**	**14,940**	**17,249**	**20,293**	**22,133**	**4,011**	**4,143**	**4,227**	**4,868**	**5,240**	**4,879**	**5,037**	**5,136**
Diluted Share Count	4,065	4,003	3,986	3,973	3,964	3,993	3,984	3,982	3,984	3,979	3,975	3,971	3,966
Earnings per Share	**3.73**	**3.73**	**4.33**	**5.11**	**5.58**	**1.00**	**1.04**	**1.06**	**1.22**	**1.32**	**1.23**	**1.27**	**1.30**
Balance Sheet													
Assets													
Cash and Cash Equivalents	7,508	8,346	7,218	6,878	14,868	8,400	7,458	7,083	7,218	7,826	7,425	7,329	6,878
Investments	10,346	7,764	8,700	8,700	8,700	7,336	8,319	9,557	8,700	8,700	8,700	8,700	8,700
ST & LT Financing Receivables	6,714	6,527	8,332	8,332	8,332	6,804	6,642	6,578	8,332	8,332	8,332	8,332	8,332
Non-Operating Assets	**24,568**	**22,637**	**24,250**	**23,910**	31,900	**22,540**	**22,419**	**23,218**	**24,250**	**24,858**	**24,457**	**24,361**	**23,910**
Accounts Receivable, Net	6,685	6,701	7,470	9,439	10,290	4,827	6,606	6,480	7,470	8,151	8,347	8,860	9,439
Inventories	3,373	3,164	5,694	7,745	8,533	3,395	3,920	4,708	5,694	6,261	6,597	7,138	7,745
Other current assets	5,612	5,950	6,191	8,613	9,390	5,833	5,884	5,795	6,191	6,894	7,086	7,718	8,613
Current Operating Assets	**15,670**	**15,815**	**19,355**	**25,797**	**28,214**	**14,055**	**16,410**	**16,983**	**19,355**	**21,305**	**22,030**	**23,716**	**25,797**
Property, plant and equipment, net	2,090	2,113	2,760	3,523	4,329	2,248	2,351	2,577	2,760	2,972	3,169	3,352	3,523
Acquired intangibles	11,219	9,175	7,557	5,929	4,497	8,713	8,307	7,850	7,557	7,112	6,694	6,300	5,929
Goodwill	58,660	59,136	59,477	59,477	59,477	59,119	59,234	59,292	59,477	59,477	59,477	59,477	59,477
Deferred taxes	6,262	7,356	7,109	8,613	9,390	7,314	7,399	7,558	7,109	7,619	7,617	8,085	8,613
Other Non-Current Assets	5,944	6,059	9,129	10,128	11,042	7,113	7,251	8,068	9,129	9,599	9,373	9,723	10,128
Non-Current Operating Assets	**84,175**	**83,839**	**86,032**	**87,671**	**88,735**	**84,507**	**84,542**	**85,345**	**86,032**	**86,779**	**86,330**	**86,938**	**87,671**
Total Assets	**124,413**	**122,291**	**129,637**	**137,378**	**148,849**	**121,102**	**123,371**	**125,546**	**129,637**	**132,942**	**132,817**	**135,015**	**137,378**
Check				-	-	-	-	-	-	-	-	-	-
Liabilities													
Accounts Payable	2,304	2,528	3,366	3,098	3,413	2,418	2,762	2,970	3,366	3,402	3,264	3,205	3,098
Accrued compensation	3,608	3,611	4,057	4,311	4,700	3,064	3,494	3,290	4,057	4,141	4,017	4,138	4,311
Deferred revenue	28,475	28,779	29,781	33,041	36,020	27,969	28,403	28,599	29,781	31,315	30,579	31,720	33,041
Current operating lease liabilities	364	375	-	-	-	403	405	-	-	-	-	-	-
Other current liabilities	5,279	5,045	6,763	6,361	7,008	4,569	5,012	4,730	6,763	6,830	6,653	6,646	6,361
Current Operating Liabilities	**40,030**	**40,338**	**43,967**	46,810	51,141	**38,423**	**40,076**	**39,589**	**43,967**	**45,689**	**44,512**	**45,710**	**46,810**
Total Debt	30,962	28,093	29,533	29,533	29,533	28,089	30,086	31,303	29,533	29,533	29,533	29,533	29,533
Income taxes payable	5,424	4,022	2,529	2,529	2,529	4,643	2,319	2,477	2,529	2,529	2,529	2,529	2,529
Other long-term liabilities	2,540	2,995	3,323	2,785	3,037	3,074	3,167	3,316	3,323	3,211	2,959	2,888	2,785
Non-Operating Liabilities	**38,926**	**35,110**	**35,385**	34,847	35,099	**35,806**	**35,572**	**37,096**	**35,385**	**35,273**	**35,021**	**34,950**	**34,847**
Total Liabilities	**78,956**	**75,448**	**79,352**	81,658	86,240	**74,229**	**75,648**	**76,685**	**79,352**	**80,962**	**79,533**	**80,660**	**81,658**
Check				-	-	-	-	-	-	-	-	-	-
Equity													
Total Equity	**45,457**	**46,843**	**50,285**	55,720	62,609	**46,873**	**47,723**	**48,861**	**50,285**	**51,980**	**53,283**	**54,355**	**55,720**
Assets - Liabilities & Equity				-	-	-	-	-	-	-	-	-	-
Book value per share				14.03	15.80	**11.74**	**11.98**	**12.27**	**12.62**	**13.06**	**13.41**	**13.69**	**14.05**
Cash Flow													
Cash flows from operating activities													
Net income	**2,162**	**2,550**	**3,859**	**14,202**	**15,490**	**2,860**	**3,175**	**3,373**	**3,859**	**3,929**	**3,488**	**3,232**	**3,553**
Adjustments to reconcile net income to cash provided by operating activities													
Depreciation and Amortization	823	635	638	2,465	2,370	606	659	637	638	633	622	610	600
Stock-based compensation	800	948	927	3,869	4,218	1,055	934	914	927	925	975	998	972
Deferred income tax	(727)	(341)	443	(1,504)	(777)	25	(89)	(153)	443	(510)	2	(468)	(528)
Other, Net	6	(83)	(846)	(538)	251	(181)	(47)	(261)	(846)	(112)	(252)	(71)	(103)
Change in operating assets	(2,135)	(2,034)	(4,242)	(7,442)	(3,330)	719	(2,188)	(529)	(4,242)	(2,420)	(499)	(2,036)	(2,486)
Change in operating liabilities	2,801	2,559	4,607	2,843	4,331	(1,872)	(622)	(224)	4,607	1,722	(1,177)	1,197	1,100
Net cash provided by operating activities	**3,730**	**4,234**	**5,386**	**13,896**	**22,554**	**3,212**	**1,822**	**3,757**	**5,386**	**4,167**	**3,158**	**3,463**	**3,108**
Sum - Total				-	-	-	-	-	-	-	-	-	-
Cash flows from investing activities													
Capital Expenditure and Capitalized Software Development	(198)	(217)	(390)	(1,600)	(1,744)	(323)	(283)	(414)	(390)	(400)	(400)	(400)	(400)
Other	(3)	14	(20)	-	-	(22)	14	2	(20)	-	-	-	-
Acquisitions of Businesses and Assets, Net of divestitures and returns	(266)	80	(670)	-	-	(6)	(50)	(466)	(670)	-	-	-	-
Purchases (net of maturities and sales) of investments	(361)	(150)	816	-	-	507	(987)	(1,192)	816	-	-	-	-
Net cash provided by/(used in) investing activities	**(828)**	**(273)**	**(264)**	**(1,600)**	**(1,744)**	**156**	**(1,306)**	**(2,070)**	**(264)**	**(400)**	**(400)**	**(400)**	**(400)**
Sum - Total				-	-	-	-	-	-	-	-	-	-
Cash flows from financing activities													
Equity issuances and repurchases	(1,875)	(1,148)	(1,561)	(6,000)	(6,000)	(2,276)	(1,793)	(1,544)	(1,561)	(1,500)	(1,500)	(1,500)	(1,500)
Debt issuances and repayments	(1,041)	(1,176)	(1,785)	-	-	31	1,968	1,199	(1,785)	-	-	-	-
Dividends	(1,606)	(1,625)	(1,659)	(6,636)	(6,820)	(1,617)	(1,617)	(1,660)	(1,659)	(1,659)	(1,659)	(1,659)	(1,659)
Other	15	-	(1)	-	-	(1)	3	(34)	(1)	-	-	-	-
Net cash provided by/(used in) financing activities	**(4,507)**	**(3,949)**	**(5,006)**	**(12,636)**	**(12,820)**	**(3,863)**	**(1,439)**	**(2,039)**	**(5,006)**	**(3,159)**	**(3,159)**	**(3,159)**	**(3,159)**
Sum - Total				-	-	-	-	-	-	-	-	-	-
Cash reconciliation													
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(31)	(43)	(29)	-	-	(14)	(19)	(24)	28	-	-	-	-
Net change in cash, cash equivalents and restricted cash	**(2,785)**	**68**	**(1,683)**	**(340)**	**7,990**	**(509)**	**(942)**	**(376)**	**144**	**608**	**(401)**	**(96)**	**(451)**

Source: Company reports, Bernstein estimates and analysis

on 07-Oct-2026

EXHIBIT 18: **Lumentum Operating Model**

Lumentum Holdings Inc - Operating Model *In US$ M unless otherwise specified*	6/30/2025 2025A	6/30/2026 2026A	6/30/2027 2027E	6/30/2028 2028E	9/30/2024 1Q25A	12/31/2024 2Q25A	3/31/2025 3Q25A	6/30/2025 4Q25A	9/30/2025 1Q26A	12/31/2025 2Q26A	3/31/2026 3Q26A	6/30/2026 4Q26A	9/30/2026 1Q27E	12/31/2026 2Q27E	3/31/2027 3Q27E	6/30/2027 4Q27E
Revenue Drivers																
Revenue																
Components	1,116.3	2,005.6	3,928.3	5,892.4	231.4	263.7	300.8	320.4	379.2	443.7	533.3	649.4	777.4	909.6	1,039.9	1,201.4
Systems	528.7	1,008.4	2,574.2	4,836.7	105.5	138.5	124.4	160.3	154.6	221.8	275.1	356.9	477.1	587.8	698.1	811.2
Total Revenue	**1,645.0**	**3,014.0**	**6,502.5**	**10,729.1**	**336.9**	**402.2**	**425.2**	**480.7**	**533.8**	**665.5**	**808.4**	**1,006.3**	**1,254.4**	**1,497.4**	**1,738.1**	**2,012.6**
Revenue Growth																
Revenue growth % (YoY)																
Components		79.7%	95.9%	50.0%					63.9%	68.3%	77.3%	102.7%	105.0%	105.0%	95.0%	85.0%
Systems		90.7%	155.3%	87.9%					46.5%	60.1%	121.1%	122.6%	208.6%	165.0%	153.8%	127.3%
Total Revenue Growth (YoY)	**21.0%**	**83.2%**	**115.7%**	**65.0%**	**6.1%**	**9.7%**	**16.0%**	**55.9%**	**58.4%**	**65.5%**	**90.1%**	**109.3%**	**135.0%**	**125.0%**	**115.0%**	**100.0%**
Industry Model growth				66.3%												
Revenue growth % (QoQ)																
Components						14.0%	14.1%	6.5%	18.4%	17.0%	20.2%	21.8%	19.7%	17.0%	14.3%	15.5%
Systems						31.3%	-10.2%	28.9%	-3.6%	43.5%	24.0%	29.7%	33.7%	23.2%	18.8%	16.2%
Total Revenue Growth (QoQ)					**9.3%**	**19.4%**	**5.7%**	**13.1%**	**11.0%**	**24.7%**	**21.5%**	**24.5%**	**24.7%**	**19.4%**	**16.1%**	**15.8%**
Revenue Mix																
Revenue mix % (YoY)																
Components	67.9%	66.5%	60.4%	54.9%	68.7%	65.6%	70.7%	66.7%	71.0%	66.7%	66.0%	64.5%	62.0%	60.7%	59.8%	59.7%
Systems	32.1%	33.5%	39.6%	45.1%	31.3%	34.4%	29.3%	33.3%	29.0%	33.3%	34.0%	35.5%	38.0%	39.3%	40.2%	40.3%

Source: Company filings, Bernstein estimates and analysis

on 07-Oct-2026

EXHIBIT 19: **Lumentum Financial Model**

Lumentum Holdings Inc - Financial Model *In US$ M unless otherwise specified*	6/30/2025 2025A	6/30/2026 2026A	6/30/2027 2027E	6/30/2028 2028E	9/30/2025 1Q26A	12/31/2025 2Q26A	3/31/2026 3Q26A	6/30/2026 4Q26A	9/30/2026 1Q27E	12/31/2026 2Q27E	3/31/2027 3Q27E	6/30/2027 4Q27E
Income Statement												
Non-GAAP Income Statement												
Revenue	**1,645.0**	**3,014.0**	**6,502.5**	**10,729.1**	**533.8**	**665.5**	**808.4**	**1,006.3**	**1,254.4**	**1,497.4**	**1,738.1**	**2,012.6**
COGS	1,073.5	1,627.3	3,021.1	4,720.8	323.5	382.9	421.5	499.4	602.1	703.8	799.5	915.7
Gross Profit	**571.5**	**1,386.7**	**3,481.3**	**6,008.3**	**210.3**	**282.6**	**386.9**	**506.9**	**652.3**	**793.6**	**938.6**	**1,096.9**
Research and development	256.0	304.8	488.9	772.5	69.0	69.9	78.4	87.5	100.4	112.3	130.4	145.9
Sales and marketing	155.4	184.9	228.8	300.4	41.5	45.0	47.8	50.6	50.2	52.4	60.8	65.4
Others	52.9	(0.0)	-	-	(0.0)	-	-	-	-	-	-	-
Opex	**464.3**	**489.7**	**717.8**	**1,072.9**	**110.5**	**114.9**	**126.2**	**138.1**	**150.5**	**164.7**	**191.2**	**211.3**
Operating Income	**160.1**	**897.0**	**2,763.6**	**4,935.4**	**99.8**	**167.7**	**260.7**	**368.8**	**501.8**	**628.9**	**747.4**	**885.5**
Other income (expense), net:	15.2	39.9	40.0	40.0	3.7	4.6	9.6	22.0	10.0	10.0	10.0	10.0
Pre-tax Income	**175.3**	**936.9**	**2,803.6**	**4,895.4**	**103.5**	**172.3**	**270.3**	**390.8**	**511.8**	**638.9**	**757.4**	**895.5**
Income Tax	**28.9**	**154.6**	**462.7**	**808.0**	17.1	28.4	44.6	64.5	84.5	105.4	125.0	147.8
Effective Tax Rate %	*16.5%*	*16.5%*	*16.5%*	*16.5%*	*16.5%*	*16.5%*	*16.5%*	*16.5%*	*16.5%*	*16.5%*	*16.5%*	*16.5%*
Net Income	**146.4**	**782.3**	**2,340.9**	**4,087.5**	**86.4**	**143.9**	**225.7**	**326.3**	**427.3**	**533.4**	**632.4**	**747.7**
Diluted Share Count	71.6	93.4	104.5	116.9	78.3	86.1	95.2	101.1	102.3	103.5	104.9	106.3
Earnings per Share	**2.05**	**8.37**	**22.40**	**34.96**	**1.10**	**1.67**	**2.37**	**3.23**	**$4.18**	**$5.15**	**$6.03**	**$7.04**
Growth												
Balance Sheet												
Assets												
Accounts Receivable, Net	250	520	1,040.6	1,386.8	307	377	442	520	648.6	774.2	898.7	1,040.6
Inventories	470	692	1,003.5	1,293.4	532	570	633	692	791.8	886.9	963.8	1,003.5
Prepayments and Other Current Assets	120	212	423.2	564.0	125	181	149	212	263.8	314.9	365.5	423.2
Total Current Operating Assets	**840**	**1,424**	**2,467.3**	**3,244.2**	**964**	**1,128**	**1,223**	**1,424**	**1,704.2**	**1,976.0**	**2,227.9**	**2,467.3**
PP&E, Net			*1,886.3*	3,132.2	795	814	964	1,159	*1,297.1*	*1,464.2*	*1,659.3*	*1,886.3*
Goodwill			1,069.3	1,069.3	31	30	27	1,069	1,069.3	1,069.3	1,069.3	1,069.3
Other Intangible Assets, Net			209.1	120.7	1,061	1,061	1,066	327	292.4	261.5	233.8	209.1
Operating Lease Right-of-Use Assets			58.4	77.8	-	-	-	29	36.4	43.4	50.4	58.4
Deferred Tax Assets			1,061.8	1,415.1	431	397	363	531	661.8	790.0	917.0	1,061.8
Other Non-Current Operating Assets			60.4	80.5	6	15	14	30	37.6	44.9	52.2	60.4
Total Non-Current Operating Assets			**4,345.3**	**5,895.7**	**2,323**	**2,316**	**2,434**	**3,146**	**3,394.6**	**3,673.3**	**3,982.0**	**4,345.3**
Cash and Cash Equivalents			2,201.1	4,493.3	772.9	657.7	2617.8	2043.5	2,041.1	2,043.0	2,090.2	2,201.1
Short-Term Investments			694.9	694.9	349	498	555	695	694.9	694.9	694.9	694.9
Restricted cash			-	-	205	206	198	-	-	-	-	-
Total Non-Operating Assets			**2,896.0**	**5,188.2**	**1,326**	**1,361**	**3,370**	**2,738**	**2,736.0**	**2,737.9**	**2,785.1**	**2,896.0**
Total Assets			**9,708.6**	**14,328.1**	**4613.1**	**4805.3**	**7027.9**	**7307.5**	**7,834.8**	**8,387.2**	**8,995.0**	**9,708.6**
Check			-	-	-	-	-	-	-	-	-	-
Liabilities												
Accounts Payable			1,103.9	1,422.7	279	347	393	567	725.9	848.4	963.8	1,103.9
Accrued Payroll and Related Expenses			292.6	390.0	69	85	110	146	182.4	217.7	252.7	292.6
Accrued Expenses			*129.8*	173.0	46	39	49	65	80.9	96.6	112.1	129.8
Operating Lease Liabilities			*67.6*	90.1	37	35	32	34	42.1	50.3	58.4	67.6
Other Current Liabilities			183.0	243.9	42	43	63	92	114.1	136.2	158.0	183.0
Total Operating Liabilities			**1,776.9**	**2,319.6**	**472**	**550**	**646**	**904**	**1,145.3**	**1,349.1**	**1,545.0**	**1,776.9**
Other Non-Current Liabilities			**115.2**	115.2	111	116	121	115	115.2	115.2	115.2	115.2
Debt			*1,637.4*	1,637.4	3,244	3,287	3,282	1,637	**1,637.4**	**1,637.4**	**1,637.4**	**1,637.4**
Deferred Tax Liabilities			7.0	7.0	6	6	5	7	7.0	7.0	7.0	7.0
Total Non-Operating Liabilities			**1,759.6**	1,759.6	**3361**	**3409**	**3408**	**1760**	1,759.6	1,759.6	1,759.6	1,759.6
Total Liabilities			*3,536.5*	4,079.2	**3,832**	**3,959**	**4,055**	**2,664**	*2,904.9*	*3,108.7*	*3,304.6*	*3,536.5*
Check			-	-	-	-	-	-	-	-	-	-
Stockholders' Equity												
Common Stock			0.1	0.1	0	0	0	0	0.1	0.1	0.1	0.1
Additional Paid-In Capital			12,686.1	13,068.8	1,629	1,616	3,601	12,430	12,483.8	12,542.5	12,610.7	12,686.1
Retained Earnings			(6,524.2)	(2,830.1)	(857)	(779)	(635)	(7,796)	(7,564.1)	(7,274.2)	(6,930.5)	(6,524.2)
Accumulated Other Comprehensive Income			10.1	10.1	9	9	7	10	10.1	10.1	10.1	10.1
Total Stockholders' Equity			6,172.1	10,248.9	**781**	**847**	**2,973**	**4,644**	4,929.9	5,278.5	5,690.4	6,172.1
Check			-	-	-	-	-	-	-	-	-	-
Total Liabilities and Stockholders' Equity			*9,708.6*	14,328.1	4613.1	4805.3	7027.9	7307.4	**7,834.8**	**8,387.2**	**8,995.0**	**9,708.6**
Cash Flow												
Cash flows from operating activities												
Net income	**26**	**(6,935)**	**1,272.1**	**3,694.1**	**4**	**78**	**144**	**(7,162)**	232.2	289.9	343.6	406.3
Depreciation	**104**	**129**	**155.0**	**209.6**	28	31	33	38	**32.2**	**36.0**	**40.7**	**46.1**
Amortization	152	138	117.8	88.4	34	34	34	36	34.6	30.9	27.6	24.7
Stock-based compensation	177	170	256.0	382.7	42	45	42	41	53.7	58.7	68.2	75.4
Other	(19)	7,541	-	-	4	11	(2)	7,528	-	-	-	-
Change in Working Capital	(315)	(292)	(761)	(627)	(55)	(73)	(47)	(118)	(185)	(211)	(197)	(169)
Net cash provided by operating activities	126	751	1,039.8	**3,747.8**	**58**	**127**	**204**	**363**	**167.8**	**205.0**	**283.0**	**384.0**
Sum - Total	-	-	-	-	-	-	-	0	-	-	-	-
Cash flows from investing activities												
Capex, net	(231)	(409)	(882)	(1,456)	(76)	(84)	(85)	(164)	(170.2)	(203.1)	(235.8)	(273.0)
Acquisitions	-	(38)	-	-	-	-	(38)	-	-	-	-	-
Investing	99	(339)	-	-	8	(148)	(59)	(140)	-	-	-	-
Other	48	0	-	-	-	-	-	0	-	-	-	-
Net cash provided by/(used in) investing activitie	**(84)**	**(786)**	**(882)**	**(1,456)**	**(68)**	**(231)**	**(182)**	**(304)**	(170.2)	(203.1)	(235.8)	(273.0)
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows from financing activities												
Debt and preferreds	83.5	1556.9	-	-	1,153	50	988	(633)	-	-	-	-
Common Dividends	-41.7	0	-	-	(47)	(60)	107	-	-	-	-	-
Equity Issuances and buybacks	0	0	-	-	(843)	-	843	-	-	-	-	-
Net cash provided by/(used in) financing activitie	**42**	**1,557**	**-**	**-**	**262**	**(11)**	**1,938**	**(633)**	-	-	-	-
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-
Cash reconciliation												
Effect of exchange rate changes on cash, cash equiv	0	-	-	-	-	-	-	-	-	-	-	-
Net change in cash, cash equivalents and restric	**84**	**1,523**	**158**	**2,292.2**	**252**	**(115)**	**1,960**	**(574)**	(2.4)	1.9	47.2	110.9

Source: Company filings, Bernstein estimates and analysis

on 07-Oct-2026

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EXHIBIT 20: **Coherent Operating Model**

Coherent Corp - Balance Sheet *In US$ M unless otherwise specified*	12/31/2025 2025A	12/31/2026 2026A	12/31/2027 2027E	9/30/2024 1Q25A	12/31/2024 2Q25A	3/31/2025 3Q25A	6/30/2025 4Q25A	9/30/2025 1Q26A	12/31/2025 2Q26A	3/31/2026 3Q26A	6/30/2026 4Q26A	9/30/2026 1Q27E	12/31/2026 2Q27E	3/31/2027 3Q27E	6/30/2027 4Q27E
Revenue Drivers															
Revenue															
Datacenter & Communications	**3,755.2**	**5,274.6**	**8,955.5**	**863.6**	**904.5**	**969.0**	**1,018.0**	**1,090.0**	**1,208.0**	**1,361.6**	**1,615.0**	**1,874.8**	**2,113.9**	**2,382.8**	**2,584.0**
Industrial	2,054.6	1,843.6	1,891.4	484.5	530.1	529.0	511.0	491.4	477.7	444.0	430.5	497.3	498.8	452.0	443.3
Total Revenue	**5,810**	**7,118.1**	**10,846.9**	**1,348.1**	**1,434.7**	**1,498.0**	**1,529.5**	**1,581.4**	**1,685.6**	**1,805.6**	**2,045.5**	**2,372.1**	**2,612.7**	**2,834.8**	**3,027.3**
Revenue Growth															
Revenue growth % (YoY)															
Datacenter		41.4%						23.0%	36.0%	37.0%	66.0%				
Communications		39.1%						30.7%	30.2%	45.8%	48.3%				
Datacenter & Communications		40.5%	69.8%					26.2%	33.5%	40.5%	58.6%	72.0%	75.0%	75.0%	60.0%
Industrial		-10.3%	2.6%					1.4%	-9.9%	-16.1%	-15.8%	1.2%	4.4%	1.8%	3.0%
Total Revenue Growth (YoY)	**23.4%**	**22.5%**	**52.4%**	**28.0%**	**26.8%**	**23.9%**	**16.4%**	**17.3%**	**17.5%**	**20.5%**	**33.7%**	**50.0%**	**55.0%**	**57.0%**	**48.0%**
Industry Model Growth															
Revenue growth % (QoQ)															
Datacenter					3.1%	12.2%	2.3%	4.0%	14.0%	13.0%	23.9%				
Communications					7.0%	0.4%	9.2%	11.4%	6.7%	12.3%	11.2%				
Datacenter & Communications					4.7%	7.1%	5.1%	7.1%	10.8%	12.7%	18.6%	16.1%	12.8%	12.7%	8.4%
Industrial					9.4%	-0.2%	-3.4%	-3.8%	-2.8%	-7.1%	-3.0%	15.5%	0.3%	-9.4%	-1.9%
Total Revenue Growth (QoQ)				**2.6%**	**6.4%**	**4.4%**	**2.1%**	**3.4%**	**6.6%**	**7.1%**	**13.3%**	**16.0%**	**10.1%**	**8.5%**	**6.8%**
Operating Profit Decomposition															
Statement of Operations															
Total revenue	**5,810.3**	**7,118.1**	**10,846.9**	**1,348.1**	**1,434.7**	**1,498.0**	**1,529.5**	**1,581.4**	**1,685.6**	**1,805.6**	**2,045.5**	**2,372.1**	**2,612.7**	**2,834.8**	**3,027.3**
Cost of revenue	3,595	4,311.6	6,399.7	839.5	886.7	921.2	947.4	968.8	1,028.5	1,091.4	1,222.9	1,399.5	1,541.5	1,672.5	1,786.1
Gross profit	**2,215**	**2,806.5**	**4,447.2**	**508.6**	**548.0**	**576.8**	**582.1**	**612.6**	**657.1**	**714.2**	**822.6**	**972.6**	**1,071.2**	**1,162.3**	**1,241.2**
Operating expenses:															
Research and development	553	693.4	1,084.7	124.3	137.4	141.2	149.7	147.9	158.8	178.4	208.3	237.2	261.3	283.5	302.7
Sales and marketing	611	656.3	813.5	151.8	145.7	156.3	157.3	155.8	162.3	169.7	168.5	177.9	196.0	212.6	227.1
Others	0	(0.1)	-	0.1	0.0	0.2	(0.0)	0.1	(0.1)	-	-	-	-	-	-
Total operating expenses	**1,163**	**1,349.7**	**1,898.2**	**276.0**	**283.1**	**297.4**	**307.0**	**303.6**	**321.2**	**348.1**	**376.8**	**415.1**	**457.2**	**496.1**	**529.8**
Income from operations	**1,052**	**1,456.8**	**2,549.0**	**232.6**	**264.9**	**279.4**	**275.1**	**309.0**	**335.9**	**366.1**	**445.8**	**557.4**	**614.0**	**666.2**	**711.4**

Source: Company filings, Bernstein estimates and analysis



on 07-Oct-2026

EXHIBIT 21: **Coherent Financial Model**

Coherent Corp - Financial Model *In US$ M unless otherwise specified*	12/31/2024 2024A	12/31/2025 2025A	12/31/2026 2026A	12/31/2027 2027E	12/31/2028 2028E	9/30/2025 1Q26A	12/31/2025 2Q26A	3/31/2026 3Q26A	6/30/2026 4Q26A	9/30/2026 1Q27E	12/31/2026 2Q27E	3/31/2027 3Q27E	6/30/2027 4Q27E
Income Statement													
Non-GAAP Income Statement													
Revenue	**4,707.7**	**5,810.3**	**7,118.1**	**10,846.9**	**16,270.4**	**1,581.4**	**1,685.6**	**1,805.6**	**2,045.5**	**2,372.1**	**2,612.7**	**2,834.8**	**3,027.3**
COGS	3,011.6	3,594.8	4,311.6	6,399.7	9,274.1	968.8	1,028.5	1,091.4	1,222.9	1,399.5	1,541.5	1,672.5	1,786.1
Gross Profit	**1,696.1**	**2,215.5**	**2,806.5**	**4,447.2**	**6,996.3**	**612.6**	**657.1**	**714.2**	**822.6**	**972.6**	**1,071.2**	**1,162.3**	**1,241.2**
Research and development	441.2	552.6	693.4	1,084.7	1,627.0	147.9	158.8	178.4	208.3	237.2	261.3	283.5	302.7
Sales and marketing	545.4	611.2	656.3	813.5	1,220.3	155.8	162.3	169.7	168.5	177.9	196.0	212.6	227.1
Others	(0.1)	0.3	(0.1)	-	-	0.1	(0.1)	-	-	-	-	-	-
Opex	**986.7**	**1,163.5**	**1,349.7**	**1,898.2**	**2,847.3**	**303.6**	**321.2**	**348.1**	**376.8**	**415.1**	**457.2**	**496.1**	**529.8**
Operating Income	**709.4**	**1,052.0**	**1,456.8**	**2,549.0**	**4,148.9**	**309.0**	**335.9**	**366.1**	**445.8**	**557.4**	**614.0**	**666.2**	**711.4**
Other income (expense), net:	(232.3)	(167.4)	(118.1)	(167.1)	(167.1)	(37.6)	(33.2)	(29.7)	(17.6)	(44.5)	(45.2)	(41.3)	(36.1)
Pre-tax Income	**477.1**	**884.6**	**1,338.7**	**2,381.9**	**3,981.9**	**271.4**	**302.7**	**336.4**	**428.2**	**512.9**	**568.8**	**624.9**	**675.4**
Income Tax	(98.5)	(184.0)	(254.7)	(452.6)	(756.6)	(51.6)	(57.6)	(64.1)	(81.4)	(97.5)	(108.1)	(118.7)	(128.3)
Effective Tax Rate %	*-20.6%*	*-20.8%*	*-19.0%*	*-19.0%*	*-19.0%*	*-19.0%*	*-19.0%*	*-19.1%*	*-19.0%*	*-19.0%*	*-19.0%*	*-19.0%*	*-19.0%*
Non-controlling interest	2.8	3.5	12.3	5.7	5.7	1.1	2.9	3.9	4.4	(0.2)	3.2	1.6	1.2
Net Income	**381.3**	**704.1**	**1,096.4**	**1,935.1**	**3,231.0**	**220.9**	**248.0**	**276.2**	**351.2**	**415.2**	**463.9**	**507.8**	**548.2**
Diluted Share Count	226.25	195.29	196.47	203.52	204.97	190.7	192.8	196.4	202.2	202.7	203.2	203.8	204.4
Earnings per Share	**1.69**	**3.61**	**5.58**	**9.51**	**15.76**	**1.16**	**1.28**	**1.41**	**1.74**	**2.05**	**2.28**	**2.49**	**2.68**
Balance Sheet													
Assets													
Accounts receivable	848.5	964.1	1,343.3	1,988.1	2,982.1	1,027	1,055	1,188	1,343.3	1,557.8	1,715.8	1,861.6	1,988.1
Inventories	1,286.4	1,437.6	2,581.0	3,769.7	5,462.9	1,633	1,848	2,127	2,581.0	2,953.8	3,253.4	3,530.0	3,769.7
Prepaid and other current assets	425.1	607.4	979.0	1,448.9	2,173.4	507	592	671	979.0	1,135.3	1,250.5	1,356.8	1,448.9
Current Operating Assets	2,560.1	3,009.1	4,903.3	7,206.7	10,618.4	**3,167**	**3,494**	**3,986**	**4,903.3**	**5,646.9**	**6,219.6**	**6,748.4**	**7,206.7**
Property, plant and equipment, net	1,817.3	1,877.5	2,999.3	3,689.4	5,423.5	1,944	2,117	2,420	2,999.3	3,199.9	3,380.5	3,543.1	3,689.4
Goodwill	4,464.3	4,471.1	4,375.6	4,495.7	4,331.5	4,475	4,463	4,402	4,375.6	4,619.5	4,577.8	4,536.6	4,495.7
Intangible Assets, Net	3,503.2	3,204.7	2,884.5	2,963.7	2,855.4	3,133	3,064	2,958	2,884.5	3,045.3	3,017.8	2,990.6	2,963.7
Other Non-Current Assets	313.1	662.2	474.3	702.0	1,052.9	373	352	398	474.3	550.0	605.8	657.3	702.0
Non-Current Operating Assets	10,097.9	10,215.6	10,733.7	11,850.8	13,663.3	**9,925**	**9,996**	**10,178**	**10,733.7**	**11,414.7**	**11,582.0**	**11,727.6**	**11,850.8**
Cash and cash equivalents	926.0	909.2	1,162.0	725.2	135.3	852.8	863.7	1,592.7	1,162.0	544.9	534.7	592.6	725.2
Restricted cash, total current and non-current	863.7	723.7	606.4	606.4	606.4	700.1	665.1	633.0	606.4	606.4	606.4	606.4	606.4
Investments, short and long-term	-	-	825.0	825.0	825.0	-	-	825.0	825.0	825.0	825.0	825.0	825.0
Deferred Tax	41.0	53.4	69.4	69.4	69.4	53.9	69.1	72.1	69.4	69.4	69.4	69.4	69.4
Non-Operating Assets	**1,830.7**	**1,686.3**	**2,662.8**	**2,226.0**	**1,636.1**	**1,607**	**1,598**	**3,123**	**2,662.8**	**2,045.7**	2,035.5	2,093.4	2,226.0
Total Assets	14,488.6	14,910.9	**18,299.9**	**21,283.5**	**25,917.8**	**14,699**	**15,088**	**17,287**	**18,299.9**	19,107.3	19,837.1	20,569.4	21,283.5
Liabilities													
Accounts payable	631.5	847.0	1,905.4	2,783.0	4,032.9	953.9	1,118.5	1,343.4	1,905.4	2,180.6	2,401.8	2,606.0	2,783.0
Accruals and other current liabilities	597.9	718.0	879.3	1,301.4	1,952.0	692.3	683.1	708.6	879.3	1,019.7	1,123.1	1,218.6	1,301.4
Operating lease liabilities, current and non-curre	202.9	206.7	316.2	468.0	702.0	198.1	194.7	231.3	316.2	366.7	403.9	438.2	468.0
Other liabilities	225.4	259.3	198.2	293.3	440.0	229.9	208.1	188.2	198.2	229.8	253.2	274.7	293.3
Operating Liabilities	1,657.8	2,031.0	3,299.1	4,845.6	7,127.0	**2,074.1**	**2,204.3**	**2,471.5**	**3,299.1**	**3,796.8**	**4,181.9**	**4,537.4**	**4,845.6**
Debt, short and long term	4,100.2	3,686.9	3,222.2	3,222.2	3,222.2	3,307.8	3,351.9	3,193.8	3,222.2	3,222.2	3,222.2	3,222.2	3,222.2
Deferred Income Taxes	784.4	711.7	540.6	540.6	540.6	629.5	643.3	605.8	540.6	540.6	540.6	540.6	540.6
Capital Lease Obligations	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Liabilities	**4,884.6**	**4,398.6**	**3,762.8**	**3,762.8**	**3,762.8**	**3,937.3**	**3,995.1**	**3,799.6**	**3,762.8**	3,762.8	3,762.8	3,762.8	3,762.8
Total Liabilities	**6,542.4**	**6,429.7**	**7,061.7**	**8,608.4**	**10,889.8**	6,011.4	6,199.4	6,271.0	7,061.7	7,559.6	7,944.7	8,300.2	8,608.4
Equity													
Total Mezzanine Equity	2,364.8	2,483.3	-	-	-	2,505	-	-	-	-	-	-	-
Total Coherent Corp. Shareholders' Equity	**5,210.1**	**5,644.5**	**10,903.5**	**12,340.3**	**14,693.3**	5,830	8,539	10,677	10,904	**11,212.9**	**11,557.7**	**11,934.4**	**12,340.3**
Noncontrolling interests	**371.4**	**353.5**	**334.7**	**334.7**	**334.7**	352	349	339	335	**334.7**	**334.7**	**334.7**	**334.7**
Total Equity	**7,946.3**	**8,481.3**	**11,238.2**	**12,675.0**	**15,028.0**	**8,687**	**8,888**	**11,016**	**11,238**	**11,547.6**	**11,892.4**	**12,269.1**	**12,675.0**
Book value per share	52.07	54.54	55.58	62.02	73.32	**45.56**	**46.11**	**56.09**	**55.58**	*56.97*	*58.52*	*60.20*	*62.02*
Cash Flow													
Cash flows from operating activities													
Net income	**(158.8)**	**30.1**	**786.9**	**1,165.3**	**1,945.7**	**225.2**	**143.8**	**181.7**	**236.2**	**250.0**	**279.4**	**305.8**	**330.1**
Depreciation	271.6	250.8	241.6	1,309.9	1,517.9	53.0	55.5	62.4	70.7	299.4	319.4	337.4	353.7
Amortization	288.2	302.8	280.3	275.0	268.7	69.4	70.5	70.5	69.9	69.7	69.1	68.4	67.8
Stock-based compensation	126.0	160.2	186.5	271.5	407.3	44.1	42.8	49.1	50.4	59.4	65.4	71.0	75.8
Other, Net	(85.7)	97.8	(313.6)	(701.7)	(459.6)	(187.2)	4.7	(65.2)	(65.8)	(549.7)	(55.8)	(51.5)	(44.6)
Change in Operating Assets and Liabilities	104.3	(208.1)	(1,102.2)	(756.9)	(1,130.4)	(158.6)	(259.4)	(392.3)	(291.9)	(245.9)	(187.6)	(173.2)	(150.2)
Net cash provided by operating activities	**545.7**	**633.6**	**79.5**	**1,563.2**	**2,549.7**	**46.0**	**57.9**	**(93.8)**	**69.4**	**(117.1)**	**489.8**	**557.9**	**632.6**
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Check													
Cash flows from investing activities													
Capital Expenditure and Capitalized Software Develc	(346.8)	(440.8)	(1,102.9)	(2,000.0)	(3,139.6)	(103.9)	(153.6)	(289.7)	(555.7)	(500.0)	(500.0)	(500.0)	(500.0)
Acquisitions, net of divestitures	-	27.0	429.8	-	-	391.1	(5.3)	51.5	(7.5)	-	-	-	-
Purchases of investments, net of sales	-	-	(735.6)	-	-	9.6	21.9	(807.7)	40.6	-	-	-	-
Other	(0.0)	(0.0)	(5.0)	-	-	(0.0)	(0.0)	(5.0)	0.0	-	-	-	-
Net cash provided by/(used in) investing activi	**(350.7)**	**(414.2)**	**(1,413.7)**	**(2,000.0)**	**(3,139.6)**	**296.8**	**(138.5)**	**(1,049.4)**	**(522.6)**	**(500.0)**	**(500.0)**	**(500.0)**	**(500.0)**
Sum - Total	4.0	-	(1.0)	-	-	-	1.0	(2.0)	-	-	-	-	-
Cash flows from financing activities													
Debt proceeds net of payments	(209.8)	(383.3)	(487.3)	-	-	(317.2)	215.5	(411.9)	26.3	-	-	-	-
Equity issuance net of buybacks	42.3	49.6	2,052.4	-	-	21.3	8.8	2,021.7	0.6	-	-	-	-
Dividends	-	(11.4)	(11.4)	-	-	(11.4)	-	-	0.0	-	-	-	-
Other	925.8	(106.6)	(76.4)	-	-	(114.2)	(181.2)	244.6	(25.6)	-	-	-	-
Net cash provided by/(used in) financing activi	**758.3**	**(451.7)**	**1,477.1**	**-**	**-**	**(421.5)**	**43.1**	**1,854.3**	**1.2**	-	-	-	-
Sum - Total	-	-	-	-	-	-	-	-	-	-	-	-	-
Check													
Cash reconciliation													
Effect of exchange rate changes on cash, cash equiv	(1.2)	75.6	(7.4)	-	-	(1.3)	13.5	(14.2)	(5.4)	-	-	-	-
Net change in cash, cash equivalents and resti	**952.1**	**(156.8)**	**135.5**	**(436.8)**	**(589.9)**	**(80.0)**	**(24.1)**	**697.0**	**(457.4)**	**(617.1)**	**(10.2)**	**57.9**	**132.6**

Source: Company filings, Bernstein estimates and analysis

on 07-Oct-2026

EXHIBIT 22: **Ciena: Operating Model**

Ciena Corporation - Operating Model *In US$ M unless otherwise specified*	12/31/2013 **2013A**	12/31/2014 **2014A**	12/31/2015 **2015A**	12/31/2016 **2016A**	12/31/2017 **2017A**	12/31/2018 **2018A**	12/31/2019 **2019A**	12/31/2020 **2020A**	12/31/2021 2021A	12/31/2025 2025A	12/31/2026 2026E	12/31/2027 2027E	12/31/2028 2028E	1/31/2026 1Q26A	4/30/2026 2Q26A	7/31/2026 3Q26A	10/31/2026 4Q26E	1/31/2027 1Q27E	4/30/2027 2Q27E	7/31/2027 3Q27E	10/31/2027 4Q27E
Revenue Drivers																					
Segment Revenue																					
Optical Networking			1,734.7	1,815.9	1,939.6	2,194.5	2,562.8	2,547.6	2,553.5	3,246.2	4,568.7	6,170.0	8,297.3	1,023.2	1,099.8	1,191.3	1,254.4	1,340.4	1,440.7	1,620.2	1,768.7
Routing and Switching			229.2	252.9	313.1	283.5	348.5	267.5	271.8	430.1	636.3	890.7	1,202.5	126.0	174.2	164.4	171.7	171.4	236.9	231.8	250.6
Networking Platforms			**1,963.9**	**2,068.8**	**2,252.7**	**2,478.0**	**2,911.3**	**2,815.1**	**2,825.3**	**3,676.4**	**5,205.0**	**7,060.7**	**9,499.7**	**1,149.2**	**1,274.0**	**1,355.7**	**1,426.1**	**1,511.8**	**1,677.7**	**1,852.0**	**2,019.3**
Software Product			38.5	48.7	65.9	87.4	72.5	99.7	107.3	146.2	142.4	160.1	176.1	30.7	37.5	34.6	39.7	37.5	38.7	40.2	43.6
Total Product Revenue	**1,680.1**	**1,865.8**	**2,002.4**	**2,117.5**	**2,318.6**	**2,565.5**	**2,983.8**	**2,914.8**	**2,932.6**	**3,822.6**	**5,347.3**	**7,220.7**	**9,675.8**	**1,179.9**	**1,311.5**	**1,390.3**	**1,465.7**	**1,549.3**	**1,716.4**	**1,892.2**	**2,062.9**
Maintenance, Support, and Learning			224.1	229.0	227.4	245.2	261.3	269.4	283.4	317.2	365.7	438.8	526.6	87.6	89.3	89.8	99.0	105.1	107.2	107.8	118.8
Implementation			115.5	130.9	117.5	128.8	148.2	152.0	171.5	246.0	324.7	389.6	467.5	67.9	79.7	87.9	89.2	81.5	95.6	105.5	107.0
Advisory and Enablement			41.8	46.8	42.9	41.6	41.3	35.3	33.7	50.5	59.5	71.4	85.7	8.6	10.4	15.9	24.6	10.3	12.5	19.1	29.5
Global Services			**381.5**	**406.7**	**387.9**	**415.6**	**450.9**	**456.7**	**488.5**	**613.8**	**749.9**	**899.8**	**1,124.8**	**164.1**	**179.4**	**193.6**	**212.8**	**196.9**	**215.3**	**232.3**	**255.3**
Software Services			61.8	76.4	95.2	113.3	137.4	160.7	199.5	333.1	342.7	373.5	407.3	83.1	79.9	87.3	92.5	87.5	90.3	93.8	101.8
Total Services	**402.4**	**422.5**	**443.3**	**483.1**	**483.1**	**528.8**	**588.3**	**617.4**	**688.1**	**946.9**	**1,092.6**	**1,273.3**	**1,489.7**	**247.2**	**259.3**	**280.9**	**305.3**	**284.5**	**305.6**	**326.1**	**357.1**
Total Revenue	**2,082.5**	**2,288.3**	**2,445.7**	**2,600.6**	**2,801.7**	**3,094.3**	**3,572.1**	**3,532.2**	**3,620.7**	**4,769.5**	**6,439.9**	**8,494.0**	**11,165.5**	**1,427.0**	**1,570.7**	**1,671.1**	**1,771.0**	**1,833.7**	**2,022.0**	**2,218.3**	**2,420.1**
Platform Software and Services						173.9	155.4	197.8	229.6	363.8	391.6	426.8	469.5	93.3	93.9	98.6	105.8	100.1	103.2	107.2	116.3
Blue Planet Automation Software and Services						26.8	54.6	62.6	77.2	115.5	93.4	106.7	117.4	20.4	23.4	23.2	26.4	25.0	25.8	26.8	29.1
Total Software						**200.7**	**209.9**	**260.4**	**306.8**	**479.4**	**485.0**	**533.5**	**586.9**	**113.7**	**117.3**	**121.8**	**132.2**	**125.1**	**129.0**	**134.0**	**145.4**
														17%	17%	17%	17%	16%	15%	15%	15%
Revenue Growth																					
Revenue growth % (YoY)																					
Optical Networking				4.7%	6.8%	13.1%	16.8%	-0.6%	0.2%	22.8%	40.7%	35.0%	34.5%	40.6%	42.2%	46.1%	35.0%	31.0%	31.0%	36.0%	41.0%
Routing and Switching				10.3%	23.8%	-9.5%	22.9%	-23.2%	1.6%	7.7%	47.9%	40.0%	35.0%	35.2%	87.9%	30.6%	45.0%	36.0%	36.0%	41.0%	46.0%
Networking Platforms				**5.3%**	**8.9%**	**10.0%**	**17.5%**	**-3.3%**	**0.4%**	**20.9%**	**41.6%**	**35.7%**	**34.5%**	**40.0%**	**47.1%**	**44.0%**	**36.1%**	**31.5%**	**31.7%**	**36.6%**	**41.6%**
Software Product				26.6%	35.3%	32.7%	-17.1%	37.5%	7.6%	25.0%	-2.6%	12.4%	10.0%	-8.8%	16.2%	-2.5%	-11.6%	22.3%	3.3%	16.3%	10.0%
Total Product Revenue		**11.1%**	**7.3%**	**5.7%**	**9.5%**	**10.6%**	**16.3%**	**-2.3%**	**0.6%**	**21.0%**	**39.9%**	**35.0%**	**34.0%**	**38.0%**	**46.0%**	**42.3%**	**34.2%**	**31.3%**	**30.9%**	**36.1%**	**40.7%**
Maintenance, Support, and Learning				2.2%	-0.7%	7.8%	6.6%	3.1%	5.2%	4.7%	15.3%	20.0%	20.0%	17.5%	12.4%	11.2%	20.0%	20.0%	20.0%	20.0%	20.0%
Implementation				13.3%	-10.2%	9.6%	15.1%	2.5%	12.8%	33.5%	32.0%	20.0%	20.0%	42.4%	37.0%	33.4%	20.0%	20.0%	20.0%	20.0%	20.0%
Advisory and Enablement				11.9%	-8.3%	-3.2%	-0.6%	-14.6%	-4.5%	1.4%	17.9%	20.0%	20.0%	10.8%	21.6%	16.5%	20.0%	20.0%	20.0%	20.0%	20.0%
Global Services				**6.6%**	**-4.6%**	**7.1%**	**8.5%**	**1.3%**	**7.0%**	**14.2%**	**22.2%**	**20.0%**	**25.0%**	**26.2%**	**22.7%**	**20.8%**	**20.0%**	**20.0%**	**20.0%**	**20.0%**	**20.0%**
Software Services				23.6%	24.7%	18.9%	21.3%	16.9%	24.2%	4.5%	2.9%	9.0%	9.1%	-5.0%	-1.6%	6.0%	12.5%	5.4%	13.1%	7.5%	10.0%
Total Services		**5.0%**	**4.9%**	**9.0%**	**0.0%**	**9.5%**	**11.2%**	**4.9%**	**11.5%**	**10.6%**	**15.4%**	**16.5%**	**17.0%**	**13.7%**	**14.1%**	**15.8%**	**17.6%**	**15.1%**	**17.9%**	**16.1%**	**17.0%**
Total YoY Revenue		**9.9%**	**6.9%**	**6.3%**	**7.7%**	**10.4%**	**15.4%**	**-1.1%**	**2.5%**	**18.8%**	**35.0%**	**31.9%**	**31.5%**	**33.1%**	**39.5%**	**37.0%**	**31.0%**	**28.5%**	**28.7%**	**32.7%**	**36.6%**
Platform Software and Services							-10.7%	27.3%	16.1%	1.6%	7.6%	9.0%		-1.9%	9.9%	9.6%	13.3%	7.2%	9.9%	8.7%	10.0%
Blue Planet Automation Software and Services							103.8%	14.7%	23.4%	48.9%	-19.1%	14.2%		-21.6%	-16.3%	-16.6%	-21.7%	22.6%	10.3%	15.5%	10.0%
Total Software							**4.6%**	**24.0%**	**17.8%**	**10.0%**	**1.2%**	**10.0%**	**10%**	**-6.1%**	**3.4%**	**3.4%**	**4.0%**	**10.0%**	**10.0%**	**10.0%**	**10.0%**

Source: Company filings, Bernstein estimates and analysis

on 07-Oct-2026

EXHIBIT 23: **Ciena: Financial Model**

Ciena Corporation - Financial Statement *In US$ M unless otherwise specified*	######## 2025A	######## 2026E	######## 2027E	######## 2028E	1/31/2025 1Q25A	4/30/2025 2Q25A	7/31/2025 3Q25A	10/31/2025 4Q25A	1/31/2026 1Q26A	4/30/2026 2Q26A	7/31/2026 3Q26A	10/31/2026 4Q26E	1/31/2027 1Q27E	4/30/2027 2Q27E	7/31/2027 3Q27E	10/31/2027 4Q27E
Income Statement																
Non-GAAP Income Statement																
Revenue	**4,769.5**	**6,439.9**	**8,494.0**	**11,165.5**	**1,072.3**	**1,125.9**	**1,219.4**	**1,352.0**	**1,427.0**	**1,570.7**	**1,671.1**	**1,771.0**	**1,833.7**	**2,022.0**	**2,218.3**	**2,420.1**
COGS	2,731.2	3,533.1	4,541.5	5,806.1	593.1	664.8	708.1	765.2	788.9	865.9	895.4	983.0	1,006.1	1,092.6	1,185.1	1,257.7
Gross Profit	**2,038.3**	**2,906.8**	**3,952.5**	**5,359.5**	**479.2**	**461.1**	**511.3**	**586.8**	**638.2**	**704.9**	**775.8**	**788.1**	**827.6**	**929.3**	**1,033.1**	**1,162.4**
R&D	784.0	870.1	947.8	1,016.1	178.4	197.8	195.1	212.6	204.9	219.3	216.5	229.4	229.2	232.5	244.0	242.0
S&M	529.3	546.7	579.1	669.9	124.9	126.0	135.4	142.9	134.1	133.6	137.3	141.7	142.1	147.6	144.2	145.2
G&A	193.3	196.4	212.0	323.8	44.1	45.6	49.6	54.0	46.6	47.3	48.6	53.9	52.9	63.9	46.0	49.2
Other	(0.8)	(7.2)	-	-	-	-	-	(0.8)	(2.4)	(2.4)	(2.4)	-	-	-	-	-
Opex	**1,505.8**	**1,606.0**	**1,738.9**	**2,009.8**	**347.4**	**369.5**	**380.2**	**408.7**	**383.2**	**397.8**	**400.0**	**425.0**	**424.2**	**444.1**	**434.2**	**436.4**
Operating Income	**532.5**	**1,300.8**	**2,213.6**	**3349.66**	**131.8**	**91.6**	**131.1**	**178.0**	**255.0**	**307.1**	**375.7**	**363.1**	**403.4**	**485.3**	**598.9**	**726.0**
OI&E	(40.5)	2.6	35.5	35.46	(11.3)	(13.8)	(7.7)	(7.6)	(8.3)	(6.8)	8.9	8.9	8.9	8.9	8.9	8.9
Pre-tax Income	**492.0**	**1,303.4**	**2,249.1**	**3,314.20**	**120.5**	**77.8**	**123.4**	**170.4**	**246.7**	**300.2**	**384.6**	**371.9**	**412.3**	**494.1**	**607.8**	**734.9**
Income Tax	108.2	260.7	449.8	662.84	26.5	17.1	27.1	37.5	49.3	60.1	76.9	74.4	82.5	98.8	121.6	147.0
Effective Tax Rate	22.0%	20.0%	20.0%	20.0%	22.0%	22.0%	22.0%	22.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Net Income	**383.8**	**1,042.7**	**1,799.3**	**2,651.36**	**94.0**	**60.7**	**96.2**	**132.9**	**197.3**	**240.2**	**307.7**	**297.5**	**329.8**	**395.3**	**486.2**	**587.9**
Diluted Share Count	145.3	145.9	144.4	142.5	145.9	145.0	144.5	145.5	145.8	146.3	146.0	145.4	145.1	144.5	144.3	143.9
Earnings per Share	**2.64**	**7.15**	**12.46**	**18.61**	**0.64**	**0.42**	**0.67**	**0.91**	**1.35**	**1.64**	**2.11**	**2.05**	**2.27**	**2.73**	**3.37**	**4.09**
Balance Sheet																
Assets																
Accounts Receivable, Net	976	1,307	1,786	2,348	939	930	1,026	976	967	1,053	1,234	1,307	1,354	1,493	1,638	1,786
Inventories	826	957	1,225	1,566	845	874	860	826	846	808	872	957	980	1,064	1,154	1,225
Prepaid Expenses and other	455	559	763	1003	496	506	474	455	428	504	527	559	578	638	700	763
Current Operating Assets	**2,257**	**2,823**	**3,774**	**4,917**	**2,280**	**2,310**	**2,360**	**2,257**	**2,241**	**2,365**	**2,633**	**2,823**	**2,912**	**3,194**	**3,491**	**3,774**
Property, plant and equipment, net	387	521	712	936	320	349	368	387	438	445	492	521	539	595	653	712
Operating right-of-use assets	39	46	46	46	25	39	40	39	40	38	46	46	46	46	46	46
Goodwill and Intangibles	745	689	640	577	601	592	584	745	734	723	702	689	676	664	652	640
Other Non-Current Assets	186	200	274	360	162	159	154	186	191	191	189	200	207	229	251	274
Non-Current Operating Assets	**1,357**	**1,456**	**1,671**	**1,918**	**1,108**	**1,139**	**1,146**	**1,357**	**1,404**	**1,397**	**1,428**	**1,456**	**1,469**	**1,533**	**1,601**	**1,671**
Cash and cash equivalents	1,092	2,387	2,218	2,092	875	950	1,056	1,092	1,123	1,045	2,446	2,387	2,373	2,299	2,244	2,218
Deferred taxes	885	1,140	1,461	1,921	868	864	852	885	878	874	1,093	1,140	1,162	1,261	1,362	1,461
Short and long-term investments	273	438	596	755	442	396	335	273	246	358	398	438	477	517	557	596
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Assets	**2,250**	**3,965**	**4,275**	**4,768**	**2,186**	**2,210**	**2,243**	**2,250**	**2,248**	**2,277**	**3,936**	**3,965**	**4,012**	**4,078**	**4,162**	**4,275**
Total Assets	**5,865**	**8,244**	**9,721**	**11,603**	**5,573**	**5,659**	**5,749**	**5,865**	**5,892**	**6,039**	**7,997**	**8,244**	**8,393**	**8,805**	**9,254**	**9,721**
Sum - Total	-	-	-	-	-	-	-	-	-	-	-					
Liabilities & Equity																
Accounts payable	543	693	947	1,245.10	396	419	465	543	547	607	654	693	718	791	868	947
Accrued liabilities	531	539	736	967	362	381	436	531	396	440	508	539	558	615	675	736
ST & LT deferred revenues	304	330	451	593	257	305	277	304	391	340	311	330	342	377	413	451
ST & LT Operating lease liabilities	46	54	74	97	36	48	49	46	47	44	51	54	56	62	68	74
Operating liabilities	**1,424**	**1,616**	**2,208**	**2,902**	**1,051**	**1,154**	**1,227**	**1,424**	**1,381**	**1,431**	**1,524**	**1,616**	**1,673**	**1,844**	**2,023**	**2,208**
Total debt	1,536	3,230	3,230	3,000	1,543	1,540	1,538	1,536	1,536	1,531	3,230	3,230	3,230	3,230	3,230	3,230
Other LT obligations	175	186	186	186	186	189	196	175	182	185	186	186	186	186	186	186
Other	-	(15)	(138)	(138)	-	-	-	-	-	-	-	(15)	(19)	(58)	(98)	(138)
Non-Operating Liabilities	**1,711**	**3,401**	**3,278**	**3,048**	**1,729**	**1,729**	**1,734**	**1,711**	**1,719**	**1,716**	**3,416**	**3,401**	**3,397**	**3,358**	**3,318**	**3,278**
Total Liabilities	**3,135**	**5,017**	**5,486**	**5,950**	**2,780**	**2,883**	**2,961**	**3,135**	**3,100**	**3,147**	**4,941**	**5,017**	**5,070**	**5,203**	**5,342**	**5,486**
Sum - Total	-	-	-	-	-	-	-	-	-	-	-					
Total Equity	**2,729**	**3,228**	**4,235**	**5,653**	**2,793**	**2,776**	**2,787**	**2,729**	**2,792**	**2,892**	**3,057**	**3,228**	**3,323**	**3,602**	**3,912**	**4,235**
Assets - Liabilities & Equity	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-
Book value per share	**18.79**	**22.12**	**29.33**	**39.67**	**19.14**	**19.15**	**19.29**	**18.76**	**19.15**	**19.77**	**20.94**	**22.20**	**22.90**	**24.92**	**27.11**	**29.43**
Cash Flow																
Cash flows from operating activities																
Net income	**123**	**905**	**1,668**	**2,157**	**45**	**9**	**50**	**19**	**150**	**218**	**266**	**270**	**301**	**364**	**452**	**551**
Adjustments to reconcile net income to cash provided by operating activities																
Depreciation	104	141	183	250	25	25	27	27	32	35	35	39	41	43	47	52
Amortization	36	50	68	63	9	9	9	10	12	10	13	14	15	16	18	19
Stock-based compensation	185	225	294	387	41	48	47	49	50	55	58	61	64	70	77	84
Deferred income tax	(23)	2	(321)	(460)	(17)	7	(11)	(1)	(7)	(4)	60	(48)	(22)	(99)	(100)	(100)
Provisions	73	102	-	-	17	18	16	22	30	29	43	-	-	-	-	-
Other, Net	88	(1)	-	-	(7)	0	5	90	(2)	2	(1)	-	-	-	-	-
Change in operating assets and liabilities	**220**	**(537)**	**(574)**	**240**	(8)	42	32	154	(38)	(87)	(286)	(127)	(44)	(175)	(186)	(169)
Net cash provided by operating activities	**806**	**894**	**1,318**	**2,638**	**104**	**157**	**174**	**371**	**228**	**260**	**196**	**210**	**355**	**219**	**308**	**437**
Cash flows from investing activities																
Capex	(141)	(263)	(374)	(474)	(27)	(29)	(40)	(45)	(74)	(41)	(80)	(68)	(60)	(98)	(105)	(111)
Acquisition and divestitures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net purchases of investments	134	(162)	(159)	(159)	(42)	48	65	64	29	(112)	(40)	(40)	(40)	(40)	(40)	(40)
Other	(235)	2	-	-	2	1	(5)	(232)	1	(1)	2	-	-	-	-	-
Net cash provided by/(used in) investing activit	**(241)**	**(423)**	**(533)**	**(633)**	**(67)**	**20**	**20**	**(214)**	**(44)**	**(154)**	**(117)**	**(108)**	**(99)**	**(138)**	**(145)**	**(151)**
Cash flows from financing activities																
Debt transactions	(12)	1,570	-	(230)	(3)	(3)	(3)	(3)	-	(6)	1,575	-	-	-	-	-
Repurchase (net of issuance) of stock	(390)	(739)	(955)	(1,901)	(90)	(104)	(81)	(116)	(153)	(174)	(251)	(160)	(270)	(155)	(219)	(312)
Cash dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financing - other	(4)	(4)	-	-	(1)	(1)	(1)	(1)	(1)	(1)	(1)	-	-	-	-	-
Net cash provided by/(used in) financing activit	**(406)**	**827**	**(955)**	**(2,131)**	**(93)**	**(108)**	**(85)**	**(120)**	**(155)**	**(181)**	**1,323**	**(160)**	**(270)**	**(155)**	**(219)**	**(312)**
Cash reconciliation																
Effect of exchange rate changes on cash, cash equ	(2)	(3)	-	-	(3)	6	(3)	(2)	2	(3)	(1)	0	0	0	0	0
Net change in cash, cash equivalents and restri	**157**	**1,295**	**(170)**	**(126)**	**(60)**	**75**	**106**	**36**	**31**	**(78)**	**1,401**	**(59)**	**(15)**	**(73)**	**(56)**	**(26)**
Net change in cash minus sum of cash flows					-	-	-	-	0	-	-					
Cash, cash equivalents and restricted cash at start	935	1,092	2,387	2,218	935	875	950	1,056	1,092	1,124	1,045	2,446	2,387	2,373	2,299	2,244
Cash, cash equivalents and restricted cash at e	**1,092**	**2,387**	**2,218**	**2,092**	**875**	**950**	**1,056**	**1,092**	**1,124**	**1,045**	**2,446**	**2,387**	**2,373**	**2,299**	**2,244**	**2,218**

Source: Company reports, Bernstein estimates and analysis

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EXHIBIT 24: **Corning Financial Model**

Corning Incorporated - Financial Model *In US$ M unless otherwise specified*	12/31/2025 2025A	12/31/2026 2026E	12/31/2027 2027E	12/31/2028 2028E	3/31/2026 1Q26A	6/30/2026 2Q26A	9/30/2026 3Q26E	12/31/2026 4Q26E
Income Statement								
Non-GAAP Income Statement								
Revenue	**16,408**	**19,525**	**22,870**	**28,097**	**4,345**	**4,738**	**4,985**	**5,456**
COGS	10,115	12,041	13,744	16,383	2,645	2,864	3,050	3,482
Gross Profit	**6,293**	**7,483**	**9,127**	**11,715**	**1,700**	**1,874**	**1,935**	**1,975**
SG&A	2,028	2,255	2,641	3,245	546	590	586	533
R&D	1,105	1,145	1,341	1,648	278	295	299	273
Amortization of purchased intangibles	-	-						
Other	-	-			-	-	-	-
Opex	**3,133**	**3,400**	**3,983**	**4,893**	**824**	**885**	**885**	**806**
Operating Income	3,160	4,083	5,144	6,822	876	989	**1,050**	**1,169**
Other income (expense), net:	(257)	(350)	(350)	(350)	-79	-91	(90)	-90
Pre-tax Income	**2,903**	**3,733**	**4,794**	**6,472**	**797**	**898**	**960**	**1,079**
Income Tax	(704)	(918)	(1,135)	(1,475)	-185	-218	(243)	-273
Net Income	**2,199**	**2,815**	**3,659**	**4,997**	**612**	**680**	**717**	**806**
Net loss attributable to NCI	(146)	(225)	(225)	(225)	-37	-50	**(65)**	**-73**
Net income excluding NCI	**2,345**	**3,040**	**3,884**	**5,222**	**649**	**730**	**782**	**879**
Effective Tax Rate % (adjusted for NCI)	19.2%	18.6%	19.0%	19.3%	18.5%	18.5%	19%	18.5%
Diluted Share Count	867	875	879	885	871	875	876	877
Earnings per Share	**2.54**	**3.22**	**4.16**	**5.65**	**0.70**	**0.78**	**0.82**	**0.92**
Balance Sheet								
Assets								
Trade Accounts Receivable, Net	2,779	3,584	6,266	6,928	2,676	2,932	3,237	3,584
Inventories	3,077	4,031	4,142	4,937	3,279	3,426	3,609	4,031
Prepaid Expenses and Other	1,554	2,186	2,287	2,529	1,816	2,055	2,103	2,186
Total Current Operating Assets	**7,410**	**9,801**	**12,695**	**14,394**	**7,771**	**8,413**	**8,950**	**9,801**
Property, Plant and Equipment, Net	14,825	15,576	16,336	18,732	14,785	14,927	15,255	15,576
Goodwill and Other Intangibles	3,146	3,041	2,952	2,866	3,111	3,086	3,063	3,041
Deferred Taxes	1,515	1,183	833	993	1,569	1,610	1,037	1,183
Other Non-Current Assets and Prior Disclo	2,554	2,782	3,259	4,004	2,262	2,416	2,542	2,782
Total Non-Current Operating Assets	**22,040**	**22,582**	**23,380**	**26,595**	**21,727**	**22,039**	**21,897**	**22,582**
Cash and Cash Equivalents	1,526	2,470	3,172	5,706	**1,755**	**2,504**	**3,130**	**2,470**
Total Assets	**30,976**	**34,853**	**39,247**	**46,695**	**31,253**	**32,956**	**33,976**	**34,853**
Liabilities								
Accounts Payable	1,934	2,780	2,824	3,142	2,251	2,361	2,538	2,780
Post-Retiremnent Benefits Other Than Per	314	374	438	539	311	325	342	374
Accurals and Other Current Liabilities	2,890	3,587	4,202	5,162	2,410	2,992	3,053	3,587
Other Non-Current Liabilities	5,097	6,419	7,519	9,238	4,959	5,727	6,003	6,419
Total Operating Liabilities	**10,235**	**13,161**	**14,984**	**18,081**	**9,931**	**11,405**	**11,935**	**13,161**
Current Portion of Long-Term Debt	804				1,255	668		
Long-Term Debt	7,630				7,718	7,756		
Total Debt	**8,434**	**8,424**	**8,424**	**8,424**	**8,973**	**8,424**	**8,424**	**8,424**
Total Liabilities	**18,669**	**21,585**	**23,408**	**26,505**	**18,904**	**19,829**	**20,359**	**21,585**
Equity								
Total Corning Shareholders Equity	**11,807**	**12,700**	**15,272**	**19,623**	**11,812**	**12,560**	**13,050**	**12,700**
Non-controlling interest	500	567	567	567	537	567	567	567
Total Equity	**12,307**	**13,267**	**15,839**	**20,190**	**12,349**	**13,127**	**13,617**	**13,267**
Total Liabilties and Shareholders' Equity	**30,976**	**34,853**	**39,247**	**46,695**	**31,253**	**32,956**	**33,976**	**34,853**
Cash Flow								
Cash flows from operating activities								
Net income	1,742	1,399	2,927	4,497	408	609	611	-229
Adjustments to reconcile net income to cash provided by operating activities:								
Depreciation	1,742	1,399	1,527	1,601	334	368	372	380
Amortization	110	91	88	86	23	23	23	23
Stock-based compensation	286	508	639	848	115	135	122	136
Deferred income tax	(355)	326	350	(160)	-62	-39	573	(147)
Translated Earnings Contract Gain + Translat	(150)	(74)	-	-	16	-90	-	-
Translated (Gain) Loss on Foreign Debt	52	(5)	-	-	-6	1	-	-
Changes in Operating Assets and Liabilities:								
Changes in Trade Accounts Receivable	(749)	(907)	(2,682)	(662)	12	-267	(305)	(346)
Changes in Inventories	(243)	(982)	(111)	(795)	-232	-145	(183)	(422)
Change in Prepaid & other			(101)	(242)	-56	-88	(48)	(83)
Change in other non-current	-	(366)	(477)	(745)			(126)	(240)
Changes in AP and Other Current Liab.	571	1,210	658	1,278	-80	275	237	777
Customer Deposits and Govt Incentives	268	709	-	-	-171	880	-	-
Deferred Income	(58)	(102)	-	-	-38	-64	-	-
Post Retirement Benefits Other Than Pens	-	49	64	100			17	32.319
Other + Prior Disclosures	232	910	1,100	1,719	99	119	276	417
Net cash provided by operating activities	**2,695**	**3,945**	**3,983**	**7,525**	**362**	**1,717**	**1,568**	**298**
Sum - Total	*3,448*	*4,166*	*3,983*	*7,525*	*362*	*1,717*	*1,568*	
Check					*0*	*0*		
As % of operating income								
SBC	*9%*	*12%*	12%	12%	*13%*	*14%*	*12%*	*12%*
Cash flows from investing activities								
Capital Expenditures	(1,282)	(2,154)	(2,287)	(3,997)	-332	-422	(700)	(700)
Proceeds from CHIPS Act Incentives	-	8	-	-	8	0	-	-
Other + Prior Disclosures	39	184	-	-	121	63	-	-
Net cash provided by/(used in) investing	**(1,243)**	**(1,962)**	**(2,287)**	**(3,997)**	**-203**	**-359**	**(700)**	**-700**
Sum - Total	*(1,243)*	*(1,962)*	*(2,287)*	*(3,997)*	*-203*	*-359*	*(700)*	*-700*
Check	-	-	-	-	*0*	*0*	-	*0*
Cash flows from financing activities								
Repayments of Debt, net of issuances	(4)	(242)	-	-	414	-656	-	-
Dividends Paid	(999)	(994)	(994)	(994)	-244	-251	(243)	(257)
Purchases of stock, net of issuances	(122)	23	-	-	14	9	-	-
Others	(547)	142	-	-	-125	267	-	-
Net cash provided by/(used in) financing	**(1,672)**	**(1,071)**	**(994)**	**(994)**	**59**	**-631**	**(243)**	**(257)**
Sum - Total	*(1,672)*	*(1,071)*	*(994)*	*(994)*	-	-		
Cash reconciliation								
Effect of exchange rate changes on cash, casl	18	-	-	-	-5	5	-	0
Net change in cash, cash equivalents and	(202)	911	**702**	**2,534**	**213**	**732**	**626**	**-659**

Source: Company filings, Bernstein updates and analysis

on 07-Oct-2026

EXHIBIT 25: **Corning Segment Model**

Corning Incorporated - Operating Model *In US$ M unless otherwise specified*	12/31/2025 2025A	12/31/2026 2026E	12/31/2027 2027E	12/31/2028 2028E	3/31/2026 1Q26A	6/30/2026 2Q26A	9/30/2026 3Q26E	12/31/2026 4Q26E
Revenue Drivers								
Revenue								
Enterprise	3,195.0	5,340.6	7,826.9	12,230.8	962.0	1,269.0	1,329.6	1,780.0
Carrier	3,079.0	3,400.5	3,536.5	3,678.0	884.0	803.0	853.8	859.7
Optical Communications	6,274.0	8,741.1	11,363.4	15,908.8	1,846.0	2,072.0	2,183.4	2,639.7
Glass Innovations	5,908.0	5,987.0	6,166.6	6,413.2	1,420.0	1,463.0	1,560.0	1,544.0
Automative	1,794.0	1,828.8	1,920.3	2,016.3	437.0	471.0	467.6	453.2
Solar	1,231.0	1,809.0	2,261.3	2,600.4	370.0	438.0	478.5	522.5
Life Sciences & Emerging Growth Businesses	1,201.0	1,158.6	1,158.6	1,158.6	272.0	294.0	295.6	297.0
Prior Segments	-							
Total Revenue	**16,408.0**	**19,524.5**	**22,870.1**	**28,097.4**	**4,345.0**	**4,738.0**	**4,985.2**	**5,456.3**
Revenue Growth								
				1.0712				
Revenue growth % (YoY)								
Enterprise	65.8%	67.2%	46.6%	56.3%	36.5%	65.0%	60.0%	100.0%
Carrier	12.8%	10.4%	4.0%	4.0%	36.0%	0.8%	4.0%	6.0%
Optical Communications	34.7%	39.3%	30.0%	40.0%	36.2%	32.3%	32.2%	55.2%
Glass Innovations	0.3%	1.3%	3.0%	4.0%	1.0%	1.4%	0.0%	3.0%
Automative	-2.8%	1.9%	5.0%	5.0%	-0.7%	2.4%	3.0%	3.0%
Solar		47.0%	25.0%	15.0%	79.6%	89.6%	50.0%	10.0%
Life Sciences & Emerging Growth Businesses		-3.5%	0.0%	0.0%	0.0%	-14.8%	3.0%	0.0%
Total Revenue Growth (YoY)	**13.4%**	**19.0%**	**17.1%**	**22.9%**	**18.1%**	**17.1%**	**16.7%**	**23.7%**
Reference:								
Industry model estimate: Optical Communications			29.7%	39.9%				
Revenue growth % (QoQ)								
Enterprise								
Carrier								
Optical Communications					8.5%	12.2%	5.4%	20.9%
Glass Innovations					-5.3%	3.0%	6.6%	-1.0%
Automative					-0.7%	7.8%	-0.7%	-3.1%
Solar					-22.1%	18.4%	9.2%	9.2%
Life Sciences & Emerging Growth Businesses					-8.4%	8.1%	0.5%	0.5%
Total Revenue Growth (QoQ)					**-1.5%**	**9.0%**	**5.2%**	**9.5%**

Source: Company filings, Bernstein estimates and analysis



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