



Q3 2025 Earnings

October 29, 2025

Safe Harbor Statement

These materials include projections and other forward-looking statements regarding Garmin Ltd. and its business that are commonly identified by words such as “anticipates,” “would,” “may,” “expects,” “estimates,” “plans,” “intends,” “projects,” and other words or phrases with similar meanings. Any statements regarding the Company’s expected fiscal 2025 GAAP and pro forma estimated earnings, EPS, and effective tax rate, and the Company’s expected segment revenue growth rates, consolidated revenue, gross margins, operating margins, tariffs and other global trade related impacts, potential future acquisitions, share repurchase programs, currency movements, expenses, pricing, new product launches, market reach, statements relating to possible future dividends, and the Company’s plans and objectives are forward-looking statements. The forward-looking events and circumstances discussed in this release may not occur and actual results could differ materially as a result of risk factors and uncertainties affecting Garmin, including, but not limited to, the risk factors that are described in the Annual Report on Form 10-K for the year ended December 28, 2024 and the Quarterly Report on Form 10-Q for the quarter ended September 27, 2025 filed by Garmin with the Securities and Exchange Commission (Commission file number 001-41118). A copy of Garmin’s 2024 Form 10-K and the Q3 2025 Form 10-Q can be downloaded from <https://www.garmin.com/en-US/investors/sec/>. All information provided in this presentation and in the attachments is as of September 27, 2025. Undue reliance should not be placed on the forward-looking statements in this press release, which are based on information available to us on the date hereof. We undertake no duty to update this information unless required by law.

Business Update

Cliff Pemble
President and CEO

Consolidated Q3 2025

Revenue
\$1.77B
12% y/y growth

Operating income
\$457M
4% y/y growth

Operating margin
25.8%

BUSINESS INSIGHTS

- Record third quarter consolidated revenue and operating income
- Double-digit revenue growth driven by strong results in fitness, aviation, and marine
- Raising 2025 EPS guidance

Fitness

Q3 2025

Revenue
\$601M
30% y/y growth

Operating income
\$194M
31% y/y growth

Operating margin
32%

SEGMENT INSIGHTS

- Revenue growth led by strong demand for advanced wearables
- Launched new cycling, kids smartwatch, and advanced wellness products
- Announced collaboration with King's College London to be exclusive smartwatch provider
- 2025 revenue growth estimate: +29% (previously +25%)

Outdoor

Q3 2025

Revenue
\$498M
5% y/y decline

Operating income
\$170M
19% y/y decline

Operating margin
34%

SEGMENT INSIGHTS

- Revenue decline driven by consumer auto and adventure watches
- Launched fēnix 8 Pro with satellite and cellular connections, and a version with a MicroLED display
- Launched Blaze, our first equine wellness system
- 2025 revenue growth estimate: +3% (previously +10%)

Aviation

Q3 2025

Revenue
\$240M
18% y/y growth

Operating income
\$61M
37% y/y growth

Operating margin
25%

SEGMENT INSIGHTS

- Revenue growth driven by both OEM and aftermarket product categories
- Certified a retrofit integrated cockpit system for the Cessna Citation CJ1
- Certified Autoland and Autothrottle capability for retrofit installation in select Beechcraft King Air 350 aircraft
- 2025 revenue growth estimate: +10% (previously +7%)

Marine

Q3 2025

Revenue
\$267M
20% y/y growth

Operating income
\$49M
31% y/y growth

Operating margin
19%

SEGMENT INSIGHTS

- Revenue growth driven by multiple categories
- Launched additional trolling motors for kayaks and larger boats
- Launched the ECHOMAP Ultra 2 chartplotter, with large 16-inch display
- 2025 revenue growth estimate: +10% (previously +5%)

Auto OEM

Q3 2025

Revenue
\$165M
2% y/y decline

Operating income
(\$17M)

Operating margin
(10%)

SEGMENT INSIGHTS

- Revenue declined as certain legacy programs approach end-of-life, partially offset by growth in our most recent BMW domain controller program
- Gross margin was negatively impacted by an increase in accrued warranty costs associated with prior period sales
- Shipped the three millionth BMW domain controller
- 2025 revenue growth estimate: +8% (previously +10%)

Financial Update

Doug Boessen
CFO and Treasurer

Income Statement

Q3

(in millions)	Q3 2025	Q3 2024	Y/Y
Net sales	\$1,771	\$1,586	12%
Gross profit	1,046	952	10%
<i>Margin %</i>	<i>59.1%</i>	<i>60.0%</i>	<i>(90 bps)</i>
Operating expenses	590	514	15%
Operating income	\$457	\$437	4%
<i>Margin %</i>	<i>25.8%</i>	<i>27.6%</i>	<i>(180 bps)</i>
GAAP EPS	\$2.08	\$2.07	\$0.01
Pro Forma EPS	\$1.99	\$1.99	-

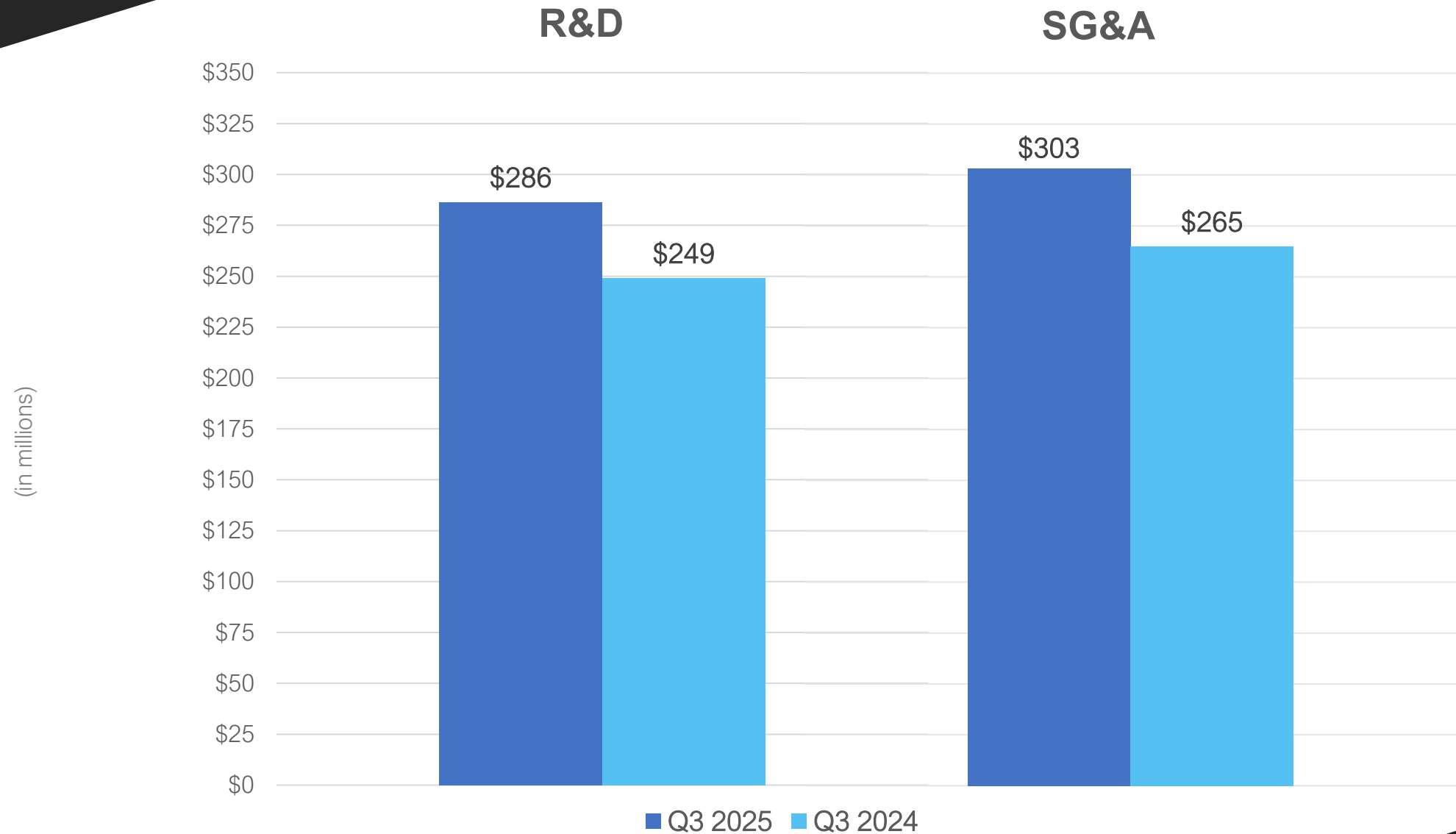
Revenue

Q3

(in millions)	Q3 2025	Q3 2024	Change
Fitness	\$601	\$464	30%
Outdoor	498	527	(5%)
Aviation	240	205	18%
Marine	267	222	20%
Auto OEM	165	169	(2%)
Total	\$1,771	\$1,586	12%

(in millions)	Q3 2025	Q3 2024	Change
Americas	\$796	\$724	10%
EMEA	693	613	13%
APAC	283	249	14%
Total	\$1,771	\$1,586	12%

Operating Expenses



Other Financial Items

Q3 2025

Balance Sheet

Cash and Marketable Securities

\$3.92B

Accounts Receivable

\$956M

Inventory

\$1.89B

Cash Flow

Free Cash Flow

\$425M

Capital Expenditures

\$60M

Dividends Paid

\$173M

Share Repurchases

\$36M

Taxes

Effective Tax Rate

21.2%

Guidance

	2025
Revenue	\$7.1B
Gross margin	58.5%
Operating margin	25.2%
Pro forma Tax rate	17.5%
Pro forma EPS	\$8.15

All amounts and %'s are approximate.



Appendix

October 29, 2025

Non-GAAP Financial Information

To supplement our financial results presented in accordance with GAAP, this release includes the following measures defined by the Securities and Exchange Commission as non-GAAP financial measures: pro forma effective tax rate, pro forma net income (earnings) per share and free cash flow. These non-GAAP measures are not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and may be different from non-GAAP measures used by other companies, limiting the usefulness of the measures for comparison with other companies. Management believes providing investors with an operating view consistent with how it manages the Company provides enhanced transparency into the operating results of the Company, as described in more detail by category below.

The tables in the subsequent slides provide reconciliations between the GAAP and non-GAAP measures.

Pro forma effective tax rate

The Company's income tax expense is periodically impacted by discrete tax items that are not reflective of income tax expense incurred as a result of current period earnings. Therefore, management believes the effective tax rate and income tax provision before the effect of certain discrete tax items are important measures to permit investors' consistent comparison between periods. In the first three quarters 2025 and 2024 there were no such discrete tax items identified.

Non-GAAP Financial Information

Pro forma net income (earnings) per share

Management believes that net income (earnings) per share before the impact of foreign currency gains or losses and certain discrete income tax items, as discussed above, is an important measure in order to permit a consistent comparison of the Company's performance between periods.

(In thousands, except per share information)

	13-Weeks Ended		39-Weeks Ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
GAAP net income	\$ 401,615	\$ 399,111	\$ 1,135,206	\$ 975,703
Foreign currency gains / losses ⁽¹⁾	(20,334)	(18,131)	(21,582)	(15,584)
Tax effect of foreign currency gains / losses ⁽²⁾	4,316	3,249	3,817	2,690
Pro forma net income	\$ 385,597	\$ 384,229	\$ 1,117,441	\$ 962,809
GAAP net income per share:				
Basic	\$ 2.09	\$ 2.08	\$ 5.90	\$ 5.08
Diluted	\$ 2.08	\$ 2.07	\$ 5.87	\$ 5.06
Pro forma net income per share:				
Basic	\$ 2.00	\$ 2.00	\$ 5.80	\$ 5.01
Diluted	\$ 1.99	\$ 1.99	\$ 5.77	\$ 4.99
Weighted average common shares outstanding:				
Basic	192,464	192,201	192,510	192,055
Diluted	193,533	193,171	193,551	192,940

(1) Foreign currency gains and losses for the Company are driven by movements of a number of currencies in relation to the U.S. Dollar and the related exchange rate impact on the significant cash, receivables, and payables held in a currency other than the functional currency at a given legal entity. However, there is minimal cash impact from such foreign currency gains and losses.

(2) The tax effect of foreign currency gains was calculated using the effective tax rates of 21.2% and 17.7% for the 13-weeks and 39-weeks ended September 27, 2025 and 17.9% and 17.3% for the 13-weeks and 39-weeks ended September 28, 2024.

Non-GAAP Financial Information

Free cash flow

Management believes that free cash flow is an important liquidity measure because it represents the amount of cash provided by operations that is available for investing and defines it as operating cash flows less capital expenditures for property and equipment. Management believes that excluding purchases of property and equipment provides a better understanding of the underlying trends in the Company's operations and allows more accurate comparisons of the Company's results between periods. This metric may also be useful to investors, but should not be considered in isolation as it is not a measure of cash flow available for discretionary expenditures. The most comparable GAAP measure is net cash provided by operating activities.

(In thousands)

	13-Weeks Ended		39-Weeks Ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Net cash provided by operating activities	\$ 485,616	\$ 257,955	\$ 1,079,574	\$ 948,581
Less: purchases of property and equipment	(60,483)	(38,544)	(146,273)	(108,869)
Free cash flow	\$ 425,133	\$ 219,411	\$ 933,301	\$ 839,712

Forward-looking financial measures

The forward-looking financial measures in our 2025 guidance include certain economic assumptions such as foreign currency exchange rates and tariffs which are fluid and can rapidly change favorably or unfavorably.

The forward-looking financial measures in our 2025 guidance do not consider the potential future net effect of foreign currency exchange gains and losses, certain discrete tax items and any other impacts that may be identified as pro forma adjustments in calculating the non-GAAP measures described above.

The estimated impact of foreign currency gains and losses cannot be reasonably estimated on a forward-looking basis due to the high variability and low visibility with respect to non-operating foreign currency exchange gains and losses and the related tax effects of such gains and losses. The impact on diluted net income per share of foreign currency gains and losses, net of tax effects, was \$0.10 per share for the 39-weeks ended September 27, 2025.

At this time, management is unable to determine whether or not significant discrete tax items will occur in fiscal 2025, estimate the impact of any such items, or anticipate the impact of any other events that may be considered in the calculation of non-GAAP financial measures.