

LENOVO GROUP: Q4 AND FULL YEAR FINANCIAL RESULTS 2025/26



Lenovo delivers exceptional fourth quarter results – maintaining growth and concluding strongest year in the Group’s history

May 22, 2026 – **Lenovo Group Limited** (HKSE: 992) (ADR: LNVGY), together with its subsidiaries (‘the Group’), today reported fourth quarter and full year results for fiscal year 2025/26, marking an exceptional Q4 and the strongest year in the Group’s history. During the quarter, overall Group revenue reached an all-time fourth quarter high of US\$21.6 billion, up 27% year-on-year, marking the highest year-on-year growth rate in five years, with adjusted net income^[1] doubling year-on-year to US\$559 million. AI-related revenue^[2] stood out as a leading growth engine, growing 84% year-on-year to account for 38% of total Group revenue in Q4.

For the full year, the Group delivered record revenue of US\$83.1 billion, with adjusted net income growing 42% year-on-year to US\$2 billion. All business groups achieved solid double-digit year-on-year revenue growth, with a notable record full-year performance from the Infrastructure Solutions Group (ISG) with revenue of US\$19.2 billion, full-year profitability, and US\$142 million year-on-year improvement in operating profit. AI-related revenue doubled year-on-year accounting for 33% of Group revenue in the full year.

The fourth quarter and full-year results demonstrate the Group’s ability to sustain growth and strengthen its competitive position while navigating a complex external environment marked by supply shortages and rising component costs. Its operational excellence - underpinned by a balanced global business and manufacturing footprint, and global-local operating model - has delivered strong structural resilience in a volatile environment. The Group also continued to increase investment in innovation, with R&D expenses rising 16% year-on-year in the fourth quarter to 3.5% of Group revenue and increasing 9% year-on-year to 3% of full year Group revenue. At the same time, continued progress in delivering its Hybrid AI vision is positioning Lenovo at the forefront of the AI inferencing and democratization era.

Lenovo’s Board of Directors declared a final dividend of 33.70 HK cents per share for the fiscal year ended March 31, 2026.

Chairman and CEO quote – Yuanqing Yang:

“Lenovo concluded its best year ever with an exceptional fourth quarter, where we delivered on our promises. We returned our Infrastructure Solutions Group to a sustainable and profitable growth trajectory and achieved hyper-growth by capturing the opportunity of the booming AI infrastructure market. Through firm execution of our Hybrid AI strategy, we are uniquely positioned to lead in the new wave of AI inferencing and democratization. With strong momentum across all our businesses, we are confident in our ambition to become a US\$100 billion company within the next two years, while continuing to deliver strong returns for our shareholders.”

Financial Highlights:

	Q4 FY25/26 US\$ millions	Q4 FY24/25 US\$ millions	Change		FY25/26 US\$ millions	FY24/25 US\$ millions	Change
Group Revenue	21,588	16,984	27%		83,075	69,077	20%
Net Income (profit attributable to equity holders)	521	90	479%		1,912	1,384	38%
Adjusted Net Income (profit attributable to equity holders – non-HKFRS) ^[1]	559	278	101%		2,049	1,441	42%
Basic earnings per share (US cents)	4.32	0.73	3.59		15.63	11.30	4.33

Q4 results:

Intelligent Devices Group (IDG):

- Revenue for IDG increased 24% year-on-year to US\$14.6 billion, with PC and Smart devices revenue up 26% year-on-year, the highest growth rate in five years. Operating margin was well maintained at 6.9%.
- In PCs Lenovo maintained its significant profit lead against the competition, shipment growth outpacing the market by nearly six percentage points. In addition, it was the only company among the top five global vendors to deliver consecutive positive year-on-year shipment growth during the past 10 quarters.
- Global PC market share reached a fourth quarter high at 24.4%, retaining the #1 position, with the gap between the #1 and #2 players in the industry widening to the largest in 15 years.
- Premium PC shipment mix reached 50% in the fourth quarter, with shipments up 29% year-on-year, reflecting strong execution in higher-value segments.
- For the mobile business, Motorola smartphones achieved record fourth-quarter shipments, delivering double-digit revenue growth year-on-year.

Infrastructure Solutions Group (ISG):

- ISG's turnaround delivered the highest ever operating profits and margins since entering the business, with record quarterly revenue of US\$5.6 billion, up 37% year-on-year, and operating profit of US\$202 million.
- The business is seeing robust momentum across the board, with an AI server business pipeline of US\$21 billion and more than 5,800 customer AI deployments.
- Rack-scale execution advanced, with first GB300 NVL72 racks shipped last quarter and Rubin-based platforms on track for targeted time-to-market in the second half, supporting faster time to first token and scaled customer delivery.
- Annual server manufacturing capacity surpassed 70,000 racks across AI, compute, and storage systems, including more than 11,000 Direct Liquid-Cooled racks purpose-built for AI workloads.
- The acquisition of Infinidat was completed in early April, strengthening ISG's high-end enterprise storage capabilities and unlocking long-term potential for margin expansion and broader market opportunities.

Solutions and Services Group (SSG):

- SSG sustained its double-digit year-on-year revenue growth and high profitability of more than 20%, with revenue growing to US\$2.6 billion, up 19% year-on-year, and extending five consecutive years of double-digit year-on-year revenue growth.
- A record 62% of revenue came from Managed Services and Project and Solutions, accelerating the shift to higher-value, recurring services delivered through a scalable, tech-led, labor-light model, underpinned by deep domain and industry expertise.
- Lenovo Hybrid AI Advantage™ continued to gain traction, helping customers reduce time to first token with AI Factory and increase value per token through more than 60 AI use cases in the AI Library, scaling across manufacturing, retail, and sports.
- TruScale emerged as a key growth driver, helping enterprises and cloud providers scale AI in production through a flexible, consumption-based model that accelerated deployment, improved utilization, and enabled AI scaling with greater cost predictability and supply assurance.

Full fiscal year summary

Group revenue surpassed US\$80 billion for the first time at US\$83.1 billion, up 20% year-on-year. Adjusted net income grew 42% year-on-year to US\$2 billion, growing twice as fast as revenue. All business groups achieved double-digit year-on-year revenue growth, and the key growth engine of AI saw AI-related revenue growing 105% year-on-year to become 33% of Group revenue. R&D expenses were up 9% year-on-year to 3% of Group revenue. Key business group highlights include:

- **IDG** – full year revenue of US\$58.9 billion, up 17% year-on-year, with strengthened market leadership across PC segments and adjacencies.
- **ISG** - record full-year revenue of US\$19.2 billion, up 32% year-on-year, reaching full-year profitability with operating profit improving to US\$73 million.
- **SSG** – revenue surpassed the US\$10 billion revenue mark for the first time, up 19% year-on-year, with operating profits more than doubling over the past five fiscal years.

Corporate and ESG highlights

Achievements, announcements, and notable commitments over the past quarter include:

- Lenovo earned the [EcoVadis Platinum Medal](#), reaffirming its position among the top 1% of companies assessed globally, and was recognized as a [SERI Champion for its leadership in electronics sustainability](#).
- Lenovo was recognized by [Corporate Knights as one of the World’s Most Sustainable Companies](#), and named by Forbes among the [World's Best Employers 2025 and World's Top Companies for Women 2025](#).
- Lenovo was also included for the eighth consecutive year in the [Human Rights Campaign Foundation’s Corporate Equality Index](#), earning a score of 95%.

[1] Note on adjusted net income: Adjusted measure was defined as financial metric by excluding net fair value changes on financial assets at fair value through profit or loss, amortization of intangible assets resulting from mergers and acquisitions, impairment and write-off of intangible assets, property, plant and equipment and construction-in-progress, fair value change on derivative financial liabilities relating to warrants, one-time income tax credit, restructuring charges, dilution gain on interests in associates and a joint venture, impairment of interests in associates, gain on deemed disposal of a subsidiary, and notional interest on convertible bonds; and the corresponding income tax effects, if any.

[2] Note on AI-related revenue: AI Devices: PCs and Smartphones equipped with NPU; AI Servers: GPU Servers; AI Services: Services that enable customer to build, scale & manage AI.

About Lenovo

Lenovo is a US\$83 billion revenue global technology powerhouse, ranked #196 in the Fortune Global 500, and serving millions of customers every day in 180 markets. Guided by its vision of “Smarter Technology for All”, Lenovo is executing a Hybrid AI strategy that spans Personal AI – one personal AI, multiple devices; and Enterprise AI – helping customers turn data into insights and value. This strategy is delivered through the Group’s commitment to world-class innovation and a full-stack AI portfolio, including devices (PCs, workstations, smartphones, tablets, accessories), infrastructure solutions (server, storage, edge, high performance computing and software defined infrastructure), as well as software, solutions, and services. With a global footprint spanning 21 research and development locations in 11 markets, and a global supply chain including more than 30 manufacturing sites across 10 markets, Lenovo is widely recognized for its operational excellence, including [ranking #8](#) in the Gartner Supply Chain Top 25. Lenovo is listed on the Hong Kong stock exchange under Lenovo Group Limited (HKSE: 992) (ADR: LNVGY). Learn more at www.lenovo.com and follow the latest news in our [newsroom](#).

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LENOVO GROUP

FINANCIAL SUMMARY

For the quarter and year ended March 31, 2026

(in US\$ millions, except per share data)

	Q4 FY25/26	Q4 FY24/25	Y/Y CHG	FY25/26	FY24/25	Y/Y CHG
Revenue	21,588	16,984	27%	83,075	69,077	20%
Gross profit	3,539	2,783	27%	12,809	11,098	15%
Gross profit margin	16.4%	16.4%	0 pts	15.4%	16.1%	(0.7) pts
Operating expenses	(2,653)	(2,452)	8%	(9,547)	(8,934)	7%
R&D expenses (included in operating expenses)	(748)	(644)	16%	(2,490)	(2,288)	9%
Expenses-to-revenue ratio	12.3%	14.4%	(2.1) pts	11.5%	12.9%	(1.4) pts
Operating profit	886	331	167%	3,262	2,164	51%
Other non-operating income/(expenses) – net	(151)	(153)	(2%)	(592)	(683)	(13%)
Profit before taxation	735	178	314%	2,670	1,481	80%
Taxation	(141)	(54)	165%	(510)	(19)	2596%
Profit for the period/year	594	124	378%	2,160	1,462	48%
Non-controlling interests	(73)	(34)	112%	(248)	(78)	220%
Net Income (Profit attributable to equity holders)	521	90	479%	1,912	1,384	38%
Adjusted Net Income (Profit attributable to equity holders – non-HKFRS) ^[1]	559	278	101%	2,049	1,441	42%
Earnings per share (US cents)						
Basic	4.32	0.73	3.59	15.63	11.30	4.33
Diluted	3.80	0.71	3.09	13.91	10.62	3.29