

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended **May 3, 2026**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: 1-4121

DEERE & COMPANY

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

36-2382580
(IRS Employer Identification No.)

**One John Deere Place
Moline, Illinois 61265**

(Address of principal executive offices, zip code)

Registrant's Telephone Number, including area code: **(309) 765-8000**

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

Title of each class	Trading Symbols	Name of each exchange on which registered
Common stock, \$1 par value	DE	New York Stock Exchange
6.55% Debentures Due 2028	DE28	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

At May 3, 2026, 269,937,425 shares of common stock, \$1 par value, of the registrant were outstanding.

PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

DEERE & COMPANY

STATEMENTS OF CONSOLIDATED INCOME

For the Three and Six Months Ended May 3, 2026 and April 27, 2025

(In millions of dollars and shares except per share amounts) Unaudited

	Three Months Ended		Six Months Ended	
	2026	2025	2026	2025
Net Sales and Revenues				
Net sales	\$ 11,778	\$ 11,171	\$ 19,779	\$ 17,980
Finance and interest income	1,314	1,354	2,658	2,807
Other income	277	238	544	485
Total	13,369	12,763	22,981	21,272
Costs and Expenses				
Cost of sales	8,266	7,609	14,547	12,646
Research and development expenses	583	549	1,137	1,075
Selling, administrative and general expenses	1,209	1,197	2,181	2,169
Interest expense	712	784	1,431	1,614
Other operating expenses	306	287	556	536
Total	11,076	10,426	19,852	18,040
Income of Consolidated Group before Income Taxes				
	2,293	2,337	3,129	3,232
Provision for income taxes	518	539	714	566
Income of Consolidated Group				
	1,775	1,798	2,415	2,666
Equity in income (loss) of unconsolidated affiliates	(5)	3	10	1
Net Income				
	1,770	1,801	2,425	2,667
Less: Net loss attributable to noncontrolling interests	(3)	(3)	(4)	(6)
Net Income Attributable to Deere & Company	<u>\$ 1,773</u>	<u>\$ 1,804</u>	<u>\$ 2,429</u>	<u>\$ 2,673</u>
Per Share Data				
Basic	\$ 6.57	\$ 6.65	\$ 8.99	\$ 9.85
Diluted	6.55	6.64	8.97	9.82
Dividends declared	1.62	1.62	3.24	3.24
Dividends paid	1.62	1.62	3.24	3.09
Average Shares Outstanding				
Basic	270.1	271.1	270.2	271.3
Diluted	270.8	271.8	270.9	272.1

See Condensed Notes to Interim Consolidated Financial Statements.

DEERE & COMPANY
STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME
For the Three and Six Months Ended May 3, 2026 and April 27, 2025
(In millions of dollars) Unaudited

	Three Months Ended		Six Months Ended	
	2026	2025	2026	2025
Net Income	\$ 1,770	\$ 1,801	\$ 2,425	\$ 2,667
Other Comprehensive Income (Loss), Net of Income Taxes				
Retirement benefits adjustment	(44)	2	(45)	5
Cumulative translation adjustment	(69)	751	305	300
Unrealized gain (loss) on derivatives	16	(8)	11	(9)
Unrealized gain (loss) on debt securities	(8)	24	(6)	9
Other Comprehensive Income (Loss), Net of Income Taxes	(105)	769	265	305
Comprehensive Income	1,665	2,570	2,690	2,972
Less: Comprehensive income (loss) attributable to noncontrolling interests	(5)	4	(3)	(2)
Comprehensive Income Attributable to Deere & Company	\$ 1,670	\$ 2,566	\$ 2,693	\$ 2,974

See Condensed Notes to Interim Consolidated Financial Statements.

DEERE & COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions of dollars) Unaudited

	May 3 2026	November 2 2025	April 27 2025
Assets			
Cash and cash equivalents	\$ 7,905	\$ 8,276	\$ 7,991
Marketable securities	1,430	1,411	1,272
Trade accounts and notes receivable – net	7,571	5,317	6,748
Financing receivables – net	42,916	44,575	43,029
Financing receivables securitized – net	6,100	6,831	7,765
Other receivables	2,582	2,403	2,975
Equipment on operating leases – net	7,514	7,600	7,336
Inventories	8,188	7,406	7,870
Property and equipment – net	8,035	8,079	7,555
Goodwill	4,513	4,188	4,094
Other intangible assets – net	975	892	964
Retirement benefits	3,450	3,273	3,133
Deferred income taxes	2,361	2,284	2,088
Other assets	3,461	3,461	3,483
Total Assets	\$ 107,001	\$ 105,996	\$ 106,303
Liabilities and Stockholders' Equity			
Liabilities			
Short-term borrowings	\$ 15,632	\$ 13,796	\$ 15,948
Short-term securitization borrowings	5,929	6,596	7,562
Accounts payable and accrued expenses	13,653	13,909	13,345
Deferred income taxes	422	434	496
Long-term borrowings	42,261	43,544	42,811
Retirement benefits and other liabilities	1,644	1,710	1,763
Total liabilities	79,541	79,989	81,925
Commitments and contingencies (Note 17)			
Redeemable noncontrolling interest	47	51	83
Stockholders' Equity			
Common stock, \$1 par value (issued shares at May 3, 2026 – 536,431,204)	5,777	5,668	5,565
Common stock in treasury	(36,831)	(36,362)	(36,064)
Retained earnings	61,228	59,676	58,191
Accumulated other comprehensive income (loss)	(2,768)	(3,032)	(3,405)
Total Deere & Company stockholders' equity	27,406	25,950	24,287
Noncontrolling interests	7	6	8
Total stockholders' equity	27,413	25,956	24,295
Total Liabilities and Stockholders' Equity	\$ 107,001	\$ 105,996	\$ 106,303

See Condensed Notes to Interim Consolidated Financial Statements.

DEERE & COMPANY
STATEMENTS OF CONSOLIDATED CASH FLOWS
For the Six Months Ended May 3, 2026 and April 27, 2025
(In millions of dollars) Unaudited

	2026	2025
Cash Flows from Operating Activities		
Net income	\$ 2,425	\$ 2,667
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	127	174
Depreciation and amortization	1,184	1,104
Impairments and other adjustments		(32)
Share-based compensation expense	69	54
Provision (credit) for deferred income taxes	(68)	11
Changes in assets and liabilities:		
Receivables related to sales	(1,084)	(1,069)
Inventories	(738)	(772)
Accounts payable and accrued expenses	(333)	(898)
Accrued income taxes payable/receivable	(5)	(147)
Retirement benefits	(290)	(794)
Other	(245)	270
Net cash provided by operating activities	<u>1,042</u>	<u>568</u>
Cash Flows from Investing Activities		
Collections of receivables (excluding receivables related to sales)	14,385	14,348
Proceeds from maturities and sales of marketable securities	258	245
Proceeds from sales of equipment on operating leases	1,019	1,001
Cost of receivables acquired (excluding receivables related to sales)	(13,157)	(12,744)
Acquisition of business, net of cash acquired	(439)	
Purchases of marketable securities	(284)	(347)
Purchases of property and equipment	(451)	(555)
Cost of equipment on operating leases acquired	(1,295)	(1,254)
Collections of receivables from unconsolidated affiliates	152	234
Collateral on derivatives – net	(8)	27
Other	(87)	(176)
Net cash provided by investing activities	<u>93</u>	<u>779</u>
Cash Flows from Financing Activities		
Net proceeds in short-term borrowings (original maturities three months or less)	2,246	551
Proceeds from borrowings issued (original maturities greater than three months)	3,451	5,156
Payments of borrowings (original maturities greater than three months)	(5,935)	(4,837)
Repurchases of common stock	(500)	(838)
Dividends paid	(878)	(843)
Other	(11)	(10)
Net cash used for financing activities	<u>(1,627)</u>	<u>(821)</u>
Effect of Exchange Rate Changes on Cash, Cash Equivalents, and Restricted Cash	<u>94</u>	<u>20</u>
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	(398)	546
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	8,533	7,633
Cash, Cash Equivalents, and Restricted Cash at End of Period	<u>\$ 8,135</u>	<u>\$ 8,179</u>
Components of Cash, Cash Equivalents, and Restricted Cash		
Cash and cash equivalents	\$ 7,905	\$ 7,991
Restricted cash (Other assets)	230	188
Total Cash, Cash Equivalents, and Restricted Cash	<u>\$ 8,135</u>	<u>\$ 8,179</u>

See Condensed Notes to Interim Consolidated Financial Statements.

DEERE & COMPANY
STATEMENTS OF CHANGES IN CONSOLIDATED STOCKHOLDERS' EQUITY
For the Three and Six Months Ended May 3, 2026 and April 27, 2025
(In millions of dollars) Unaudited

	Total Stockholders' Equity							Redeemable Noncontrolling Interest
	Total Stockholders' Equity	Deere & Company Stockholders					Noncontrolling Interests	
		Common Stock	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)			
Three Months Ended April 27, 2025								
Balance January 26, 2025	\$ 22,486	\$ 5,526	\$ (35,709)	\$ 56,829	\$ (4,167)	\$ 7		\$ 78
Net income (loss)	1,804			1,804				(3)
Other comprehensive income	762				762			7
Repurchases of common stock	(362)		(362)					
Treasury shares reissued	7		7					
Dividends declared	(440)			(440)				
Share based awards and other	38	39		(2)		1		1
Balance April 27, 2025	<u>\$ 24,295</u>	<u>\$ 5,565</u>	<u>\$ (36,064)</u>	<u>\$ 58,191</u>	<u>\$ (3,405)</u>	<u>\$ 8</u>		<u>\$ 83</u>
Six Months Ended April 27, 2025								
Balance October 27, 2024	\$ 22,843	\$ 5,489	\$ (35,349)	\$ 56,402	\$ (3,706)	\$ 7		\$ 82
Net income (loss)	2,673			2,673				(6)
Other comprehensive income	301				301			4
Repurchases of common stock	(746)		(746)					
Treasury shares reissued	31		31					
Dividends declared	(881)			(881)				
Share based awards and other	74	76		(3)		1		3
Balance April 27, 2025	<u>\$ 24,295</u>	<u>\$ 5,565</u>	<u>\$ (36,064)</u>	<u>\$ 58,191</u>	<u>\$ (3,405)</u>	<u>\$ 8</u>		<u>\$ 83</u>
Three Months Ended May 3, 2026								
Balance February 1, 2026	\$ 26,307	\$ 5,715	\$ (36,645)	\$ 59,895	\$ (2,665)	\$ 7		\$ 50
Net income (loss)	1,773			1,773				(3)
Other comprehensive loss	(103)				(103)			(2)
Repurchases of common stock	(193)		(193)					
Treasury shares reissued	7		7					
Dividends declared	(439)			(439)				
Share based awards and other	61	62		(1)				2
Balance May 3, 2026	<u>\$ 27,413</u>	<u>\$ 5,777</u>	<u>\$ (36,831)</u>	<u>\$ 61,228</u>	<u>\$ (2,768)</u>	<u>\$ 7</u>		<u>\$ 47</u>
Six Months Ended May 3, 2026								
Balance November 2, 2025	\$ 25,956	\$ 5,668	\$ (36,362)	\$ 59,676	\$ (3,032)	\$ 6		\$ 51
Net income (loss)	2,430			2,429		1		(5)
Other comprehensive income	264				264			1
Repurchases of common stock	(496)	(4)	(492)					
Treasury shares reissued	23		23					
Dividends declared	(877)			(877)				
Share based awards and other	113	113						
Balance May 3, 2026	<u>\$ 27,413</u>	<u>\$ 5,777</u>	<u>\$ (36,831)</u>	<u>\$ 61,228</u>	<u>\$ (2,768)</u>	<u>\$ 7</u>		<u>\$ 47</u>

See Condensed Notes to Interim Consolidated Financial Statements.

CONDENSED NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

(1) ORGANIZATION AND CONSOLIDATION

Deere & Company has been developing innovative solutions to help its customers become more profitable for more than 185 years. References to “Deere & Company,” “John Deere,” “Deere,” “we,” “us,” or “our” include our consolidated subsidiaries, unless otherwise stated. We manage our business through the following operating segments: Production & Precision Agriculture (PPA), Small Agriculture & Turf (SAT), Construction & Forestry (CF), and Financial Services (John Deere Financial or FS). References to “equipment operations” include PPA, SAT, and CF, while references to “agriculture and turf” include both PPA and SAT.

We use a 52/53 week fiscal year with quarters ending on the last Sunday in the reporting period. The second quarter ends for fiscal years 2026 and 2025 were May 3, 2026, and April 27, 2025, respectively. Both quarters contained 13 weeks, while both year-to-date periods contained 26 weeks. Fiscal year 2025 contained 53 weeks, with the additional week occurring in the fourth quarter. Unless otherwise stated, references to particular years, quarters, or months refer to our fiscal years generally ending near the end of October and the associated periods in those fiscal years.

All amounts are presented in millions of U.S. dollars, unless otherwise specified. Certain prior period amounts have been reclassified to conform to current period presentation.

Variable Interest Entities

We consolidate certain variable interest entities (VIEs) related to retail note securitizations (see Note 10).

We have a 50% ownership interest in Banco John Deere S.A. (BJD), an equity method investment that finances retail and wholesale loans for agricultural, construction, and forestry equipment in Brazil. This investment was established in February 2025 through the sale of 50% ownership of a former subsidiary (see Note 21). BJD is a VIE as we provide funding and are exposed to losses that are disproportionate to our voting rights. However, we are not the primary beneficiary of the VIE because the power over significant activities, including the strategic plan, budget, credit policies, and funding guidelines, is shared among equity holders through an equally represented board of directors.

Financial results of BJD are reported in “Equity in income (loss) of unconsolidated affiliates.” The related investment in unconsolidated affiliates is included in “Other assets” on the condensed consolidated balance sheets, while short-term and long-term funding is recorded in receivables from unconsolidated affiliates and included in “Other receivables.”

Our carrying value of receivables from and investments in BJD and maximum exposure to loss were as follows:

	May 3 2026	November 2 2025	April 27 2025
Receivables from unconsolidated affiliates – “Other receivables”	\$ 279	\$ 394	\$ 564
Investments in unconsolidated affiliates – “Other assets”	409	405	372
Carrying value of assets related to VIE	688	799	936
Guarantees	172	157	156
Maximum exposure to loss	\$ 860	\$ 956	\$ 1,092

Guarantees primarily include BJD debt related to government funding that existed prior to the deconsolidation of BJD. We did not record a contractual liability related to these guarantees on our condensed consolidated balance sheets.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NEW ACCOUNTING PRONOUNCEMENTS

Quarterly Financial Statements

The interim consolidated financial statements of Deere & Company have been prepared by us, without audit, pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (SEC). Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with accounting principles generally accepted in the U.S. have been condensed or omitted as permitted by such rules and regulations. All normal recurring adjustments have been included. Management believes the disclosures are adequate to present fairly the financial position, results of operations, and cash flows at the dates and for the periods presented. It is suggested these interim consolidated financial statements be read in conjunction with the consolidated financial statements and the notes thereto appearing in our latest Annual Report on Form 10-K. Results for interim periods are not necessarily indicative of those to be expected for the fiscal year.

Use of Estimates in Financial Statements

Certain accounting policies require management to make estimates and assumptions in determining the amounts reflected in the financial statements and related disclosures. Actual results could differ from those estimates.

Accounting Pronouncements to be Adopted

We closely monitor all Accounting Standard Updates (ASUs) issued by the Financial Accounting Standards Board (FASB) and other authoritative guidance.

In December 2025, the FASB issued ASU 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities, which provides updated guidance on how to recognize, measure, and present government grants. The ASU will be effective for us beginning with our interim reporting for fiscal year 2030, with early adoption permitted. We are assessing the effect of this update on our consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software, which provides updated guidance for the capitalization of internal-use software. The ASU will be effective for us beginning with our interim reporting for fiscal year 2029, with early adoption permitted. We are assessing the effect of this update on our consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which expands disclosures about specific expense categories presented on the face of the income statement. In January 2025, the FASB issued ASU 2025-01, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40), which clarifies the effective date of ASU 2024-03. The ASU will be effective for us beginning with our annual reporting for fiscal year 2028 and interim periods thereafter. We are assessing the effect of ASU 2024-03 on our related disclosures.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which expands disclosures in an entity's income tax rate reconciliation table and cash taxes paid both in the U.S. and foreign jurisdictions. The ASU will be effective for us beginning with our annual reporting for fiscal year 2026. We are assessing the effect of this update on our related disclosures. The adoption will not have a material impact on our consolidated financial statements.

We will also adopt the following standards in future periods, none of which are expected to have a material effect on our consolidated financial statements, including note disclosures to consolidated financial statements. All other accounting standards issued but not yet adopted were not applicable to us.

No. 2026-02 — Environmental Credits and Environmental Credit Obligations (Topic 818)

No. 2025-12 — Codification Improvements

No. 2025-11 — Interim Reporting (Topic 270): Narrow-Scope Improvements

No. 2025-09 — Derivatives and Hedging (Topic 815): Hedge Accounting Improvements

No. 2025-07 — Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Derivatives Scope Refinements and Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract

No. 2025-05 — Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets

No. 2024-04 — Debt – Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments

No. 2023-06 — Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative

(3) REVENUE RECOGNITION

Our net sales and revenues by primary geographic market, major product line, and timing of revenue recognition follow:

Three Months Ended May 3, 2026	PPA	SAT	CF	FS	Total
Primary geographic markets:					
United States	\$ 2,012	\$ 1,833	\$ 2,317	\$ 1,036	\$ 7,198
Canada	487	187	175	190	1,039
Western Europe	654	827	608	52	2,141
Central Europe and CIS	297	121	105	2	525
Latin America	828	128	280	32	1,268
Asia, Africa, Oceania, and Middle East	329	446	369	54	1,198
Total	<u>\$ 4,607</u>	<u>\$ 3,542</u>	<u>\$ 3,854</u>	<u>\$ 1,366</u>	<u>\$ 13,369</u>
Major product lines:					
Production agriculture	\$ 4,403				\$ 4,403
Small agriculture		\$ 2,339			2,339
Turf		1,063			1,063
Construction			\$ 1,514		1,514
Compact construction			653		653
Roadbuilding			1,270		1,270
Forestry			294		294
Financial products	52	23	16	\$ 1,366	1,457
Other	152	117	107		376
Total	<u>\$ 4,607</u>	<u>\$ 3,542</u>	<u>\$ 3,854</u>	<u>\$ 1,366</u>	<u>\$ 13,369</u>
Revenue recognized:					
At a point in time	\$ 4,502	\$ 3,495	\$ 3,819	\$ 37	\$ 11,853
Over time	105	47	35	1,329	1,516
Total	<u>\$ 4,607</u>	<u>\$ 3,542</u>	<u>\$ 3,854</u>	<u>\$ 1,366</u>	<u>\$ 13,369</u>
Six Months Ended May 3, 2026					
Primary geographic markets:					
United States	\$ 3,238	\$ 2,939	\$ 3,894	\$ 2,088	\$ 12,159
Canada	885	288	311	381	1,865
Western Europe	1,118	1,313	1,034	106	3,571
Central Europe and CIS	469	181	181	4	835
Latin America	1,512	223	511	64	2,310
Asia, Africa, Oceania, and Middle East	654	822	657	108	2,241
Total	<u>\$ 7,876</u>	<u>\$ 5,766</u>	<u>\$ 6,588</u>	<u>\$ 2,751</u>	<u>\$ 22,981</u>
Major product lines:					
Production agriculture	\$ 7,496				\$ 7,496
Small agriculture		\$ 3,866			3,866
Turf		1,639			1,639
Construction			\$ 2,625		2,625
Compact construction			1,121		1,121
Roadbuilding			2,042		2,042
Forestry			563		563
Financial products	109	50	34	\$ 2,751	2,944
Other	271	211	203		685
Total	<u>\$ 7,876</u>	<u>\$ 5,766</u>	<u>\$ 6,588</u>	<u>\$ 2,751</u>	<u>\$ 22,981</u>
Revenue recognized:					
At a point in time	\$ 7,666	\$ 5,669	\$ 6,514	\$ 70	\$ 19,919
Over time	210	97	74	2,681	3,062
Total	<u>\$ 7,876</u>	<u>\$ 5,766</u>	<u>\$ 6,588</u>	<u>\$ 2,751</u>	<u>\$ 22,981</u>

Three Months Ended April 27, 2025	PPA	SAT	CF	FS	Total
Primary geographic markets:					
United States	\$ 2,512	\$ 1,626	\$ 1,717	\$ 1,072	\$ 6,927
Canada	656	153	208	172	1,189
Western Europe	612	667	497	44	1,820
Central Europe and CIS	239	99	87	3	428
Latin America	995	116	220	41	1,372
Asia, Africa, Oceania, and Middle East	312	385	277	53	1,027
Total	<u>\$ 5,326</u>	<u>\$ 3,046</u>	<u>\$ 3,006</u>	<u>\$ 1,385</u>	<u>\$ 12,763</u>
Major product lines:					
Production agriculture	\$ 5,135				\$ 5,135
Small agriculture		\$ 1,964			1,964
Turf		957			957
Construction			\$ 1,182		1,182
Compact construction			506		506
Roadbuilding			949		949
Forestry			254		254
Financial products	56	25	16	\$ 1,385	1,482
Other	135	100	99		334
Total	<u>\$ 5,326</u>	<u>\$ 3,046</u>	<u>\$ 3,006</u>	<u>\$ 1,385</u>	<u>\$ 12,763</u>
Revenue recognized:					
At a point in time	\$ 5,218	\$ 2,997	\$ 2,967	\$ 34	\$ 11,216
Over time	108	49	39	1,351	1,547
Total	<u>\$ 5,326</u>	<u>\$ 3,046</u>	<u>\$ 3,006</u>	<u>\$ 1,385</u>	<u>\$ 12,763</u>
Six Months Ended April 27, 2025					
	PPA	SAT	CF	FS	Total
Primary geographic markets:					
United States	\$ 4,067	\$ 2,575	\$ 2,830	\$ 2,158	\$ 11,630
Canada	1,010	232	309	359	1,910
Western Europe	889	1,019	841	87	2,836
Central Europe and CIS	306	138	158	7	609
Latin America	1,710	196	425	137	2,468
Asia, Africa, Oceania, and Middle East	517	693	501	108	1,819
Total	<u>\$ 8,499</u>	<u>\$ 4,853</u>	<u>\$ 5,064</u>	<u>\$ 2,856</u>	<u>\$ 21,272</u>
Major product lines:					
Production agriculture	\$ 8,137				\$ 8,137
Small agriculture		\$ 3,198			3,198
Turf		1,420			1,420
Construction			\$ 1,952		1,952
Compact construction			867		867
Roadbuilding			1,545		1,545
Forestry			480		480
Financial products	111	58	37	\$ 2,856	3,062
Other	251	177	183		611
Total	<u>\$ 8,499</u>	<u>\$ 4,853</u>	<u>\$ 5,064</u>	<u>\$ 2,856</u>	<u>\$ 21,272</u>
Revenue recognized:					
At a point in time	\$ 8,304	\$ 4,757	\$ 4,995	\$ 63	\$ 18,119
Over time	195	96	69	2,793	3,153
Total	<u>\$ 8,499</u>	<u>\$ 4,853</u>	<u>\$ 5,064</u>	<u>\$ 2,856</u>	<u>\$ 21,272</u>

We invoice in advance of recognizing the revenue of certain products and services. These relate to extended warranty premiums, advance payments for future equipment sales, and subscription and service revenue related to precision guidance, telematic services, and other information enabled solutions. These advanced customer payments are presented as deferred revenue, a contract liability, in "Accounts payable and accrued expenses." The deferred revenue received, but not recognized in revenue, was \$2,155, \$2,039, and \$2,089 at May 3, 2026, November 2, 2025, and April 27, 2025, respectively. The contract liability is reduced as the revenue is recognized. Revenue recognized from deferred revenue that was recorded as a contract liability at the beginning of the fiscal year was \$163 and \$176 during the three months and \$428 and \$373 during the six months ended May 3, 2026, and April 27, 2025, respectively.

The amount of unsatisfied performance obligations for contracts with an original duration greater than one year was \$1,855 at May 3, 2026. The estimated revenue to be recognized by fiscal year follows: remainder of 2026 – \$320, 2027 – \$591, 2028 – \$402, 2029 – \$254, 2030 – \$156, 2031 – \$87, and later years – \$45. As permitted, we elected only to disclose remaining performance obligations with an original contract duration greater than one year. The contracts with an expected duration of one year or less are for sales to dealers and retail customers for equipment, service parts, repair services, and certain telematics services.

(4) OTHER COMPREHENSIVE INCOME ITEMS

The after-tax components of accumulated other comprehensive income (loss) follow:

	May 3 2026	November 2 2025	April 27 2025
Retirement benefits adjustment	\$ (1,227)	\$ (1,182)	\$ (1,269)
Cumulative translation adjustment	(1,449)	(1,753)	(1,990)
Unrealized loss on derivatives	(43)	(54)	(81)
Unrealized loss on debt securities	(49)	(43)	(65)
Accumulated other comprehensive income (loss)	\$ (2,768)	\$ (3,032)	\$ (3,405)

The following tables reflect amounts recorded in other comprehensive income (loss), as well as reclassifications out of other comprehensive income (loss).

	Before Tax Amount	Tax (Expense) Credit	After Tax Amount
Three Months Ended May 3, 2026			
Cumulative translation adjustment:			
Unrealized translation gain (loss)	\$ (76)	\$ 5	\$ (71)
Reclassification of realized (gain) loss to Other income	4		4
Net unrealized translation gain (loss)	(72)	5	(67)
Unrealized gain (loss) on derivatives:			
Unrealized hedging gain (loss)	17	(3)	14
Reclassification of realized (gain) loss to Interest expense	2		2
Net unrealized gain (loss) on derivatives	19	(3)	16
Unrealized gain (loss) on debt securities:			
Unrealized holding gain (loss)	(11)	3	(8)
Net unrealized gain (loss) on debt securities	(11)	3	(8)
Retirement benefits adjustment:			
Net actuarial gain (loss) and prior service credit (cost)	(56)	14	(42)
Reclassification to Other operating expenses through amortization of:			
Actuarial (gain) loss	(12)	3	(9)
Prior service (credit) cost	10	(3)	7
Net unrealized gain (loss) on retirement benefits adjustment	(58)	14	(44)
Total other comprehensive income (loss)	\$ (122)	\$ 19	\$ (103)

	Before Tax Amount	Tax (Expense) Credit	After Tax Amount
Six Months Ended May 3, 2026			
Cumulative translation adjustment:			
Unrealized translation gain (loss)	\$ 295	\$ 5	\$ 300
Reclassification of realized (gain) loss to Other income	4		4
Net unrealized translation gain (loss)	<u>299</u>	<u>5</u>	<u>304</u>
Unrealized gain (loss) on derivatives:			
Unrealized hedging gain (loss)	15	(3)	12
Reclassification of realized (gain) loss to Interest expense	(2)	1	(1)
Net unrealized gain (loss) on derivatives	<u>13</u>	<u>(2)</u>	<u>11</u>
Unrealized gain (loss) on debt securities:			
Unrealized holding gain (loss)	(7)	1	(6)
Net unrealized gain (loss) on debt securities	<u>(7)</u>	<u>1</u>	<u>(6)</u>
Retirement benefits adjustment:			
Net actuarial gain (loss) and prior service credit (cost)	(56)	14	(42)
Reclassification to Other operating expenses through amortization of:			
Actuarial (gain) loss	(24)	6	(18)
Prior service (credit) cost	20	(5)	15
Net unrealized gain (loss) on retirement benefits adjustment	<u>(60)</u>	<u>15</u>	<u>(45)</u>
Total other comprehensive income (loss)	<u>\$ 245</u>	<u>\$ 19</u>	<u>\$ 264</u>
	Before Tax Amount	Tax (Expense) Credit	After Tax Amount
Three Months Ended April 27, 2025			
Cumulative translation adjustment			
Unrealized gain (loss) on derivatives:	\$ 749	\$ (5)	\$ 744
Unrealized hedging gain (loss)	(11)	3	(8)
Net unrealized gain (loss) on derivatives	<u>(11)</u>	<u>3</u>	<u>(8)</u>
Unrealized gain (loss) on debt securities:			
Unrealized holding gain (loss)	30	(8)	22
Reclassification of realized (gain) loss to Other income	2		2
Net unrealized gain (loss) on debt securities	<u>32</u>	<u>(8)</u>	<u>24</u>
Retirement benefits adjustment:			
Net actuarial gain (loss)	6	(2)	4
Reclassification to Other operating expenses through amortization of:			
Actuarial (gain) loss	(14)	3	(11)
Prior service (credit) cost	8	(1)	7
Settlements	3	(1)	2
Net unrealized gain (loss) on retirement benefits adjustment	<u>3</u>	<u>(1)</u>	<u>2</u>
Total other comprehensive income (loss)	<u>\$ 773</u>	<u>\$ (11)</u>	<u>\$ 762</u>

Six Months Ended April 27, 2025	Before Tax Amount	Tax (Expense) Credit	After Tax Amount
Cumulative translation adjustment	\$ 300	\$ (4)	\$ 296
Unrealized gain (loss) on derivatives:			
Unrealized hedging gain (loss)	(4)	1	(3)
Reclassification of realized (gain) loss to Interest expense	(8)	2	(6)
Net unrealized gain (loss) on derivatives	(12)	3	(9)
Unrealized gain (loss) on debt securities:			
Unrealized holding gain (loss)	11	(4)	7
Reclassification of realized (gain) loss to Other income	2		2
Net unrealized gain (loss) on debt securities	13	(4)	9
Retirement benefits adjustment:			
Net actuarial gain (loss)	12	(3)	9
Reclassification to Other operating expenses through amortization of:			
Actuarial (gain) loss	(25)	6	(19)
Prior service (credit) cost	17	(4)	13
Settlements	3	(1)	2
Net unrealized gain (loss) on retirement benefits adjustment	7	(2)	5
Total other comprehensive income (loss)	\$ 308	\$ (7)	\$ 301

(5) **EARNINGS PER SHARE**

A reconciliation of basic and diluted earnings per share attributable to Deere & Company follows in millions, except per share amounts:

	Three Months Ended		Six Months Ended	
	May 3 2026	April 27 2025	May 3 2026	April 27 2025
Net income attributable to Deere & Company	\$ 1,773	\$ 1,804	\$ 2,429	\$ 2,673
Average shares outstanding	270.1	271.1	270.2	271.3
Basic earnings per share	<u>\$ 6.57</u>	<u>\$ 6.65</u>	<u>\$ 8.99</u>	<u>\$ 9.85</u>
Average shares outstanding	270.1	271.1	270.2	271.3
Effect of dilutive stock options and unvested restricted stock units	.7	.7	.7	.8
Total potential shares outstanding	270.8	271.8	270.9	272.1
Diluted earnings per share	<u>\$ 6.55</u>	<u>\$ 6.64</u>	<u>\$ 8.97</u>	<u>\$ 9.82</u>
Shares excluded as antidilutive		.2	.1	.2

(6) **PENSION AND OTHER POSTRETIREMENT BENEFITS**

We have several funded and unfunded defined benefit pension plans and other postretirement benefit (OPEB) plans. These plans cover U.S. employees and certain foreign employees. The components of net periodic pension and OPEB (benefit) cost excluding the service cost component are included in the line item "Other operating expenses."

The components of net periodic pension and OPEB (benefit) cost consisted of the following:

	Three Months Ended		Six Months Ended	
	May 3 2026	April 27 2025	May 3 2026	April 27 2025
Pensions:				
Service cost	\$ 57	\$ 60	\$ 116	\$ 125
Interest cost	125	129	250	257
Expected return on plan assets	(248)	(244)	(497)	(498)
Amortization of actuarial gain	(3)	(2)	(5)	(3)
Amortization of prior service cost	14	9	24	19
Settlements		3		3
Net benefit	<u>\$ (55)</u>	<u>\$ (45)</u>	<u>\$ (112)</u>	<u>\$ (97)</u>
OPEB:				
Service cost	\$ 4	\$ 4	\$ 8	\$ 9
Interest cost	38	38	75	78
Expected return on plan assets	(41)	(27)	(82)	(55)
Amortization of actuarial gain	(10)	(12)	(20)	(22)
Amortization of prior service credit		(1)		(2)
Net (benefit) cost	<u>\$ (9)</u>	<u>\$ 2</u>	<u>\$ (19)</u>	<u>\$ 8</u>

During the first six months of 2026, we contributed and expect to contribute the following amounts to our pension and OPEB plans:

	Pensions	OPEB
Contributed	\$ 48	\$ 95
Expected contributions remainder of the year	52	55

(7) INCOME TAXES

The effective tax rate was 22.6% and 23.1% for the second quarter of 2026 and 2025, respectively, and 22.8% and 17.5% for the six months ended May 3, 2026, and April 27, 2025, respectively. The effective tax rate in the six months ended April 27, 2025 was impacted by favorable net discrete tax items (see Note 22).

(8) SEGMENT DATA

Our operations are organized and reported in four business segments: Production & Precision Agriculture, Small Agriculture & Turf, Construction & Forestry, and Financial Services. This presentation is consistent with how the chief operating decision maker, our Chief Executive Officer (CEO), who also serves as the Chairman of the Board, assesses the performance of the segments and makes decisions regarding resource allocations. Each segment has a group president responsible for managing financial performance and executing strategic initiatives.

- *Production & Precision Agriculture – PPA* segment defines, develops, and delivers global equipment and technology solutions to unlock customer value for production-scale growers of large grains, small grains, cotton, and sugarcane.
- *Small Agriculture & Turf – SAT* segment defines, develops, and delivers global equipment and technology solutions to unlock customer value for dairy and livestock producers, high-value and small acreage crop producers, and turf and utility customers.
- *Construction & Forestry – CF* segment defines, develops, and delivers a broad range of machines and technology solutions organized along the earthmoving, forestry, and roadbuilding production systems.

The products and services produced by the segments above are primarily marketed through independent retail dealer networks and major retail outlets. For roadbuilding products in certain markets outside the U.S. and Canada, the products are sold through company-owned sales and service subsidiaries.

- *Financial Services – FS* segment finances sales and leases by John Deere dealers of new and used production and precision agriculture equipment, small agriculture and turf equipment, and construction and forestry equipment. In addition, the FS segment provides wholesale financing to dealers of the foregoing equipment, finances retail revolving charge accounts, and offers extended equipment warranties.

The CEO evaluates the performance of the business segments based on operating profit, which for FS includes interest income and interest expense, and on identifiable segment operating assets. Segment operating profit and operating assets are measured using accounting policies consistent with those applied in the consolidated financial statements. Because of integrated

manufacturing operations and common administrative and marketing support, a substantial number of allocations must be made to determine operating segment data. Intersegment transactions are primarily made between the FS segment and PPA, SAT, and CF segments, and are recognized at current market prices.

Total identifiable assets assigned to the equipment operations operating segments consist of assets actively managed by those segments, including trade receivables, inventories, property and equipment, other intangible assets, and certain other assets. Corporate assets are managed on a consolidated basis, including cash and cash equivalents, retirement benefit net assets, goodwill, and deferred income tax assets. Financial Services assets include cash and cash equivalents, retirement benefits, and deferred income tax assets that are managed by the segment.

Information relating to operations by operating segment was as follows:

Three Months Ended May 3, 2026	PPA	SAT	CF	FS	Total
External net sales	\$ 4,503	\$ 3,485	\$ 3,790		\$ 11,778
External finance and interest income	10	6	3	\$ 1,243	1,262
External other income	60	41	50	123	274
Intersegment income	39	8	11	143	201
Total segment net sales and revenues	4,612	3,540	3,854	1,509	13,515
Cost of sales	(3,100)	(2,377)	(2,800)		(8,277)
Interest expense				(649)	(649)
Other segment items*	(806)	(444)	(493)	(609)	(2,352)
Segment operating profit	\$ 706	\$ 719	\$ 561	\$ 251	\$ 2,237

Six Months Ended May 3, 2026	PPA	SAT	CF	FS	Total
External net sales	\$ 7,666	\$ 5,653	\$ 6,460		\$ 19,779
External finance and interest income	22	17	8	\$ 2,504	2,551
External other income	117	78	98	247	540
Intersegment income	93	17	18	246	374
Total segment net sales and revenues	7,898	5,765	6,584	2,997	23,244
Cost of sales	(5,576)	(4,011)	(4,981)		(14,568)
Interest expense				(1,313)	(1,313)
Other segment items*	(1,477)	(838)	(905)	(1,132)	(4,352)
Segment operating profit	\$ 845	\$ 916	\$ 698	\$ 552	\$ 3,011

Three Months Ended April 27, 2025	PPA	SAT	CF	FS	Total
External net sales	\$ 5,230	\$ 2,994	\$ 2,947		\$ 11,171
External finance and interest income	8	6	4	\$ 1,276	1,294
External other income	49	33	45	109	236
Intersegment income	47	11		116	174
Total segment net sales and revenues	5,334	3,044	2,996	1,501	12,875
Cost of sales	(3,398)	(2,045)	(2,174)		(7,617)
Interest expense				(721)	(721)
Other segment items*	(788)	(425)	(443)	(573)	(2,229)
Segment operating profit	\$ 1,148	\$ 574	\$ 379	\$ 207	\$ 2,308

Six Months Ended April 27, 2025	PPA	SAT	CF	FS	Total
External net sales	\$ 8,297	\$ 4,742	\$ 4,941		\$ 17,980
External finance and interest income	17	15	6	\$ 2,639	2,677
External other income	105	66	90	217	478
Intersegment income	105	16	2	218	341
Total segment net sales and revenues	8,524	4,839	5,039	3,074	21,476
Cost of sales	(5,563)	(3,341)	(3,758)		(12,662)
Interest expense				(1,487)	(1,487)
Other segment items*	(1,475)	(800)	(837)	(1,114)	(4,226)
Segment operating profit	\$ 1,486	\$ 698	\$ 444	\$ 473	\$ 3,101

* Other segment items for PPA, SAT, and CF include selling, administrative and general expenses; advertising; engineering; research and development; equity in income (loss) of unconsolidated affiliates; and other miscellaneous operating expenses. Financial Services other segment items include selling, administrative and general expenses; foreign exchange gains and losses; equity in income (loss) of unconsolidated affiliates; and other miscellaneous operating expenses.

A reconciliation of segment net sales and revenues and segment operating profit to consolidated net sales and revenues and consolidated net income follows:

	Three Months Ended		Six Months Ended	
	May 3 2026	April 27 2025	May 3 2026	April 27 2025
Reconciliation of net sales and revenues				
Segment net sales and revenues	\$ 13,515	\$ 12,875	\$ 23,244	\$ 21,476
External other income*	55	62	111	137
Elimination of intersegment revenues	(201)	(174)	(374)	(341)
Net sales and revenues	<u>\$ 13,369</u>	<u>\$ 12,763</u>	<u>\$ 22,981</u>	<u>\$ 21,272</u>
Reconciliation of net income				
Segment operating profit	\$ 2,237	\$ 2,308	\$ 3,011	\$ 3,101
Interest income – excluding FS	91	90	183	178
Interest expense – excluding FS	(102)	(94)	(195)	(178)
Pension and OPEB benefit, excluding service cost component	125	107	255	223
Corporate other – net**	(63)	(71)	(115)	(91)
Income taxes	(518)	(539)	(714)	(566)
Net income	<u>\$ 1,770</u>	<u>\$ 1,801</u>	<u>\$ 2,425</u>	<u>\$ 2,667</u>

* External other income includes corporate investment income, corporate interest income, and other miscellaneous revenue items that are included in “Finance and interest income” and “Other income” on the statements of consolidated income.

** Corporate other – net includes certain foreign exchange gains and losses, certain investment income, and certain corporate administrative and general expenses.

Additional operating segment information was as follows:

	Three Months Ended		Six Months Ended	
	May 3 2026	April 27 2025	May 3 2026	April 27 2025
Depreciation* and amortization expense				
PPA	\$ 167	\$ 168	\$ 338	\$ 334
SAT	76	67	151	132
CF	104	89	200	177
FS	272	264	546	529
Intersegment	(25)	(33)	(51)	(68)
Total	<u>\$ 594</u>	<u>\$ 555</u>	<u>\$ 1,184</u>	<u>\$ 1,104</u>
Capital additions				
PPA	\$ 99	\$ 112	\$ 173	\$ 199
SAT	48	38	80	73
CF	73	75	121	153
FS				
Total	<u>\$ 220</u>	<u>\$ 225</u>	<u>\$ 374</u>	<u>\$ 425</u>

* Depreciation includes depreciation for equipment on operating leases.

	May 3 2026	November 2 2025	April 27 2025
Total Assets			
PPA	\$ 9,091	\$ 8,787	\$ 8,909
SAT	4,420	3,987	4,234
CF	8,522	7,792	7,753
FS	69,549	70,021	70,569
Corporate*	15,419	15,409	14,838
Total Assets	\$ 107,001	\$ 105,996	\$ 106,303

Equity investment in unconsolidated affiliates

PPA	\$ 10	\$ 11	\$ 12
SAT	37	37	59
CF			
FS	470	462	425
Total	\$ 517	\$ 510	\$ 496

* Corporate assets are managed on a consolidated basis, including cash and cash equivalents, retirement benefit net assets, goodwill, and deferred income tax assets.

(9) **FINANCING RECEIVABLES**

We monitor the credit quality of financing receivables based on delinquency status, defined as follows:

- Past due balances represent any payments 30 days or more past the due date.
- Non-performing financing receivables represent receivables for which we have stopped accruing finance income. This generally occurs when receivables are 90 days delinquent.
- Write-offs generally occur when receivables are 120 days delinquent. In these situations, the estimated uncollectible amount is written off to the allowance for credit losses.

The credit quality and aging analysis of retail notes, financing leases, and revolving charge accounts (collectively, retail customer receivables) by year of origination was as follows:

	May 3, 2026							Revolving Charge Accounts	Total
	2026	2025	2024	2023	2022	Prior Years			
Retail customer receivables:									
Agriculture and turf									
Current	\$ 5,517	\$ 9,749	\$ 6,657	\$ 4,001	\$ 2,133	\$ 861	\$ 4,341	\$ 33,259	
30-59 days past due	31	106	74	48	24	10	31	324	
60-89 days past due	4	44	40	23	9	4	10	134	
90+ days past due		2	2			2		6	
Non-performing	5	101	124	92	51	34	58	465	
Construction and forestry									
Current	1,789	2,622	1,571	715	272	56	118	7,143	
30-59 days past due	23	56	39	24	10	3	4	159	
60-89 days past due	11	25	23	17	3	2	2	83	
90+ days past due		1	2	1	3			7	
Non-performing	6	70	94	60	27	18	2	277	
Total retail customer receivables	\$ 7,386	\$ 12,776	\$ 8,626	\$ 4,981	\$ 2,532	\$ 990	\$ 4,566	\$ 41,857	
Write-offs for the six months ended									
May 3, 2026:									
Agriculture and turf	\$ 1	\$ 12	\$ 17	\$ 13	\$ 6	\$ 3	\$ 45	\$ 97	
Construction and forestry		15	16	13	4	2	3	53	
Total	\$ 1	\$ 27	\$ 33	\$ 26	\$ 10	\$ 5	\$ 48	\$ 150	

November 2, 2025

	2025	2024	2023	2022	2021	Prior Years	Revolving Charge Accounts	Total
Retail customer receivables:								
Agriculture and turf								
Current	\$ 12,380	\$ 8,389	\$ 5,228	\$ 3,003	\$ 1,310	\$ 281	\$ 4,608	\$ 35,199
30-59 days past due	36	73	59	38	15	7	37	265
60-89 days past due	14	37	28	13	8	2	10	112
90+ days past due	1	2		1	2			6
Non-performing	41	109	98	57	30	17	14	366
Construction and forestry								
Current	3,175	2,038	1,034	463	130	12	124	6,976
30-59 days past due	42	47	31	12	4	1	5	142
60-89 days past due	21	17	12	8	1	1	2	62
90+ days past due	1	6	3	2		1		13
Non-performing	31	94	78	38	19	7	1	268
Total retail customer receivables	<u>\$ 15,742</u>	<u>\$ 10,812</u>	<u>\$ 6,571</u>	<u>\$ 3,635</u>	<u>\$ 1,519</u>	<u>\$ 329</u>	<u>\$ 4,801</u>	<u>\$ 43,409</u>

Write-offs for the twelve months ended

November 2, 2025:								
Agriculture and turf	\$ 6	\$ 32	\$ 34	\$ 21	\$ 9	\$ 7	\$ 102	\$ 211
Construction and forestry	9	38	29	12	3	3	7	101
Total	<u>\$ 15</u>	<u>\$ 70</u>	<u>\$ 63</u>	<u>\$ 33</u>	<u>\$ 12</u>	<u>\$ 10</u>	<u>\$ 109</u>	<u>\$ 312</u>

April 27, 2025

	2025	2024	2023	2022	2021	Prior Years	Revolving Charge Accounts	Total
Retail customer receivables:								
Agriculture and turf								
Current	\$ 5,772	\$ 10,981	\$ 6,652	\$ 4,014	\$ 1,981	\$ 654	\$ 3,893	\$ 33,947
30-59 days past due	26	121	77	45	22	9	30	330
60-89 days past due	11	53	32	18	8	4	13	139
90+ days past due		1	2	1	3			7
Non-performing	4	102	111	73	45	29	86	450
Construction and forestry								
Current	1,561	2,583	1,425	732	266	46	109	6,722
30-59 days past due	24	70	47	21	9	3	5	179
60-89 days past due	8	27	17	8	3		2	65
90+ days past due		6	1	3				10
Non-performing	6	86	93	55	28	12	2	282
Total retail customer receivables	<u>\$ 7,412</u>	<u>\$ 14,030</u>	<u>\$ 8,457</u>	<u>\$ 4,970</u>	<u>\$ 2,365</u>	<u>\$ 757</u>	<u>\$ 4,140</u>	<u>\$ 42,131</u>

Write-offs for the six months ended

April 27, 2025:								
Agriculture and turf	\$ 1	\$ 16	\$ 21	\$ 12	\$ 4	\$ 5	\$ 49	\$ 108
Construction and forestry		18	17	7	2	1	4	49
Total	<u>\$ 1</u>	<u>\$ 34</u>	<u>\$ 38</u>	<u>\$ 19</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 53</u>	<u>\$ 157</u>

The credit quality and aging analysis of wholesale receivables was as follows:

	May 3 2026	November 2 2025	April 27 2025
Wholesale receivables:			
Agriculture and turf			
Current	\$ 6,141	\$ 6,731	\$ 7,372
30+ days past due			1
Non-performing	4		1
Construction and forestry			
Current	1,281	1,524	1,547
30+ days past due			
Non-performing			
Total wholesale receivables	<u>\$ 7,426</u>	<u>\$ 8,255</u>	<u>\$ 8,921</u>

An analysis of the allowance for credit losses and investment in financing receivables follows:

	Retail Notes & Financing Leases	Revolving Charge Accounts	Wholesale Receivables	Total
Three Months Ended May 3, 2026				
Allowance:				
Beginning of period balance	\$ 245	\$ 7	\$ 2	\$ 254
Provision	62	27		89
Write-offs	(55)	(38)		(93)
Recoveries	5	12		17
End of period balance	<u>\$ 257</u>	<u>\$ 8</u>	<u>\$ 2</u>	<u>\$ 267</u>
Six Months Ended May 3, 2026				
Allowance:				
Beginning of period balance	\$ 249	\$ 7	\$ 2	\$ 258
Provision	101	26		127
Write-offs	(102)	(48)		(150)
Recoveries	9	23		32
End of period balance	<u>\$ 257</u>	<u>\$ 8</u>	<u>\$ 2</u>	<u>\$ 267</u>
Financing receivables:				
End of period balance	<u>\$ 37,291</u>	<u>\$ 4,566</u>	<u>\$ 7,426</u>	<u>\$ 49,283</u>
	Retail Notes & Financing Leases	Revolving Charge Accounts	Wholesale Receivables	Total
Three Months Ended April 27, 2025				
Allowance:				
Beginning of period balance	\$ 240	\$ 6	\$ 2	\$ 248
Provision	55	39		94
Write-offs	(56)	(40)		(96)
Recoveries	3	8		11
Translation adjustments	1			1
End of period balance	<u>\$ 243</u>	<u>\$ 13</u>	<u>\$ 2</u>	<u>\$ 258</u>
Six Months Ended April 27, 2025				
Allowance:				
Beginning of period balance	\$ 219	\$ 8	\$ 2	\$ 229
Provision	122	41		163
Write-offs	(104)	(53)		(157)
Recoveries	6	17		23
End of period balance	<u>\$ 243</u>	<u>\$ 13</u>	<u>\$ 2</u>	<u>\$ 258</u>
Financing receivables:				
End of period balance	<u>\$ 37,991</u>	<u>\$ 4,140</u>	<u>\$ 8,921</u>	<u>\$ 51,052</u>

The allowance for credit losses on retail notes and financing lease receivables increased slightly in the second quarter and first six months of 2026, primarily due to higher expected losses on construction retail accounts.

Modifications

We occasionally grant contractual modifications to customers experiencing financial difficulties. Before offering a modification, we evaluate the ability of the customer to meet the modified payment terms. Finance charges continue to accrue during the deferral or extension period except for modifications related to bankruptcy proceedings. Our allowance for credit losses incorporates historical loss information, including the effects of loan modifications with customers. Therefore, additional adjustments to the allowance are generally not recorded upon modification of a loan.

The ending amortized cost of financing receivables modified with borrowers experiencing financial difficulty was as follows:

	Three Months Ended		Six Months Ended	
	May 3 2026	April 27 2025	May 3 2026	April 27 2025
Modified financing receivables	\$ 54	\$ 48	\$ 117	\$ 75
Percent of financing receivables portfolio	0.11%	0.09%	0.24%	0.15%

Modifications offered include payment deferrals, term extensions, or a combination thereof. The weighted-average effects for contract modifications were as follows in months:

	Six Months Ended	
	May 3 2026	April 27 2025
Payment deferral	7	8
Term extension	11	11
Combination modifications:		
Payment deferral	9	5
Term extension	18	8

We continue to monitor the performance of financing receivables that are modified with borrowers experiencing financial difficulty. The ending amortized cost and performance of financing receivables modified during the prior twelve months ended May 3, 2026, and April 27, 2025, were as follows:

	May 3 2026	April 27 2025
Current	\$ 174	\$ 100
30-59 days past due	4	6
60-89 days past due	4	2
90+ days past due	3	1
Non-performing	21	14
Total	<u>\$ 206</u>	<u>\$ 123</u>

Defaults and subsequent write-offs of loans modified in the prior twelve months were not significant during the three months and the six months ended May 3, 2026. In addition, at May 3, 2026, commitments to provide additional financing to these customers were not significant.

(10) SECURITIZATION OF FINANCING RECEIVABLES

Our funding strategy includes receivable securitizations, which allows us to receive cash for financing receivables immediately. While these securitization programs are administered in various forms, they are accomplished in the following basic steps:

1. We transfer financing receivables into a bankruptcy-remote special purpose entity (SPE).
2. The SPE issues debt to investors. The debt is secured by the financing receivables.
3. Investors are paid back based on cash receipts from the financing receivables.

As part of step 1, these receivables are legally isolated from the claims of our general creditors. This ensures cash receipts from the financing receivables are accessible to pay back securitization program investors. The structure of these transactions does not meet the accounting criteria for a sale of receivables. As a result, they are accounted for as secured borrowings. The receivables and borrowings remain on our balance sheet and are separately reported as "Financing receivables securitized – net" and "Short-term securitization borrowings," respectively. SPEs are consolidated as VIEs when we have the power to direct the activities that most significantly impact the SPEs' economic performance and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the SPEs.

The components of securitization programs were as follows:

	May 3 2026	November 2 2025	April 27 2025
Financing receivables securitized (retail notes)	\$ 6,138	\$ 6,872	\$ 7,812
Allowance for credit losses	(38)	(41)	(47)
Other assets (primarily restricted cash)	161	171	183
Total restricted securitized assets	<u>\$ 6,261</u>	<u>\$ 7,002</u>	<u>\$ 7,948</u>
Short-term securitization borrowings	\$ 5,929	\$ 6,596	\$ 7,562
Accrued interest on borrowings	13	15	12
Total liabilities related to restricted securitized assets	<u>\$ 5,942</u>	<u>\$ 6,611</u>	<u>\$ 7,574</u>

(11) INVENTORIES

A majority of inventories owned by us are valued at cost on the “last-in, first-out” (LIFO) basis. If all inventories valued on a LIFO basis had been valued on a “first-in, first-out” (FIFO) basis, the estimated inventories by major classification would have been as follows:

	May 3 2026	November 2 2025	April 27 2025
Raw materials and supplies	\$ 3,667	\$ 3,402	\$ 3,438
Work-in-process	1,079	956	1,056
Finished goods and parts	6,119	5,769	5,615
Total FIFO value	10,865	10,127	10,109
Excess of FIFO over LIFO	2,677	2,721	2,239
Inventories	<u>\$ 8,188</u>	<u>\$ 7,406</u>	<u>\$ 7,870</u>

(12) GOODWILL AND OTHER INTANGIBLE ASSETS – NET

The changes in amounts of goodwill by operating segments were as follows:

	PPA	SAT	CF	Total
Goodwill at October 27, 2024	\$ 701	\$ 365	\$ 2,893	\$ 3,959
Translation adjustments	8	3	124	135
Goodwill at April 27, 2025	<u>\$ 709</u>	<u>\$ 368</u>	<u>\$ 3,017</u>	<u>\$ 4,094</u>
Goodwill at November 2, 2025	\$ 744	\$ 393	\$ 3,051	\$ 4,188
Acquisition (Note 21)			286	286
Translation adjustments	5	1	33	39
Goodwill at May 3, 2026	<u>\$ 749</u>	<u>\$ 394</u>	<u>\$ 3,370</u>	<u>\$ 4,513</u>

The components of other intangible assets were as follows:

	May 3 2026	November 2 2025	April 27 2025
Customer lists and relationships	\$ 556	\$ 482	\$ 517
Technology, patents, trademarks, and other	1,600	1,518	1,481
Total at cost	2,156	2,000	1,998
Less accumulated amortization:			
Customer lists and relationships	(277)	(260)	(249)
Technology, patents, trademarks, and other	(904)	(848)	(785)
Total accumulated amortization	<u>(1,181)</u>	<u>(1,108)</u>	<u>(1,034)</u>
Other intangible assets – net	<u>\$ 975</u>	<u>\$ 892</u>	<u>\$ 964</u>

The amortization expense of other intangible assets in the second quarter and the first six months of 2026 was \$36 and \$70, respectively, and for the second quarter and the first six months of 2025 was \$37 and \$78, respectively. The estimated amortization expense for the next five years is as follows: remainder of 2026 – \$79, 2027 – \$157, 2028 – \$121, 2029 – \$102, 2030 – \$85, and 2031 – \$77.

(13) SHORT-TERM BORROWINGS

Short-term borrowings were as follows:

	May 3 2026	November 2 2025	April 27 2025
Commercial paper	\$ 6,030	\$ 4,218	\$ 6,586
Notes payable to banks	681	651	395
Finance lease obligations due within one year	41	39	39
Long-term borrowings due within one year	8,880	8,888	8,928
Short-term borrowings	\$ 15,632	\$ 13,796	\$ 15,948

(14) ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following:

	May 3 2026	November 2 2025	April 27 2025
Accounts payable:			
Trade payables	\$ 3,304	\$ 2,985	\$ 2,785
Dividends payable	442	443	443
Operating lease liabilities	340	314	280
Deposits withheld from dealers and merchants	137	143	144
Payables to unconsolidated affiliates	29	10	11
Other	212	191	225
Accrued expenses:			
Employee benefits	799	1,577	1,164
Product warranties	1,336	1,259	1,297
Accrued taxes	1,090	1,155	1,224
Extended warranty premium	1,210	1,202	1,194
Dealer sales incentives	541	828	468
Unearned revenue (contractual liability)	945	837	895
Unearned operating lease revenue	553	534	524
Accrued interest	558	524	525
Derivative liabilities	538	389	614
Parts return liability	436	445	420
Other	1,183	1,073	1,132
Accounts payable and accrued expenses	\$ 13,653	\$ 13,909	\$ 13,345

Amounts are presented net of eliminations, which primarily consist of dealer sales incentives with a right of set-off against trade receivables of \$2,012 at May 3, 2026, \$1,892 at November 2, 2025, and \$2,059 at April 27, 2025. Other eliminations were made for accrued taxes and other accrued expenses.

(15) LONG-TERM BORROWINGS

Long-term borrowings were as follows in millions:

	May 3 2026	November 2 2025	April 27 2025
Underwritten term debt:			
U.S. dollar notes and debentures:			
6.55% debentures due 2028	\$ 200	\$ 200	\$ 200
5.375% notes due 2029	500	500	500
3.10% notes due 2030	700	700	700
8.10% debentures due 2030	250	250	250
4.15% notes due 2030*	493	498	
7.125% notes due 2031	300	300	300
5.45% notes due 2035	1,250	1,250	1,250
3.90% notes due 2042	1,250	1,250	1,250
2.875% notes due 2049	500	500	500
3.75% notes due 2050	850	850	850
5.70% notes due 2055	750	750	750
Euro notes:			
1.85% notes due 2028 (€600 principal)	704	694	683
2.20% notes due 2032 (€600 principal)	704	694	683
1.65% notes due 2039 (€650 principal)	763	752	740
Serial issuances:			
Medium-term notes*	32,683	34,041	33,942
Other notes and finance lease obligations	509	470	372
Less: debt issuance costs and debt discounts	(145)	(155)	(159)
Long-term borrowings	\$ 42,261	\$ 43,544	\$ 42,811

* Includes fair value hedge adjustments related to derivatives.

The 4.15% notes due 2030 listed above were issued on October 9, 2025, by Deere Funding Canada Corporation (DFCC), an indirect wholly-owned subsidiary. These notes are fully and unconditionally guaranteed on a senior unsecured basis by Deere & Company and, therefore, rank equally with all our outstanding notes and debentures. DFCC financial results were not material to our condensed consolidated financial statements or results of operations, and as a result, we have elected to exclude summarized financial information.

Medium-term notes due through 2034 are primarily offered by prospectus and issued at fixed and variable rates. All outstanding notes and debentures are senior unsecured borrowings and rank equally with each other.

The principal balances of the 4.15% notes due 2030 and medium-term notes were as follows:

	May 3 2026	November 2 2025	April 27 2025
4.15% notes due 2030	\$ 500	\$ 500	
Medium-term notes	32,956	34,241	\$ 34,241

(16) LEASES – LESSOR

We lease equipment manufactured or sold by us through John Deere Financial. Sales-type and direct financing leases are reported in “Financing receivables – net.” Operating leases are reported in “Equipment on operating leases – net.”

Lease revenues earned by us follow:

	Three Months Ended		Six Months Ended	
	May 3 2026	April 27 2025	May 3 2026	April 27 2025
Sales-type and direct finance lease revenues	\$ 43	\$ 44	\$ 88	\$ 90
Operating lease revenues	374	356	748	717
Variable lease revenues	6	5	11	10
Total lease revenues	\$ 423	\$ 405	\$ 847	\$ 817

(17) COMMITMENTS AND CONTINGENCIES

A standard warranty is provided as assurance that the equipment will function as intended. The standard warranty period varies by product and region. At the time a sale is recognized, we record an estimate of future warranty costs based on historical claims rate experience and estimated population under warranty.

The reconciliation of the changes in the warranty liability follows:

	Three Months Ended		Six Months Ended	
	May 3 2026	April 27 2025	May 3 2026	April 27 2025
Beginning of period balance	\$ 1,311	\$ 1,360	\$ 1,259	\$ 1,426
Warranty claims paid	(294)	(308)	(593)	(618)
New product warranty accruals	318	227	660	483
Foreign exchange	1	18	10	6
End of period balance	<u>\$ 1,336</u>	<u>\$ 1,297</u>	<u>\$ 1,336</u>	<u>\$ 1,297</u>

The costs for extended warranty programs are recognized as incurred.

In certain international markets, we provide guarantees to banks for the retail financing of John Deere equipment. As of May 3, 2026, the notional value of these guarantees was \$137. We may repossess the equipment collateralizing the receivables. At May 3, 2026, the accrued losses under these guarantees were not material. We also had guarantees to a VIE (see Note 1) totaling \$172 at May 3, 2026.

We also had other miscellaneous contingent liabilities and guarantees totaling approximately \$150 at May 3, 2026. The accrued liability for these contingencies was \$40 at May 3, 2026.

At May 3, 2026, we had commitments of approximately \$525 for the construction and acquisition of property and equipment. Also, at May 3, 2026, we had restricted assets of \$297, classified as "Other assets," which includes restricted cash primarily related to securitization of financing receivables (see Note 10) and cash that is legally restricted as to withdrawal or usage.

We are subject to various unresolved legal actions. The total accrued losses on unresolved legal matters were approximately \$175 at May 3, 2026. The accrual includes losses associated with a settlement agreement in a consolidated multidistrict class action antitrust lawsuit, which was recorded in the fourth quarter of 2025. The accrual for all other matters is based on management's best estimate of probable losses as the outcome of litigation is inherently uncertain. We believe the reasonably possible range of losses in excess of the recorded accruals for these unresolved legal actions would not have a material effect on our consolidated financial statements. The most prevalent legal claims relate to antitrust, product liability (including asbestos-related liability), employment, patent, and trademark matters.

(18) FAIR VALUE MEASUREMENTS

The fair values of financial instruments that do not approximate the carrying values are presented in the table below. Long-term borrowings exclude finance lease liabilities.

	May 3, 2026		November 2, 2025		April 27, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financing receivables – net	\$ 42,916	\$ 42,969	\$ 44,575	\$ 44,779	\$ 43,029	\$ 43,119
Financing receivables securitized – net	6,100	6,113	6,831	6,855	7,765	7,710
Receivables from unconsolidated affiliates	279	282	392	400	557	557
Short-term securitization borrowings	5,929	5,948	6,596	6,631	7,562	7,588
Long-term borrowings due within one year	8,880	8,921	8,888	8,911	8,928	8,869
Long-term borrowings	42,183	41,842	43,471	43,527	42,742	42,423

Fair value measurements above were Level 3 for all receivables and Level 2 for all borrowings.

Fair values of the financing receivables and receivables from unconsolidated affiliates that were issued long-term were based on the discounted values of their related cash flows at interest rates currently being offered by us for similar financing receivables or at current market interest rates. The fair values of the remaining financing receivables approximated the carrying amounts. At May 3, 2026, and November 2, 2025, we had \$42 and \$60, respectively, marketable securities classified as held-to-maturity Level 2 international corporate debt securities. We record held-to-maturity marketable securities at amortized cost, which approximates fair value.

Fair values of long-term borrowings and short-term securitization borrowings were based on current market quotes for identical or similar borrowings and credit risk, or on the discounted values of their related cash flows at current market interest

rates. Certain long-term borrowings have been swapped to current variable interest rates. The carrying values of these long-term borrowings include adjustments related to fair value hedges.

Assets and liabilities measured at fair value on a recurring basis, excluding our cash equivalents, which were carried at a cost that approximates fair value and consist of money market funds and time deposits, and excluding our held-to-maturity marketable securities, are as follows:

	May 3 2026	November 2 2025	April 27 2025
Level 1:			
Marketable securities			
U.S. government debt securities	\$ 295	\$ 196	\$ 259
Total Level 1 marketable securities	295	196	259
Level 2:			
Marketable securities			
International fixed income fund	7	7	6
Corporate debt securities	501	510	452
International debt securities	145	174	154
Mortgage-backed securities	219	234	201
Municipal debt securities	108	113	87
U.S. government debt securities	113	117	113
Total Level 2 marketable securities	1,093	1,155	1,013
Other assets – Derivatives	270	393	434
Accounts payable and accrued expenses – Derivatives	538	389	614
Level 3:			
Accounts payable and accrued expenses – Deferred consideration	100	113	128

The mortgage-backed securities are primarily issued by U.S. government sponsored enterprises.

The contractual maturities of available-for-sale debt securities at May 3, 2026, follow:

	Amortized Cost	Fair Value
Due in one year or less	\$ 44	\$ 44
Due after one through five years	388	385
Due after five through 10 years	576	561
Due after 10 years	194	172
Mortgage-backed securities	242	219
Debt securities	<u>\$ 1,444</u>	<u>\$ 1,381</u>

Actual maturities may differ from contractual maturities because some securities may be called or prepaid. Mortgage-backed securities contain prepayment provisions and are not categorized by contractual maturity.

Fair value, nonrecurring Level 3 measurements from impairments and other adjustments were as follows:

	Fair Value			Losses (Gains)			
	May 3 2026	November 2 2025	April 27 2025	Three Months Ended		Six Months Ended	
				May 3 2026	April 27 2025	May 3 2026	April 27 2025 ²
Property and equipment – net ¹		\$ 1					
Other intangible assets – net ¹			3				
Other assets			8				
Assets held for sale						\$	(32)

¹ Related to assessments of our external overseas battery operations performed in the third quarter of 2025.

² The gain on “Assets held for sale” recorded in the first quarter of 2025 represents a reversal of prior period valuation allowance loss, not in excess of the cumulative valuation allowance recorded on “Assets held for sale.”

The following is a description of the valuation methodologies we use to measure certain financial instruments on the balance sheets at fair value:

Marketable securities – The portfolio of investments is valued on a market approach (matrix pricing model) in which all significant inputs are observable or can be derived from or corroborated by observable market data such as interest rates, yield

curves, volatilities, credit risk, and prepayment speeds. Funds are valued using the fund's net asset value, based on the fair value of the underlying securities.

Derivatives – Our derivative financial instruments consist of interest rate contracts (swaps), foreign currency exchange contracts (futures, forwards, and swaps), and cross-currency interest rate contracts (swaps). The portfolio is valued based on an income approach (discounted cash flow) using market observable inputs, including swap curves and both forward and spot exchange rates for currencies.

Deferred consideration – The total purchase price consideration for three former Deere-Hitachi joint venture factories acquired in 2022 included supply agreement price increases beyond inflation adjustments. This deferred consideration will be paid as we purchase Deere-branded excavators, components, and service parts from Hitachi under the agreement with a duration that ranges from 5 to 30 years after the acquisition date. The deferred consideration balance is reduced as purchases are made and valued on a discounted cash flow approach using market rates.

Property and equipment – net – The valuations were based on the cost approach. The inputs include reproduction cost estimates adjusted for physical deterioration and functional obsolescence.

Other intangible assets – net – The impairment of customer relationships and tradename of our external overseas battery operations was measured using an income approach.

Other assets (Investments in unconsolidated affiliates) – Other than temporary impairments of investments are measured as the difference between the implied fair value and the carrying value of the investments. The estimated fair value for privately held entities is determined by an income approach (discounted cash flows), which includes inputs such as interest rates and margins.

Assets held for sale – The disposal group was measured at the lower of the carrying amount or fair value less costs to sell. Fair value was based on the probable sale price. The inputs included estimates of the final sale price (see Note 21). The gain recorded in 2025 represents a reversal of the prior period valuation allowance, not in excess of the cumulative valuation allowance recorded on "Assets held for sale."

(19) DERIVATIVE INSTRUMENTS

Fair values of our derivative instruments and the associated notional amounts are presented below. Assets are recorded in "Other assets," while liabilities are recorded in "Accounts payable and accrued expenses."

	May 3, 2026			November 2, 2025			April 27, 2025		
	Fair Value			Fair Value			Fair Value		
	Notional	Assets	Liabilities	Notional	Assets	Liabilities	Notional	Assets	Liabilities
Cash flow hedges:									
Interest rate contracts	\$ 3,525	\$ 7	\$ 17	\$ 2,675	\$ 21	\$ 2,975	\$ 29		
Fair value hedges:									
Interest rate contracts	11,720	64	243	11,465	\$ 160	228	13,608	\$ 169	372
Cross-currency interest rate contracts	2,058	101	23	2,058	91	11	975	103	
Net investment hedges:									
Cross-currency interest rate contracts	1,131		22	1,131		9	1,131		4
Not designated as hedging instruments:									
Interest rate contracts	14,785	88	48	14,084	94	81	14,254	112	100
Foreign exchange contracts	8,993	10	175	7,372	46	33	8,078	42	107
Cross-currency interest rate contracts	120		10	132	2	6	141	8	2

The amounts recorded in the condensed consolidated balance sheets related to borrowings and fair value hedges are presented in the table below. Fair value hedging adjustments are included in the carrying amount of hedged items.

	Carrying Amount of Hedged Items	Cumulative Fair Value Hedging Amounts
May 3, 2026		
Short-term borrowings	\$ 3,886	\$ (39)
Long-term borrowings	25,001	(297)
November 2, 2025		
Short-term borrowings	\$ 2,998	\$ (30)
Long-term borrowings	25,013	(203)
April 27, 2025		
Short-term borrowings	\$ 1,319	\$ (13)
Long-term borrowings	24,839	(299)

The table above includes carrying amounts of short-term borrowings of \$3,534, \$2,544, and \$1,212 and of long-term borrowings of \$11,704, \$11,963, and \$10,533 at May 3, 2026, November 2, 2025, and April 27, 2025, respectively, for hedged items that are in discontinued hedge relationships. Also included are cumulative fair value hedging amounts on discontinued hedge relationships of short-term borrowings of (\$39), (\$30), and (\$12) and of long-term borrowings of (\$120), (\$185), and (\$141) at May 3, 2026, November 2, 2025, and April 27, 2025, respectively. At April 27, 2025, long-term borrowings with a carrying amount of \$399 were in both active and discontinued hedging relationships as a result of hedging activities associated with reference rate reform.

The classification and gains (losses), including accrued interest expense, related to derivative instruments on the statements of consolidated income consisted of the following:

	Three Months Ended		Six Months Ended	
	May 3 2026	April 27 2025	May 3 2026	April 27 2025
Fair value hedges:				
Interest rate contracts – Interest expense	\$ (142)	\$ 435	\$ (200)	\$ 92
Cash flow hedges:				
Recognized in OCI:				
Interest rate contracts – OCI (pretax)	\$ 17	\$ (11)	\$ 15	\$ (4)
Reclassified from OCI:				
Interest rate contracts – Interest expense	(2)		2	8
Net investment hedges:				
Interest rate contracts – Interest expense	\$ 5	\$ 1	\$ 9	\$ 1
Recognized in OCI:				
Interest rate contracts – OCI (pretax)	17	(4)	(13)	(4)
Not designated as hedges:				
Interest rate contracts – Interest expense	\$ 13	\$ (12)	\$ 9	\$ (16)
Foreign exchange contracts – Net sales	(1)	4	4	(3)
Foreign exchange contracts – Cost of sales	(28)	(7)	(95)	28
Foreign exchange contracts – Other operating expenses	(10)	(118)	(289)	90
Total not designated	<u>\$ (26)</u>	<u>\$ (133)</u>	<u>\$ (371)</u>	<u>\$ 99</u>

Certain of our derivative agreements contain credit support provisions that may require us to post collateral based on the size of the net liability positions and credit ratings. The aggregate fair value of all derivatives with credit-risk-related contingent features that were in a net liability position at May 3, 2026, November 2, 2025, and April 27, 2025, was \$362, \$356, and \$507, respectively. In accordance with the limits established in these agreements, we posted \$73, \$62, and \$221 of cash collateral at May 3, 2026, November 2, 2025, and April 27, 2025, respectively. In addition, we paid \$8 of collateral that was outstanding at May 3, 2026, November 2, 2025, and April 27, 2025, to participate in an international futures market to hedge currency exposure, not included in the following table.

Derivatives are recorded without offsetting for netting arrangements or collateral. The impact on the derivative assets and liabilities related to netting arrangements and collateral follows:

	Gross Amounts Recognized	Netting Arrangements	Collateral	Net Amount
May 3, 2026				
Assets	\$ 270	\$ (111)	\$ (1)	\$ 158
Liabilities	538	(111)	(73)	354
November 2, 2025				
Assets	\$ 393	\$ (202)		\$ 191
Liabilities	389	(202)	(64)	123
April 27, 2025				
Assets	\$ 434	\$ (166)	\$ (2)	\$ 266
Liabilities	614	(166)	(221)	227

(20) SHARE-BASED AWARDS

We are authorized to grant shares for equity incentive awards. The remaining shares authorized for future issuance were 12.2 million at May 3, 2026. In December 2025, we granted stock options to employees for the purchase of 161 thousand shares of common stock at an exercise price of \$468.90 per share and a binomial lattice model fair value of \$125.96 per share at the grant date. At May 3, 2026, options for 1.0 million shares were outstanding with a weighted-average exercise price of \$363.65 per share.

During the six months ended May 3, 2026, the restricted stock units (RSUs) granted in thousands of shares and the weighted-average grant date fair values, using the closing price of our common stock on the grant date in dollars, follow:

	Shares	Grant-Date Fair Value (per share)
Service-based	312	\$ 474.92
Performance/service-based	145	535.87
Market/service-based (fair value determined using a Monte Carlo model)	39	555.14

In March 2026, we granted performance/service-based awards to certain of our senior officers, which vest subject to the satisfaction of pre-established annual Shareholder Value Added targets during a five-fiscal year period beginning on November 3, 2025 and ending on October 27, 2030. Each fiscal year, a payout percentage ranging from zero to 175% will be calculated and the five annual payout percentages will be averaged at the end of the performance period and used to calculate the number of common stock shares to be received. The awards include dividend equivalent payments.

(21) ACQUISITION AND DISPOSITION

Acquisition

In February 2026, we acquired Tenna LLC (Tenna) to expand our technology solutions in the construction market. Tenna is a U.S. construction technology company that offers mixed-fleet equipment operations and asset tracking solutions. The purchase price, net of cash acquired of \$1, was \$439. The fair values assigned to the assets and liabilities of the acquired entity, which are based on information as of the acquisition date and available at May 3, 2026, follow:

	February 2026
Trade accounts and notes receivable	\$ 23
Inventories	4
Goodwill	286
Other intangible assets	137
Other miscellaneous assets	3
Total assets	\$ 453
Accounts payable and accrued expenses	\$ 14
Total liabilities	\$ 14

The identifiable intangible assets were related to customer relationships, technology, and trade name with a weighted average amortization period of 10 years. The goodwill is deductible for income tax purposes. Tenna was assigned to the CF segment.

Disposition

In February 2025, we completed a transaction with Banco Bradesco S.A. (Bradesco), for Bradesco to invest and become a 50% owner of our wholly-owned subsidiary in Brazil, BJD. Bradesco contributed capital directly to BJD. The transaction resulted in the deconsolidation of BJD in the second quarter of 2025. BJD finances retail and wholesale loans for agricultural, construction, and forestry equipment and was included in our Financial Services segment. BJD was a part of our Brazil operations which is considered an integrated single foreign entity.

We retained a 50% equity interest in BJD, which was valued at the deconsolidation date at \$362 based on the completed transaction with Bradesco and its amount of contributed capital. We are accounting for our investment in BJD using the equity method of accounting and results of its operations are reported in "Equity in income of unconsolidated affiliates." The related investment in unconsolidated affiliates and receivables from unconsolidated affiliates are reported in "Other assets" and "Other receivables," respectively, on the condensed consolidated balance sheets.

The major classes of the total assets and liabilities of BJD at the time of deconsolidation were as follows:

	February 2025
Cash and cash equivalents	\$ 110
Trade accounts and notes receivable – net	119
Financing receivables – net	2,787
Deferred income taxes	33
Other miscellaneous assets	23
Valuation allowance	(65)
Total assets	\$ 3,007
Short-term borrowings	\$ 495
Accounts payable and accrued expenses	124
Long-term borrowings	1,241
Retirement benefits and other liabilities	1
Total liabilities	\$ 1,861
Total intercompany payables	\$ 781

At the time of deconsolidation in February 2025, the additional gain or loss was not significant. BJD was reclassified as held for sale in the third quarter of 2024.

Statements of Consolidated Cash Flows – Our noncash transactions as a result of the BJD deconsolidation in February 2025 include the derecognition of total assets (excluding cash and cash equivalents) of \$2,897 and total liabilities of \$1,861, and the recognition of the investments in unconsolidated affiliates of \$362 and receivables from unconsolidated affiliates (BJD intercompany payables) of \$781. The decrease in cash and cash equivalents resulting from the deconsolidation of BJD was recorded in other investing activities in the statements of consolidated cash flows.

(22) SPECIAL ITEMS

Discrete Tax Items

In the first quarter of 2025, we recorded favorable net discrete tax items primarily due to tax benefits of \$110 related to the realization of foreign net operating losses from the consolidation of certain subsidiaries and \$53 from an adjustment to an uncertain tax position of a foreign subsidiary.

Banco John Deere S.A.

In 2024, we entered into an agreement with Bradesco, for Bradesco to invest and become 50% owner of our wholly-owned subsidiary in Brazil, BJD. The BJD business was reclassified as held for sale in 2024. At January 26, 2025, the valuation allowance on "Assets held for sale" decreased, resulting in a pretax and after-tax gain (reversal of previous losses not in excess of cumulative valuation allowance recorded on "Assets held for sale") of \$32 recorded in "Selling, administrative and general expenses" in the three months ended January 26, 2025, and presented in "Impairments and other adjustments" in the statements of consolidated cash flows.

In February 2025, Bradesco contributed capital equal to our equity investment in BJD. We retained a 50% equity interest in BJD and are reporting the results as an equity investment in unconsolidated affiliates.

(23) SUBSEQUENT EVENTS

In May 2026, we entered into a retail note securitization transaction, resulting in \$303 of secured borrowings.

On May 27, 2026, a quarterly dividend of \$1.62 per share was declared at the Board of Directors meeting, payable on August 10, 2026, to stockholders of record on June 30, 2026.

RESULTS OF OPERATIONS

All amounts are presented in millions of U.S. dollars unless otherwise specified.

OVERVIEW

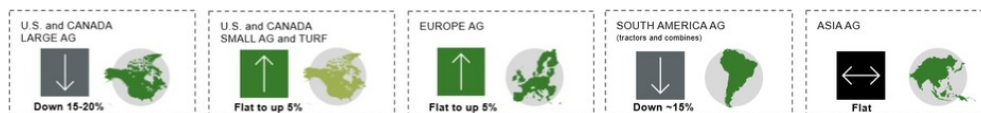
Organization

Deere & Company is a global leader in the production of agricultural, turf, construction, and forestry equipment and solutions. John Deere Financial provides financing for John Deere equipment, parts, services, and other inputs customers need to run their operations. Our operations are managed through the Production & Precision Agriculture (PPA), Small Agriculture & Turf (SAT), Construction & Forestry (CF), and Financial Services operating segments. References to "equipment operations" include PPA, SAT, and CF, while references to "agriculture and turf" include both PPA and SAT.

TRENDS AND ECONOMIC CONDITIONS

Industry Sales Outlook for Fiscal Year 2026 (in units)

Agriculture and Turf



Construction and Forestry



Company Trends

Our Leap Ambitions, a set of focused goals designed to guide the implementation of our Smart Industrial Operating Model, feature multi-year financial and operational goals, emphasizing the use of our differentiated equipment and service solutions, including automation, autonomy, digitalization, lifecycle solutions, and Solutions as a Service (SaaS).

Deeper integration of technology into equipment to enable customers to do more with less remains a persistent market trend. Customers seek to improve profitability, productivity, and sustainability by selecting our equipment and technology solutions. These technologies are incorporated into customer operations across the varied production systems that we serve. While we continue to benefit from the adoption of these technologies, revenue from SaaS products did not represent a significant percentage of our revenues in the periods presented.

Company Outlook for 2026

Large agriculture sales are expected to remain subdued in North America and to soften in South America resulting in decreased sales volume for PPA in 2026 compared to 2025. SAT and CF sales are expected to improve in 2026. Our net sales are expected to increase in 2026 compared to 2025, with the anticipated decline in PPA sales more than offset by improvements in CF and SAT.

Agriculture and Turf Industry Outlook for 2026

- Demand in the U.S. and Canada for large agriculture equipment is expected to decrease compared to 2025 levels driven by elevated farm input costs and ongoing global market uncertainty. These factors are expected to be partially offset by robust demand for commodities and tightening supply which are expected to support improvements in crop prices. In addition, government programs in the U.S. continue to support farmers' short-term liquidity, and recent biofuel policy changes may help provide future demand for U.S. farmers.
- We expect small agricultural and turf equipment sales to be flat to up slightly from 2025 levels in the U.S. and Canada. The dairy and livestock market continues to maintain strong margins, supporting ongoing product demand. A modest recovery is anticipated in the turf sector following several years of contraction.
- In Europe, the industry is forecasted to be flat to up slightly. While elevated interest rates continue to influence purchasing decisions, customer profitability and equipment replacement activity remain relatively stable. The

crop farming sector continues to experience subdued conditions; however, favorable dairy market margins are expected to continue to provide ongoing support to overall industry demand.

- Demand in South America is expected to decrease. Although crop production and yields remain strong and crop prices have improved, high interest rates, elevated input costs, and a stronger Brazilian real are pressuring farm profitability and reducing near-term equipment demand.
- Industry sales in Asia are forecasted to be roughly flat, mainly driven by demand in India.

Construction and Forestry Industry Outlook for 2026

- Industry sales in the U.S. and Canada for construction and compact construction equipment are projected to be slightly higher compared to 2025. Favorable industry fundamentals, including strong customer backlogs supported by large projects, infrastructure investment, and data center construction activity, continue to offset softness in residential construction.
- Global forestry markets are expected to decrease slightly due to continued pressure from weak residential construction demand and lower log and lumber prices.
- Global roadbuilding markets are forecasted to be up compared to 2025 driven by increased road construction spending across multiple geographies.

Financial Services Outlook for 2026

Net Income	Down
(-) Average portfolio	Unfavorable
(-) Prior period special items	Unfavorable
+ Financing spreads	Favorable
+ Provision for credit losses	Favorable

Additional Trends

Agricultural Market Business Cycle. The agricultural market is affected by various factors including commodity prices, acreage planted, crop yields, government policies, and uncertainty in macroeconomic trends. These factors affect farmers' income and sentiment which may result in varying demand for our equipment. In 2026, we may experience the following effects due to unfavorable market conditions: lower sales volumes, higher sales incentives, and elevated receivable write-offs.

Global Trade Policies. In 2025, new tariffs were imposed in the U.S. for imports from a broad range of countries and on certain materials. Several countries also implemented retaliatory tariffs on imports from the U.S. and introduced additional trade barriers.

Incremental import tariffs adversely affected the cost of our products and components beginning in 2025 and continue to do so in 2026. The direct impact of these incremental tariffs incurred was \$372 in the first six months of 2026, net of the tariff recovery described below, and approximately \$95 in the first six months of 2025. These amounts exclude the impact of tariffs on our suppliers and market demand.

On February 20, 2026, the Supreme Court of the United States issued a decision invalidating tariffs imposed pursuant to the International Emergency Economic Powers Act (IEEPA). On April 20, 2026, the U.S. Customs and Border Protection (CBP) launched a system to process IEEPA tariff refund claims. Based on the eligibility parameters established by the CBP for the initial phase of the refund process, we prepared and filed a refund claim in the amount of \$272, which has been accepted by the CBP. We recorded a recovery for this initial amount as we concluded the refund is probable and reasonably estimable. The recovery was allocated 20%, 30%, and 50% to PPA, SAT, and CF, respectively, decreasing cost of sales. Trade policies continue to evolve, causing uncertainty in the agriculture and construction industries. We are actively taking steps to mitigate potential impacts on our business, to the extent possible, including adjusting sourcing strategies, pursuing product exemptions, and identifying cost reduction opportunities.

Changes in the agricultural market business cycle and global trade policies are driven by factors outside of our control, and as a result, we cannot reasonably foresee when these conditions may subside.

Legal Proceeding – On January 15, 2025, the Federal Trade Commission (FTC), along with the Attorneys General of the States of Illinois and Minnesota filed a lawsuit against us in the United States District Court for the Northern District of Illinois Western Division. The Attorneys General of the States of Arizona, Michigan, and Wisconsin joined the lawsuit. The lawsuit alleges monopolization and unfair competition in violation of the federal and state antitrust laws. Plaintiffs seek a permanent injunction and other equitable relief to allow owners of our equipment, as well as independent repair providers, access to our repair tools and any other repair resources available to authorized John Deere dealers. We are in discussions with the FTC and plaintiff states with respect to a potential resolution. At this stage, we are unable to estimate the potential impact on our business.

Other Items of Concern and Uncertainties – Other items that could impact our results are:

- slower economic growth and inflation
- global and regional political conditions
- shifts in energy, including positions with respect to biofuels, positions on government subsidies of farming, and changes in energy prices
- input costs, including the availability and price of fertilizers as a result of the conflict in the Middle East
- capital market disruptions
- foreign currency and capital control policies
- right to repair and agriculture data privacy regulations and legislation
- weather conditions
- marketplace pace of adoption and monetization of technologies we have invested in
- our ability to strengthen our digital capabilities, artificial intelligence, automation, and autonomy
- changes in demand and pricing for new and used equipment
- delays or disruptions in our supply chain
- significant fluctuations in foreign currency exchange rates
- volatility in the prices of many commodities

CONSOLIDATED RESULTS – 2026 COMPARED WITH 2025

Deere & Company (In millions of dollars, except per share amounts)	Three Months Ended			Six Months Ended		
	May 3 2026	April 27 2025	% Change	May 3 2026	April 27 2025	% Change
Net sales and revenues	\$ 13,369	\$ 12,763	+5	\$ 22,981	\$ 21,272	+8
Net income attributable to Deere & Company	1,773	1,804	-2	2,429	2,673	-9
Diluted earnings per share	6.55	6.64		8.97	9.82	

Net sales and revenues increased 5% and 8% for the quarter and year-to-date periods, respectively, primarily due to higher sales volumes and the positive effects of foreign currency translation. Net income decreased \$31 in the second quarter primarily due to the impact of lower PPA shipment volumes of \$313 (\$402 pretax), increased production costs of \$122 (\$157 pretax) from higher material costs, and higher warranty expenses of \$64 (\$82 pretax), partially offset by the impact of higher shipment volumes for CF of \$148 (\$191 pretax) and SAT of \$79 (\$101 pretax), favorable price realization of \$131 (\$169 pretax), and the favorable impact of foreign currency exchange of \$107 (\$138 pretax). Results for the first six months were also affected by favorable discrete tax items in the prior period (see Note 22) of \$163. The discussion of net sales and operating profit is included in the Business Segment Results below.

An explanation of the cost of sales to net sales ratio and other significant statement of consolidated income changes follows:

	Three Months Ended			Six Months Ended		
	May 3 2026	April 27 2025	% Change	May 3 2026	April 27 2025	% Change
Deere & Company						
Cost of sales to net sales	70.2%	68.1%		73.5%	70.3%	
• Material costs			Unfavorable			Unfavorable
• Tariffs, net of recoveries			Favorable			Unfavorable
• Production efficiencies			Favorable			Favorable
Increased mostly due to higher material costs as a result of inflationary pressures. Incremental tariffs affected both periods; however, tariff recoveries exceeded direct incremental tariff costs in the second quarter (see Global Trade Policies section in Additional Trends). Production efficiencies had a favorable impact resulting from increased manufacturing volumes for CF and SAT.						
Other income	\$ 277	\$ 238	+16	\$ 544	\$ 485	+12
Higher for both periods due to income earned from extended warranty premiums, higher service revenues, and a gain on the disposal of property.						
Research and development expenses	583	549	+6	1,137	1,075	+6
Increased due to continued focus on developing and deploying technology solutions.						
Interest expense	712	784	-9	1,431	1,614	-11
Decreased for both periods primarily due to lower average borrowing rates and lower average borrowings.						
Other operating expenses	306	287	+7	556	536	+4
Increased for both periods due to higher depreciation of equipment on operating leases.						
Provision for income taxes	518	539	-4	714	566	+26
Decreased for the three months ended as a result of lower pretax income. Increased for the six months ended due to the favorable impact on the prior period of discrete tax adjustments (see Note 22).						

Business Segment Results – 2026 compared with 2025

The tariff impact was primarily included in the “Production Costs” category below.

Production & Precision Agriculture	Three Months Ended			Six Months Ended		
	May 3	April 27	%	May 3	April 27	%
	2026	2025	Change	2026	2025	Change
Net sales	\$ 4,503	\$ 5,230	-14	\$ 7,666	\$ 8,297	-8
Operating profit	706	1,148	-39	845	1,486	-43
Operating margin	15.7%	22.0%		11.0%	17.9%	
Price realization			+1			+1
Currency translation impact on Net sales			+3			+3

Production & Precision Agriculture sales decreased for the quarter as a result of lower shipment volumes (primarily in the U.S., Canada, and Brazil), partially offset by the positive effects of foreign currency translation (primarily the Euro and Brazilian real). Operating profit decreased primarily due to lower shipment volumes and higher production costs from an increase in material and freight costs, partially offset by the favorable effects of foreign currency exchange.

Production & Precision Agriculture Operating Profit

Second Quarter 2026 Compared to Second Quarter 2025



Sales for the first six months decreased as a result of lower shipment volumes (primarily in the U.S., Canada, and Brazil, offset by Europe), partially offset by the positive effects of foreign currency translation (primarily the Euro and Brazilian real). Operating profit decreased for the first six months primarily due to lower shipment volumes / sales mix and higher production costs, from an increase in material costs and higher tariffs.

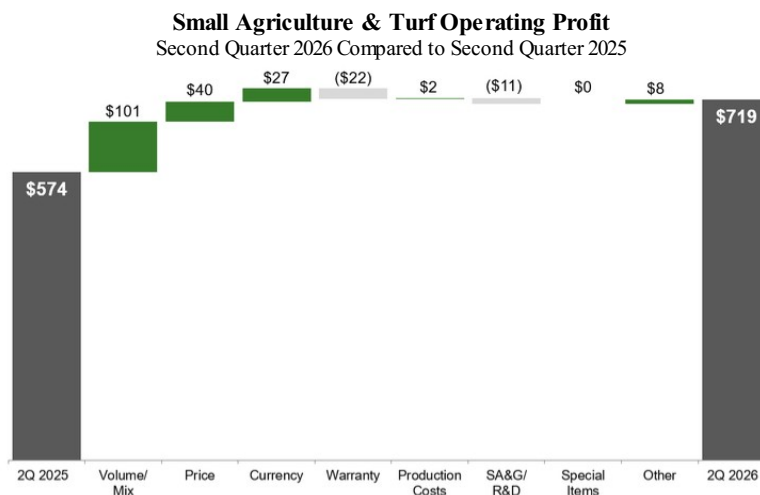
Production & Precision Agriculture Operating Profit

First Six Months 2026 Compared to First Six Months 2025

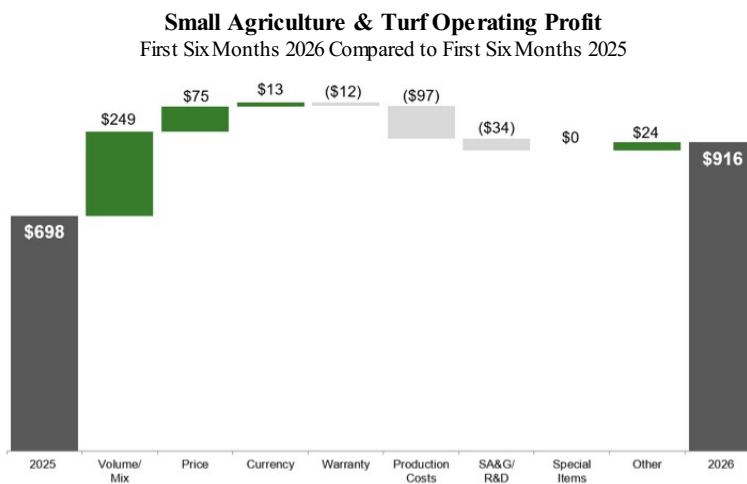


	Three Months Ended			Six Months Ended		
	May 3 2026	April 27 2025	% Change	May 3 2026	April 27 2025	% Change
Small Agriculture & Turf						
Net sales	\$ 3,485	\$ 2,994	+16	\$ 5,653	\$ 4,742	+19
Operating profit	719	574	+25	916	698	+31
Operating margin	20.6%	19.2%		16.2%	14.7%	
Price realization			+1			+2
Currency translation impact on Net sales			+2			+2

Small Agriculture & Turf sales increased for the quarter as a result of higher shipment volumes (primarily in the U.S. and Europe) and the positive effects of foreign currency translation (primarily the Euro). Operating profit increased due to higher shipment volumes and favorable price realization.

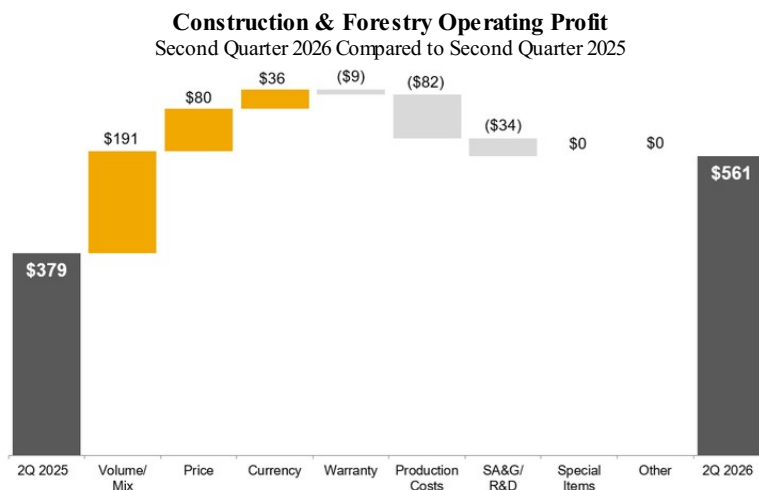


Sales for the first six months increased as a result of higher shipment volumes (primarily in the U.S., Europe, and India) and the positive effects of foreign currency translation (primarily the Euro). Operating profit for the first six months increased due to higher shipment volumes and favorable price realization, partially offset by higher production costs, driven by higher tariffs and an increase in material costs.

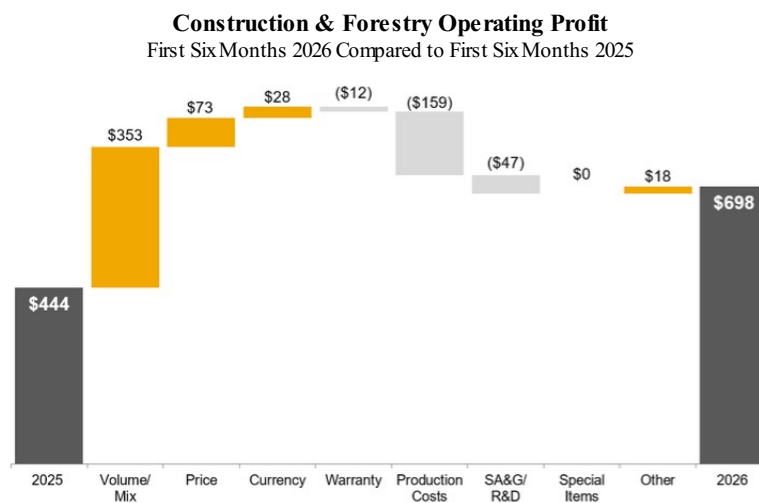


Construction & Forestry	Three Months Ended			Six Months Ended		
	May 3	April 27	%	May 3	April 27	%
	2026	2025	Change	2026	2025	Change
Net sales	\$ 3,790	\$ 2,947	+29	\$ 6,460	\$ 4,941	+31
Operating profit	561	379	+48	698	444	+57
Operating margin	14.8%	12.9%		10.8%	9.0%	
Price realization			+3			+1
Currency translation impact on Net sales			+3			+3

Construction & Forestry sales increased for the quarter primarily as a result of higher shipment volumes (primarily in the U.S.) and the positive effects of foreign currency translation (primarily the Euro). Operating profit increased due to higher shipment volumes and favorable price realization, partially offset by higher production costs, driven by an increase in material costs and higher tariffs.



Sales for the first six months increased due to higher shipment volumes (primarily in the U.S.) and the positive effects of foreign currency translation (primarily the Euro). Operating profit increased due to higher shipment volumes and favorable price realization, partially offset by higher tariffs and an increase in material costs.



Financial Services	Three Months Ended			Six Months Ended		
	May 3	April 27	%	May 3	April 27	%
	2026	2025	Change	2026	2025	Change
Revenue (including intercompany)	\$ 1,509	\$ 1,501	+1	\$ 2,997	\$ 3,074	-3
Interest expense	649	721	-10	1,313	1,487	-12
Net income	190	161	+18	434	391	+11

Revenue for the first six months decreased primarily due to the deconsolidation of Banco John Deere S.A. (BJD) in the second quarter of 2025. The average balance of receivables and leases financed was 1% lower in the second quarter of 2026 and 2% lower in the first six months of 2026 compared with the same periods last year. Interest expense decreased as a result of lower average borrowing rates and lower average borrowings.

Net income for the quarter increased primarily due to favorable financing spreads and favorable derivative valuation adjustments, partially offset by the impact of a lower average portfolio. Net income in the first six months was also impacted by a lower provision for credit losses and the prior period benefiting from a special item (see Note 22).

CRITICAL ACCOUNTING ESTIMATES

See our critical accounting estimates discussed in the Management's Discussion and Analysis of the most recently filed Annual Report on Form 10-K. There have been no material changes to these policies.

CAPITAL RESOURCES AND LIQUIDITY – 2026 COMPARED WITH 2025

We have access to global markets at a reasonable cost. Sources of liquidity include:

- cash, cash equivalents, and marketable securities on hand
- funds from operations
- the issuance of commercial paper and term debt
- the securitization of retail notes
- bank lines of credit

We closely monitor our cash requirements. Based on the available sources of liquidity, we expect to meet our funding needs in the short term (next 12 months) and long term (beyond 12 months). We are forecasting operating cash flows from equipment operations in 2026 to remain flat compared with 2025 driven by an offsetting decrease in net income adjusted for non-cash provisions, and higher cash flows generated from higher accounts payable and accrued expenses and inventory reductions.

We operate in multiple industries, which have unique funding requirements. The equipment operations are capital intensive. Historically, these operations have been subject to seasonal variations in financing requirements for inventories and receivables from dealers.

The financial services operations rely on their ability to raise substantial amounts of funds to finance their receivable and lease portfolios.

Key metrics are provided in the following table:

	May 3 2026	November 2 2025	April 27 2025
Cash, cash equivalents, and marketable securities	\$ 9,335	\$ 9,687	\$ 9,263
Trade accounts and notes receivable – net	7,571	5,317	6,748
<i>Ratio to prior 12 month's net sales</i>	19%	14%	17%
Inventories	8,188	7,406	7,870
<i>Ratio to prior 12 month's cost of sales</i>	27%	26%	29%
Unused credit lines	5,947	7,268	4,866
Financial Services:			
<i>Ratio of interest-bearing debt to stockholder's equity</i>	8.7 to 1	8.4 to 1	8.7 to 1

There have been no material changes to the contractual obligations and other cash requirements identified in our most recently filed Annual Report on Form 10-K.

CASH FLOWS

	Six Months Ended	
	May 3, 2026	April 27, 2025
Net cash provided by operating activities	\$ 1,042	\$ 568
Net cash provided by investing activities	93	779
Net cash used for financing activities	(1,627)	(821)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	94	20
Net increase (decrease) in cash, cash equivalents, and restricted cash	\$ (398)	\$ 546

Cash inflows from consolidated operating activities in the first six months of 2026 were \$1,042. This resulted mainly from net income adjusted for non-cash provisions, partially offset by an increase in receivables related to sales, an increase in inventories, a decrease in accrued employee profit-sharing incentives, and an OPEB contribution. Cash inflows from investing activities were \$93 in the first six months of this year. The primary drivers were collections of receivables (excluding receivables related to sales) exceeding the cost of receivables acquired, partially offset by purchases of property and equipment and the acquisition of Tenna LLC (see Note 21). Cash outflows from financing activities were \$1,627 in the first six months of 2026, due to cash returned to shareholders and lower external borrowings. Cash returned to shareholders was \$1,378 in the first six months of 2026. Cash, cash equivalents, and restricted cash decreased \$398 during the first six months of 2026.

KEY METRICS AND BALANCE SHEET CHANGES

Trade Accounts and Notes Receivable. Trade accounts and notes receivable arise from sales of goods to customers. Trade receivables increased \$2,254 during the first six months of 2026, primarily due to a seasonal increase and higher sales volumes. These receivables increased \$823 compared to a year ago due to higher sales volumes. The percentage of total worldwide trade receivables outstanding for periods exceeding 12 months was 1% at May 3, 2026, 3% at November 2, 2025, and 7% at April 27, 2025.

Financing Receivables and Equipment on Operating Leases. Financing receivables and equipment on operating leases consist of retail notes originated in connection with financing of new and used equipment, operating leases, revolving charge accounts, sales-type and direct financing leases, and wholesale notes. Financing receivables and equipment on operating leases decreased \$2,476 during the first six months of 2026 and decreased \$1,600 in the past 12 months. The decrease for both periods was due to lower agriculture and turf retail customer receivables reflecting reduced demand and lower wholesale receivables driven by lower dealer inventory levels. Total acquisition volumes of financing receivables and equipment on operating leases were 12% higher in the first six months of 2026, compared with the same period last year, as volumes of wholesale notes, and revolving charge accounts were higher compared to the same period last year.

Inventories. Inventories increased by \$782 during the first six months of 2026 primarily due to a seasonal increase, and increased by \$318 compared to a year ago. A majority of these inventories are valued at cost on the “last-in, first-out” (LIFO) method.

Property and Equipment. Property and equipment cash expenditures in the first six months of 2026 were \$451 compared with \$555 in the same period last year. Capital expenditures in 2026 are estimated to be approximately \$1,400.

Accounts Payable and Accrued Expenses. Accounts payable and accrued expenses decreased by \$256 in the first six months of 2026, primarily due to a decrease in accrued expenses associated with employee benefits partially offset by an increase in trade payables. Accounts payable and accrued expenses increased \$308 compared to a year ago due to an increase in trade payables, partially offset by a decrease in accrued expenses associated with employee benefits.

Borrowings. Total external borrowings decreased by \$114 in the first six months of 2026 and decreased \$2,499 compared to a year ago, generally corresponding with the level of the receivable and lease portfolio, as well as other working capital requirements.

John Deere Capital Corporation (Capital Corporation), a U.S. financial services subsidiary, has a revolving warehouse facility to utilize bank conduit facilities to securitize retail notes (see Note 10). The facility was renewed in November 2025, with an expiration in November 2026, and total capacity or “financing limit” of \$2,500. At May 3, 2026, \$1,738 of securitization borrowings were outstanding under the facility. At the end of the contractual revolving period, unless the banks and Capital Corporation agree to renew, Capital Corporation would liquidate the secured borrowings over time as payments on the retail notes are collected.

In the first six months of 2026, the financial services operations issued \$1,439 and retired \$2,108 of retail note securitization borrowings, which are presented in “Net proceeds (payments) in short-term borrowings (original maturities three months or less).”

Lines of Credit. We also have access to bank lines of credit with various banks throughout the world.

Worldwide lines of credit totaled \$12.7 billion at May 3, 2026, consisting primarily of:

- a 364-day credit facility agreement of \$5.5 billion expiring in the second quarter of 2027
- a credit facility agreement of \$3.25 billion expiring in the second quarter of 2029
- a credit facility agreement of \$3.25 billion expiring in the second quarter of 2031

At May 3, 2026, \$5,947 of these worldwide lines of credit were unused. For the purpose of computing unused credit lines, commercial paper and short-term bank borrowings were considered to constitute utilization. These credit agreements require Capital Corporation and other parts of our business to maintain certain performance metrics and liquidity targets. All requirements in the credit agreements have been met during the periods included in the financial statements.

Debt Ratings. To access public debt capital markets, we rely on credit rating agencies to assign short-term and long-term credit ratings to our debt securities as an indicator of credit quality for fixed income investors. A security rating is not a recommendation by the rating agency to buy, sell, or hold our securities. A credit rating agency may change or withdraw ratings based on its assessment of our current and future ability to meet interest and principal repayment obligations. Each agency's rating should be evaluated independently of any other rating. Lower credit ratings generally result in higher borrowing costs, including costs of derivative transactions, reduced access to debt capital markets, and may adversely impact our liquidity. The senior long-term and short-term debt ratings and outlook currently assigned to unsecured company securities by the rating agencies engaged by us are as follows:

	Senior Long-Term	Short-Term	Outlook
Fitch Ratings	A+	F1	Stable
Moody's Investors Service, Inc.	A1	Prime-1	Stable
Standard & Poor's	A	A-1	Stable

FORWARD-LOOKING STATEMENTS

Certain statements contained herein, including in the sections entitled "Overview," "Trends and Economic Conditions," and "Condensed Notes to Interim Consolidated Financial Statements" relating to future events, expectations, and trends constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 and involve factors that are subject to change, assumptions, risks, and uncertainties that could cause actual results to differ materially. Some of these risks and uncertainties could affect all lines of our operations generally while others could more heavily affect a particular line of business.

Forward-looking statements are based on currently available information and current assumptions, expectations, and projections about future events and should not be relied upon. Except as required by law, we expressly disclaim any obligation to update or revise our forward-looking statements. Many factors, risks, and uncertainties could cause actual results to differ materially from these forward-looking statements. Among these factors are risks related to:

- the agricultural business cycle, which can be unpredictable and is affected by factors such as farm income, international trade, world grain stocks, crop yields, available farm acres, soil conditions, prices for commodities and livestock, input costs including the availability and price of fertilizer, government farm programs, and availability of transport for crops
- macroeconomic conditions, including unemployment, inflation, interest rate volatility, energy price increases resulting from geopolitical conflicts, changes in consumer practices due to slower economic growth or a recession, regional or global liquidity constraints
- the uncertainty of government policies and actions with respect to the global trade environment including increased and contested tariffs announced by the U.S. government and retaliatory trade regulations
- political, economic, and social instability in the geographies in which we operate
- worldwide demand for food and different forms of renewable energy impacting the price of farm commodities and consequently the demand for our equipment
- rationalization, restructuring, relocation, expansion, and/or reconfiguration of manufacturing and warehouse facilities
- accurately forecasting customer demand for products and services, and adequately managing inventory
- uncertainty of our ability to sell products domestically or internationally, manage increased costs of production, absorb or pass on increased expenses, and accurately predict financial results and industry trends
- availability and price of raw materials, components, and whole goods
- delays or disruptions in our supply chain, including those arising from geopolitical conflicts
- changes in climate patterns, unfavorable weather events, and natural disasters

- suppliers' and manufacturers' business practices and compliance with applicable laws such as human rights, safety, environmental, and fair wages
- higher interest rates and currency fluctuations which could adversely affect the U.S. dollar, customer confidence, access to capital, and demand for our products and solutions
- the ability to attract, develop, engage, and retain qualified employees
- ability to adapt in highly competitive markets, including understanding and meeting customers' changing expectations for products and solutions, including delivery and utilization of precision technology
- the ability to execute business strategies, including our Smart Industrial Operating Model and refined Leap Ambitions
- dealer practices and their ability to manage new and used inventory, distribute our products, and to provide support and service for precision technology solutions
- the ability to realize anticipated benefits of acquisitions and joint ventures, including challenges with successfully integrating operations and internal control processes
- negative claims or publicity that damage our reputation or brand
- the impact of workforce reductions on company culture, employee retention and morale, and institutional knowledge
- labor relations and contracts, including work stoppages and other disruptions
- security breaches, cybersecurity attacks, technology failures, and other disruptions to our information technology infrastructure and products
- leveraging artificial intelligence and machine learning within our business processes
- changes to existing laws and regulations, including the implementation of new, more stringent laws, as well as compliance with a variety of U.S., foreign, and international laws, regulations, and policies relating to, but not limited to the following: advertising, anti-bribery and anti-corruption, anti-money laundering, antitrust, consumer finance, cybersecurity, data privacy, encryption, environmental (including climate change and engine emissions), farming, foreign exchange controls and cash repatriation restrictions, foreign ownership and investment, health and safety, human rights, import / export and trade, labor and employment, product liability, tariffs, tax, telematics, and telecommunications
- governmental and other actions designed to address climate change in connection with a transition to a lower-carbon economy
- warranty claims, post-sales repairs or recalls, product liability litigation, and regulatory investigations because of the deficient operation of our products
- investigations, claims, lawsuits, or other legal proceedings, including the lawsuit filed by the Federal Trade Commission (FTC) and the Attorneys General of the States of Arizona, Illinois, Michigan, Minnesota, and Wisconsin alleging that we unlawfully withheld self-repair capabilities from farmers and independent repair providers
- loss of or challenges to intellectual property rights

Further information concerning us and our businesses, including factors that could materially affect our financial results, is included in our other filings with the SEC (including, but not limited to, the factors discussed in Item 1A. "Risk Factors" of our most recent Annual Report on Form 10-K and this Quarterly Report on Form 10-Q). There also may be other factors that we cannot anticipate or that are not described herein because we do not currently perceive them to be material.

SUPPLEMENTAL CONSOLIDATING DATA

The supplemental consolidating data presented on the subsequent pages is presented for informational purposes. Equipment operations represent the enterprise without Financial Services. Equipment operations include Production & Precision Agriculture operations, Small Agriculture & Turf operations, Construction & Forestry operations, and other corporate assets, liabilities, revenues, and expenses not reflected within Financial Services. Transactions between the equipment operations and Financial Services have been eliminated to arrive at the consolidated financial statements.

Equipment operations and Financial Services participate in different industries. Equipment operations primarily generate earnings and cash flows by manufacturing and selling equipment, service parts, and technology solutions to dealers and retail customers. Financial Services finance sales and leases by dealers of new and used equipment that is largely manufactured by equipment operations. Those earnings and cash flows generally are the difference between the finance income received from customer payments less interest expense, and depreciation on equipment subject to an operating lease. The two businesses are capitalized differently and have separate performance metrics. The supplemental consolidating data is also used by management due to these differences.

DEERE & COMPANY
SUPPLEMENTAL CONSOLIDATING DATA
STATEMENTS OF INCOME
For the Three Months Ended May 3, 2026 and April 27, 2025
Unaudited

	EQUIPMENT OPERATIONS		FINANCIAL SERVICES		ELIMINATIONS		CONSOLIDATED	
	2026	2025	2026	2025	2026	2025	2026	2025
Net Sales and Revenues								
Net sales	\$ 11,778	\$ 11,171					\$ 11,778	\$ 11,171
Finance and interest income	110	108	\$ 1,359	\$ 1,380	\$ (155)	\$ (134)	1,314	1,354 ¹
Other income	212	187	150	121	(85)	(70)	277	238 ^{2,3,4}
Total	12,100	11,466	1,509	1,501	(240)	(204)	13,369	12,763
Costs and Expenses								
Cost of sales	8,277	7,617			(11)	(8)	8,266	7,609 ⁴
Research and development expenses	583	549					583	549
Selling, administrative and general expenses	980	961	231	238	(2)	(2)	1,209	1,197 ⁴
Interest expense	102	94	649	721	(39)	(31)	712	784 ¹
Interest compensation to Financial Services	116	103			(116)	(103)		¹
Other operating expenses	9	12	369	335	(72)	(60)	306	287 ^{3,4,5}
Total	10,067	9,336	1,249	1,294	(240)	(204)	11,076	10,426
Income before Income Taxes								
	2,033	2,130	260	207			2,293	2,337
Provision for income taxes	452	490	66	49			518	539
Income after Income Taxes								
	1,581	1,640	194	158			1,775	1,798
Equity in income (loss) of unconsolidated affiliates	(1)		(4)	3			(5)	3
Net Income								
	1,580	1,640	190	161			1,770	1,801
Less: Net loss attributable to noncontrolling interests	(3)	(3)					(3)	(3)
Net Income Attributable to Deere & Company	<u>\$ 1,583</u>	<u>\$ 1,643</u>	<u>\$ 190</u>	<u>\$ 161</u>			<u>\$ 1,773</u>	<u>\$ 1,804</u>

¹ Elimination of intercompany interest income and expense.

² Elimination of equipment operations' margin from inventory transferred to equipment on operating leases.

³ Elimination of income and expenses between equipment operations and Financial Services related to intercompany guarantees of investments in certain international markets.

⁴ Elimination of intercompany service revenues and fees.

⁵ Elimination of Financial Services' lease depreciation expense related to inventory transferred to equipment on operating leases.

DEERE & COMPANY
SUPPLEMENTAL CONSOLIDATING DATA (Continued)
STATEMENTS OF INCOME
For the Six Months Ended May 3, 2026 and April 27, 2025
Unaudited

	EQUIPMENT OPERATIONS		FINANCIAL SERVICES		ELIMINATIONS		CONSOLIDATED		
	2026	2025	2026	2025	2026	2025	2026	2025	
Net Sales and Revenues									
Net sales	\$ 19,779	\$ 17,980					\$ 19,779	\$ 17,980	
Finance and interest income	230	217	\$ 2,710	\$ 2,835	\$ (282)	\$ (245)	2,658	2,807	¹
Other income	425	391	287	239	(168)	(145)	544	485	^{2,3,4}
Total	<u>20,434</u>	<u>18,588</u>	<u>2,997</u>	<u>3,074</u>	<u>(450)</u>	<u>(390)</u>	<u>22,981</u>	<u>21,272</u>	
Costs and Expenses									
Cost of sales	14,568	12,662			(21)	(16)	14,547	12,646	⁴
Research and development expenses	1,137	1,075					1,137	1,075	
Selling, administrative and general expenses	1,787	1,761	398	412	(4)	(4)	2,181	2,169	⁴
Interest expense	195	178	1,313	1,487	(77)	(51)	1,431	1,614	¹
Interest compensation to Financial Services	205	194			(205)	(194)			¹
Other operating expenses	(37)	(38)	736	699	(143)	(125)	556	536	^{3,4,5}
Total	<u>17,855</u>	<u>15,832</u>	<u>2,447</u>	<u>2,598</u>	<u>(450)</u>	<u>(390)</u>	<u>19,852</u>	<u>18,040</u>	
Income before Income Taxes									
	2,579	2,756	550	476			3,129	3,232	
Provision for income taxes	587	477	127	89			714	566	
Income after Income Taxes									
	1,992	2,279	423	387			2,415	2,666	
Equity in income (loss) of unconsolidated affiliates	(1)	(3)	11	4			10	1	
Net Income									
	1,991	2,276	434	391			2,425	2,667	
Less: Net loss attributable to noncontrolling interests	(4)	(6)					(4)	(6)	
Net Income Attributable to Deere & Company	<u>\$ 1,995</u>	<u>\$ 2,282</u>	<u>\$ 434</u>	<u>\$ 391</u>			<u>\$ 2,429</u>	<u>\$ 2,673</u>	

¹ Elimination of intercompany interest income and expense.

² Elimination of equipment operations' margin from inventory transferred to equipment on operating leases.

³ Elimination of income and expenses between equipment operations and Financial Services related to intercompany guarantees of investments in certain international markets.

⁴ Elimination of intercompany service revenues and fees.

⁵ Elimination of Financial Services' lease depreciation expense related to inventory transferred to equipment on operating leases.

DEERE & COMPANY
SUPPLEMENTAL CONSOLIDATING DATA (Continued)
CONDENSED BALANCE SHEETS
Unaudited

	EQUIPMENT OPERATIONS			FINANCIAL SERVICES			ELIMINATIONS			CONSOLIDATED		
	May 3 2026	Nov 2 2025	Apr 27 2025	May 3 2026	Nov 2 2025	Apr 27 2025	May 3 2026	Nov 2 2025	Apr 27 2025	May 3 2026	Nov 2 2025	Apr 27 2025
Assets												
Cash and cash equivalents	\$ 5,917	\$ 6,340	\$ 6,331	\$ 1,988	\$ 1,936	\$ 1,660				\$ 7,905	\$ 8,276	\$ 7,991
Marketable securities	173	217	139	1,257	1,194	1,133				1,430	1,411	1,272
Receivables from Financial Services	4,642	4,649	2,497				\$(4,642)	\$(4,649)	\$(2,497)			6
Trade accounts and notes receivable – net	1,579	1,316	1,429	8,001	5,900	7,406	(2,009)	(1,899)	(2,087)	7,571	5,317	6,748
Financing receivables – net	102	88	82	42,814	44,487	42,947				42,916	44,575	43,029
Financing receivables securitized – net	1	1	2	6,099	6,830	7,763				6,100	6,831	7,765
Other receivables	2,062	1,809	2,009	573	658	1,009	(53)	(64)	(43)	2,582	2,403	2,975
Equipment on operating leases – net				7,514	7,600	7,336				7,514	7,600	7,336
Inventories	8,188	7,406	7,870							8,188	7,406	7,870
Property and equipment – net	8,004	8,047	7,523	31	32	32				8,035	8,079	7,555
Goodwill	4,513	4,188	4,094							4,513	4,188	4,094
Other intangible assets – net	975	892	964							975	892	964
Retirement benefits	3,351	3,181	3,046	101	94	89	(2)	(2)	(2)	3,450	3,273	3,133
Deferred income taxes	2,532	2,507	2,377	45	46	42	(216)	(269)	(331)	2,361	2,284	2,088
Other assets	2,358	2,218	2,349	1,126	1,244	1,152	(23)	(1)	(18)	3,461	3,461	3,483
Total Assets	\$44,397	\$42,859	\$40,712	\$ 69,549	\$70,021	\$ 70,569	\$(6,945)	\$(6,884)	\$(4,978)	\$107,001	\$105,996	\$ 106,303
Liabilities and Stockholders' Equity												
Liabilities												
Short-term borrowings	\$ 397	\$ 414	\$ 241	\$ 15,235	\$13,382	\$ 15,707				\$ 15,632	\$ 13,796	\$ 15,948
Short-term securitization borrowings	1	1	1	5,928	6,595	7,561				5,929	6,596	7,562
Payables to equipment operations				4,642	4,649	2,497	\$(4,642)	\$(4,649)	\$(2,497)			6
Accounts payable and accrued expenses	12,600	12,757	12,180	3,138	3,116	3,313	(2,085)	(1,964)	(2,148)	13,653	13,909	13,345
Deferred income taxes	331	347	405	307	356	422	(216)	(269)	(331)	422	434	496
Long-term borrowings	8,857	8,756	8,685	33,404	34,788	34,126				42,261	43,544	42,811
Retirement benefits and other liabilities	1,579	1,646	1,695	67	66	70	(2)	(2)	(2)	1,644	1,710	1,763
Total liabilities	23,765	23,921	23,207	62,721	62,952	63,696	(6,945)	(6,884)	(4,978)	79,541	79,989	81,925
Commitments and contingencies (Note 17)												
Redeemable noncontrolling interest	47	51	83							47	51	83
Stockholders' Equity												
Total Deere & Company stockholders' equity	27,406	25,950	24,287	6,828	7,069	6,873	(6,828)	(7,069)	(6,873)	27,406	25,950	24,287
Noncontrolling interests	7	6	8							7	6	8
Financial Services' equity	(6,828)	(7,069)	(6,873)				6,828	7,069	6,873			10
Adjusted total stockholders' equity	20,585	18,887	17,422	6,828	7,069	6,873				27,413	25,956	24,295
Total Liabilities and Stockholders' Equity	\$44,397	\$42,859	\$40,712	\$ 69,549	\$70,021	\$ 70,569	\$(6,945)	\$(6,884)	\$(4,978)	\$107,001	\$105,996	\$ 106,303

⁶ Elimination of receivables / payables between equipment operations and Financial Services.

⁷ Primarily reclassification of sales incentive accruals on receivables sold to Financial Services.

⁸ Reclassification of other receivables / payables.

⁹ Reclassification of deferred tax assets / liabilities in the same taxing jurisdictions.

¹⁰ Elimination of Financial Services' equity.

DEERE & COMPANY
SUPPLEMENTAL CONSOLIDATING DATA (Continued)
STATEMENTS OF CASH FLOWS
For the Six Months Ended May 3, 2026 and April 27, 2025
Unaudited

	EQUIPMENT OPERATIONS		FINANCIAL SERVICES		ELIMINATIONS		CONSOLIDATED	
	2026	2025	2026	2025	2026	2025	2026	2025
Cash Flows from Operating Activities								
Net income	\$ 1,991	\$ 2,276	\$ 434	\$ 391			\$ 2,425	\$ 2,667
Adjustments to reconcile net income to net cash provided by operating activities:								
Provision for credit losses	1	11	126	163			127	174
Depreciation and amortization	689	643	546	529	\$ (51)	\$ (68)	1,184	1,104
Impairments and other adjustments				(32)				(32)
Share-based compensation expense					69	54	69	54
Distributed earnings of Financial Services	734	984			(734)	(984)		
Provision (credit) for deferred income taxes	(19)	(153)	(49)	164			(68)	11
Changes in assets and liabilities:								
Receivables related to sales	(225)	(185)			(859)	(884)	(1,084)	(1,069)
Inventories	(649)	(691)			(89)	(81)	(738)	(772)
Accounts payable and accrued expenses	(237)	(1,069)	14	102	(110)	69	(333)	(898)
Accrued income taxes payable/receivable	15	(77)	(20)	(70)			(5)	(147)
Retirement benefits	(285)	(753)	(5)	(41)			(290)	(794)
Other	(335)	59	140	224	(50)	(13)	(245)	270
Net cash provided by operating activities	<u>1,680</u>	<u>1,045</u>	<u>1,186</u>	<u>1,430</u>	<u>(1,824)</u>	<u>(1,907)</u>	<u>1,042</u>	<u>568</u>
Cash Flows from Investing Activities								
Collections of receivables (excluding receivables related to sales)			14,641	14,684	(256)	(336)	14,385	14,348
Proceeds from maturities and sales of marketable securities	91	18	167	227			258	245
Proceeds from sales of equipment on operating leases			1,019	1,001			1,019	1,001
Cost of receivables acquired (excluding receivables related to sales)			(13,273)	(12,875)	116	131	(13,157)	(12,744)
Acquisition of business, net of cash acquired	(439)						(439)	
Purchases of marketable securities	(42)	(20)	(242)	(327)			(284)	(347)
Purchases of property and equipment	(451)	(555)					(451)	(555)
Cost of equipment on operating leases acquired			(1,415)	(1,363)	120	109	(1,295)	(1,254)
Increase in trade and wholesale receivables			(1,110)	(1,019)	1,110	1,019		
Collections of receivables from unconsolidated affiliates		183	152	51			152	234
Collateral on derivatives – net	2	3	(10)	24			(8)	27
Other	(54)	(72)	(33)	(104)			(87)	(176)
Net cash provided by (used for) investing activities	<u>(893)</u>	<u>(443)</u>	<u>(104)</u>	<u>299</u>	<u>1,090</u>	<u>923</u>	<u>93</u>	<u>779</u>
Cash Flows from Financing Activities								
Net proceeds (payments) in short-term borrowings (original maturities three months or less)	(4)	65	2,250	486			2,246	551
Change in intercompany receivables/payables	21	428	(21)	(428)				
Proceeds from borrowings issued (original maturities greater than three months)	252	2,043	3,199	3,113			3,451	5,156
Payments of borrowings (original maturities greater than three months)	(181)	(766)	(5,754)	(4,071)			(5,935)	(4,837)
Repurchases of common stock	(500)	(838)					(500)	(838)
Dividends paid	(878)	(843)	(734)	(984)	734	984	(878)	(843)
Other	5	(4)	(16)	(6)			(11)	(10)
Net cash provided by (used for) financing activities	<u>(1,285)</u>	<u>85</u>	<u>(1,076)</u>	<u>(1,890)</u>	<u>734</u>	<u>984</u>	<u>(1,627)</u>	<u>(821)</u>
Effect of Exchange Rate Changes on Cash, Cash Equivalents, and Restricted Cash								
	79	22	15	(2)			94	20
Net Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash								
	(419)	709	21	(163)			(398)	546
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	<u>6,364</u>	<u>5,643</u>	<u>2,169</u>	<u>1,990</u>			<u>8,533</u>	<u>7,633</u>
Cash, Cash Equivalents, and Restricted Cash at End of Period	<u>\$ 5,945</u>	<u>\$ 6,352</u>	<u>\$ 2,190</u>	<u>\$ 1,827</u>			<u>\$ 8,135</u>	<u>\$ 8,179</u>

¹¹ Elimination of depreciation on leases related to inventory transferred to equipment on operating leases.

¹² Reclassification of share-based compensation expense.

¹³ Elimination of dividends from Financial Services to the equipment operations, which are included in the equipment operations operating activities.

¹⁴ Primarily reclassification of receivables related to the sale of equipment.

¹⁵ Reclassification of direct lease agreements with retail customers.

¹⁶ Reclassification of sales incentive accruals on receivables sold to Financial Services.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See our most recently filed Annual Report on Form 10-K (Part II, Item 7A). There have been no material changes in this information.

Item 4. CONTROLS AND PROCEDURES

Our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act)) were effective as of May 3, 2026, based on the evaluation of these controls and procedures required by Rule 13a-15(b) or 15d-15(b) of the Exchange Act. During the second quarter of 2026, there were no changes that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

On January 15, 2025, the Federal Trade Commission (FTC), along with the Attorneys General of the States of Illinois and Minnesota, filed a lawsuit against us in the United States District Court for the Northern District of Illinois Western Division. The Attorneys General of the States of Arizona, Michigan, and Wisconsin then joined the lawsuit. The lawsuit alleges monopolization and unfair competition in violation of federal and state antitrust laws. Plaintiffs seek a permanent injunction and other equitable relief to allow owners of our equipment, as well as independent repair providers, access to our repair tools and any other repair resources available to authorized John Deere dealers. On March 17, 2025, we filed a motion to dismiss the lawsuit, the FTC filed a response on April 28, 2025, and we filed a reply on May 28, 2025. A hearing was held on the motion to dismiss and the court denied the motion. We are in discussions with the FTC and plaintiff states with respect to a potential resolution. At this stage we are unable to predict the outcome or impact of this matter on our business.

In addition to the above, the most prevalent legal claims relate to product liability (including asbestos-related liability), employment, patent, trademark, and antitrust matters. Currently, we believe the reasonably possible range of losses for unresolved legal actions would not have a material effect on our financial statements; however, the outcome of any current or future proceedings, claims, or investigations cannot be predicted with certainty. Adverse decisions in one or more of these proceedings, claims, or investigations could require us to pay substantial damages or fines, undertake service actions, initiate recall campaigns, or take other costly actions. It is therefore possible that legal judgments or investigations could give rise to expenses that are not covered or not fully covered by our insurance programs and could affect our financial position and results.

Item 1A. RISK FACTORS

See our most recently filed Annual Report on Form 10-K (Part I, Item 1A). The risks described in the Annual Report on Form 10-K, and the “Forward-Looking Statements” in this report, are not the only risks we face. Additional risks and uncertainties may also materially affect our business, financial condition, or operating results. One should not consider the risk factors to be a complete discussion of risks, uncertainties, and assumptions.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

Purchases of our common stock during the second quarter of 2026 were as follows:

Period	Total Number of Shares Purchased ² (thousands)	Average Price Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ¹ (thousands)	Maximum Number of Shares that May Yet Be Purchased under the Plans or Programs ¹ (millions)
Feb 2 to Mar 1				13.2
Mar 2 to Mar 29	155	\$ 598.45	155	13.0
Mar 30 to May 3	171	590.15	170	12.9
Total	<u>326</u>		<u>325</u>	

¹ We have a share repurchase plan that was announced in December 2022 to purchase up to \$18.0 billion of shares of our common stock. The maximum number of shares that may yet be purchased under this plan was 12.9 million based on the closing price of our common stock on the New York Stock Exchange as of the end of the second quarter of 2026 of \$577.26 per share. At the end of the second quarter of 2026, \$7.4 billion of common stock remains to be purchased under this plan.

² In the second quarter of 2026 one thousand shares of common stock were acquired from a plan participant at a market price of \$577.26 per share to pay payroll taxes on the vesting of restricted stock units.

Sales of Unregistered Equity Securities

During the second quarter of 2026, we issued 2,637 deferred stock units under the Deere & Company Nonemployee Director Stock Ownership Plan (“NEDSOP”) to nonemployee directors for their service on our Board of Directors. The deferred stock units convert to shares of common stock on a one-for-one basis following a termination of service as described in the plan. Deferred stock units and shares of common stock issued under the NEDSOP are exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, and Rule 506 of the SEC’s Regulation D thereunder.

On February 26, 2026, we distributed 5,900 shares of common stock to a participant account under the NEDSOP.

Item 3. DEFAULTS UPON SENIOR SECURITIES

None.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 5. OTHER INFORMATION

Director and Executive Officer Trading Arrangements

On March 3, 2026, Ryan D. Campbell, President, Construction & Forestry Division and Power Systems, adopted a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. The plan provides for the sale of up to 35,959 shares of common stock resulting from the exercise of employee stock options. The plan expires on March 3, 2027.

On March 19, 2026, Felecia J. Pryor, Senior Vice President & Chief People Officer, adopted a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. The plan provides for the sale of up to 30% of restricted stock units scheduled to vest in December 2026 (approximately 1,931 shares of common stock). The plan expires on March 19, 2027.

Item 6. EXHIBITS

Certain instruments relating to long-term borrowings constituting less than 10% of the registrant's total assets are not filed as exhibits herewith pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K. The registrant will furnish copies of such instruments to the Commission upon request.

3.1*	Restated Certificate of Incorporation (Exhibit 3.1 to Form 10-Q of registrant for the quarter ended July 28, 2019)
3.2*	Bylaws, as amended (Exhibit 3.2 to Form 10-Q of registrant for the quarter ended July 30, 2023)
10.1*	Form of Performance Stock Unit Award Agreement (Exhibit 10.1 to Form 8-K of registrant filed March 16, 2026)
10.2	364-Day Credit Agreement, dated as of March 23, 2026, among the registrant, John Deere Capital Corporation, John Deere Bank S.A., various financial institutions, JPMorgan Chase Bank, N.A. and J.P. Morgan SE, as Administrative Agent, and Bank of America, N.A. and Citibank, N.A. as Co-Syndication Agents
10.3	2029 Credit Agreement, dated as of March 23, 2026, among the registrant, John Deere Capital Corporation, John Deere Bank S.A., various financial institutions, JPMorgan Chase Bank, N.A. and J.P. Morgan SE, as Administrative Agent, and Bank of America, N.A. and Citibank, N.A. as Co-Syndication Agents
10.4	2031 Credit Agreement, dated as of March 23, 2026, among the registrant, John Deere Capital Corporation, John Deere Bank, S.A., various financial institutions, JPMorgan Chase Bank, N.A. and J.P. Morgan SE, as Administrative Agent, and Bank of America, N.A. and Citibank, N.A. as Co-Syndication Agents
31.1	Rule 13a-14(a)/15d-14(a) Certification
31.2	Rule 13a-14(a)/15d-14(a) Certification
32	Section 1350 Certifications (furnished herewith)
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Incorporated by reference.

SIGNATURES

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

DEERE & COMPANY

Date: May 28, 2026

By: /s/ Brent Norwood
Brent Norwood
Senior Vice President and Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)