

USE OF NON-GAAP MEASURES



In addition to the GAAP results provided during this event, Motorola Solutions has provided certain non-GAAP measurements. Motorola Solutions has provided these non-GAAP measurements as a measure to help investors better understand its core operating performance, enhance comparisons of Motorola Solutions' core operating performance from period to period and to allow better comparisons of Motorola Solutions' operating performance to that of its competitors. Among other things, the Company's management uses these operating results, excluding the identified items, to evaluate the performance of its businesses and to evaluate results relative to incentive compensation targets. Management uses operating results excluding these items because they believe this measure enables them to make better period-to-period evaluations of the financial performance of its core business operations. There are inherent limitations in the use of operating results excluding these items because the company's GAAP results include the impact of these items. The non-GAAP measures are intended only as a supplement to the comparable GAAP measures and the Company compensates for the limitations inherent in the use of non-GAAP measures by using GAAP measures in conjunction with the non-GAAP measures. As a result, investors should consider these non-GAAP measures in addition to, and not in substitution for, or as superior to, measures of financial performance prepared in accordance with GAAP.

Details of these items and reconciliations of the non-GAAP measurements provided during this presentation to GAAP measurements can be found in the Appendix to this presentation and on Motorola Solutions' website at www.motorolasolutions.com/investor.

Motorola Solutions, Inc. and Subsidiaries
Non-GAAP Adjustments Bridge
(in millions except per share data)

	Year Ended	
	December 31, 2012	December 31, 2011
Net sales	\$ 8,698	\$ 8,203
GAAP gross margin	4,348	4,146
Non-GAAP gross margin adjustments:		
Stock-based compensation expense	25	20
Reorganization of business charges	9	6
Non-GAAP gross margin	4,382	4,172
GAAP Operating earnings ("OE")	1,256	858
Non-GAAP OE Adjustments:		
Stock-based compensation expense	159	148
Reorganization of business charges	41	52
Intangibles amortization expense	29	200
Other highlighted items	(16)	89
Non-GAAP OE	1,503	1,373
GAAP Other expense	(41)	(120)
Non-GAAP Below OE adjustments	(29)	81
Non-GAAP Other expense	(70)	(39)
GAAP Earnings from continuing operations	878	747
OE adjustments	247	515
Below OE adjustments	(29)	81
Tax adjustments and effect	(145)	(455)
TOTAL Non-GAAP Earnings	\$ 951	\$ 888
GAAP Continuing EPS	\$ 2.95	\$ 2.20
Non-GAAP Continuing EPS adjustments	0.25	0.41
Non-GAAP Continuing EPS	\$ 3.20	\$ 2.61
Diluted, weighted average shares outstanding	297.4	339.7
GAAP OE%	14.4%	10.5%
Non-GAAP Adj %	2.9%	6.2%
Non-GAAP OE %	17.3%	16.7%

Motorola Solutions, Inc. and Subsidiaries
Operating Earnings after Non-GAAP Adjustments
(in millions)

FY 2012

	TOTAL	Government	Enterprise
Net sales	\$ 8,698	\$ 5,989	\$ 2,709
Operating earnings	\$ 1,256	\$ 965	\$ 291
Above-OE non-GAAP adjustments:			
Reorganization of business charges	50	33	17
Stock-based compensation expense	184	120	64
Legal matter	(16)	(11)	(5)
Intangibles amortization expense	29	1	28
Less: Total above-OE non-GAAP adjustments	247	143	104
Operating earnings after non-GAAP adjustments	\$ 1,503	\$ 1,108	\$ 395
Operating earnings as a percentage of net sales - GAAP	14.4%	16.1%	10.7%
Operating earnings as a percentage of net sales - after non-GAAP adjustments	17.3%	18.5%	14.6%

FY 2011

	TOTAL	Government	Enterprise
Net sales	\$ 8,203	\$ 5,358	\$ 2,845
Operating earnings	\$ 858	\$ 616	\$ 242
Above-OE non-GAAP adjustments by P&L statement line			
Reorganization of business charges	\$ 58	\$ 40	\$ 18
Stock-based compensation expense	168	111	57
Legal matters, net	88	58	30
Pension plan adjustments, net	(9)	(6)	(3)
Long-term financing receivable reserve	10	10	0
Intangibles amortization expense	200	4	196
Less: Total above-OE non-GAAP adjustments	515	217	298
Operating earnings after non-GAAP adjustments	\$ 1,373	\$ 833	\$ 540
Operating earnings as a percentage of net sales - GAAP	10.5%	11.5%	8.5%
Operating earnings as a percentage of net sales - after non-GAAP adjustments	16.7%	15.5%	19.0%

FY 2010

	MSI	Government	Enterprise
Net sales	\$ 7,617	\$ 5,049	\$ 2,568
Operating earnings	\$ 751	\$ 534	\$ 217
Above-OE non-GAAP adjustments by P&L statement line			
Reorganization of business charges	73	57	16
Stock-based compensation expense	144	95	49
Legal settlement	(29)	(19)	(10)
IP settlement and reserve adjustments	(78)	(39)	(39)
Intangibles amortization expense	203	9	194
Less: Total above-OE non-GAAP adjustments	313	103	210
Operating earnings after non-GAAP adjustments	\$ 1,064	\$ 637	\$ 427
Operating earnings as a percentage of net sales - GAAP	9.9%	10.6%	8.5%
Operating earnings as a percentage of net sales - after non-GAAP adjustments	14.0%	12.6%	16.6%

Motorola Solutions, Inc. and Subsidiaries
Pension, net of tax & Other Liability Adjustments
(in millions)

	2011	2012	2013	
U.S. Pension liabilities	2,238	2,862	2,384	(2)
Non-U.S. Pension liabilities	369	425	372	(5)
Post retirement healthcare benefit plan liability	295	167	167	(6)
	2,902	3,454	2,923	
Tax rate of 35%	(1,016)	(1,209)	(1,023)	
Pension, net of tax	1,886	2,245	1,900	
Operating lease adjustments ⁽³⁾	251	292	292	(1)
Accounts receivable securitization adjustments ⁽⁴⁾	263	375	379	(1)
Pension, net of tax, and other	2,400	2,912	2,571	

(1) Pro forma estimates.

(2) U.S. Pension proforma liabilities estimated using: (i) 2013 pro forma expenses, (ii) a 4.6% discount rate and 7% asset return assumptions, and (iii) 2013 estimated contributions, as indicated in the Form 10-Q filed on April 24, 2013.

(3) Operating lease adjustments represent the present value of future operating lease obligations, as noted in the contractual obligations tables for the 2012 and 2011 annual reports, using a discount rate of approximately 5% in 2012 and 6% in 2011.

(4) Account receivable securitizations represent the publicly disclosed receivable amounts, as of December 31, for which Motorola Solutions retains servicing obligations.

(5) Non-U.S. Pension proforma liabilities estimated using: (i) 2013 pro forma expenses (ii) a 4.7% discount rate and 7% asset return assumptions, and (iii) 2013 estimated contributions, as indicated in the Form 10-Q filed on April 24th, 2013.

(6) Post retirement benefit pro forma liability assumes no change in liability from 2012.