

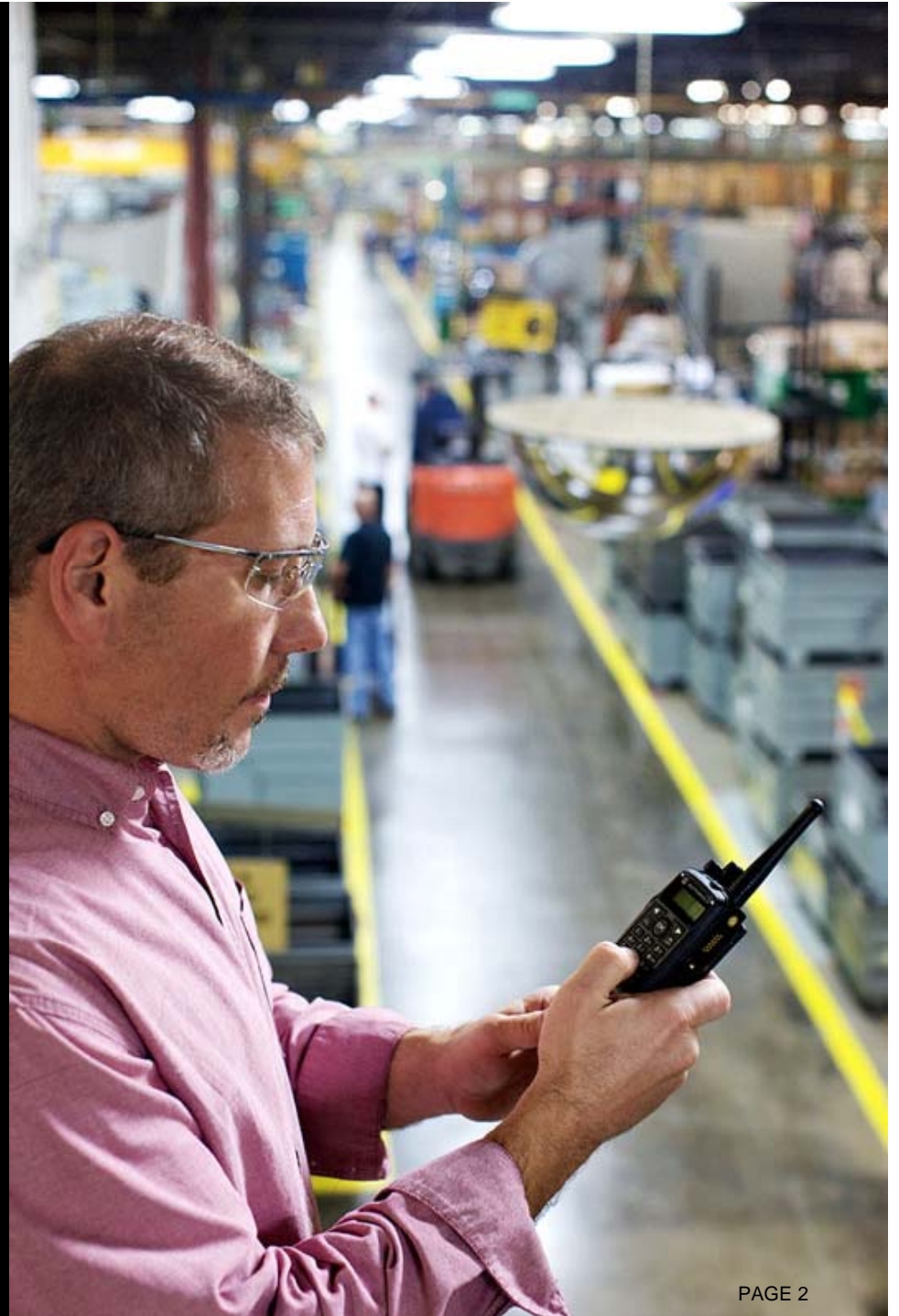
OCTOBER 27, 2011

# MOTOROLA SOLUTIONS Q3 2011 EARNINGS CONFERENCE CALL



# SHEP DUNLAP

INVESTOR RELATIONS  
OFFICER



# SAFE HARBOR



A number of forward-looking statements will be made during this presentation. Forward-looking statements are any statements that are not historical facts. These forward-looking statements are based on the current expectations of Motorola Solutions, and we can give no assurance that any future results or events discussed in these statements will be achieved. Any forward-looking statements represent our views only as of today and should not be relied upon as representing our views as of any subsequent date. Forward-looking statements are subject to a variety of risks and uncertainties that could cause our actual results to differ materially from the statements contained in this presentation.

Information about factors that could cause, and in some cases have caused, such differences can be found in this morning's press release on pages 12 through 25 in item 1A of Motorola Solution's 2010 Annual Report on Form 10-K, and in Part II on page 46 of our Quarterly Report on Form 10-Q for the period ending April 2, 2011, and in our other SEC filings available for free on the SEC's website at [www.sec.gov](http://www.sec.gov), and on Motorola Solutions' website at [www.motorolasolutions.com](http://www.motorolasolutions.com).

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# GREG BROWN

CHAIRMAN AND CEO OF  
MOTOROLA SOLUTIONS, INC.



# ED FITZPATRICK

EVP AND CFO OF  
MOTOROLA SOLUTIONS, INC.



# Q3 2011 FINANCIAL RESULTS



(\$ in Millions)

GAAP	Third Quarter	
	2011	2010
Sales	\$2,105	\$1,908
Operating Earnings	253	211
Operating Margin	12.0%	11.1%
EPS from Continuing Operations*	\$0.45	(\$0.04)

Non-GAAP**	Third Quarter	
	2011	2010
Operating Earnings	358	289
Operating Margin	17.0%	15.1%
EPS from Continuing Operations*	\$0.65	\$0.54

\* Amounts attributable to Motorola Solutions Inc. common shareholders

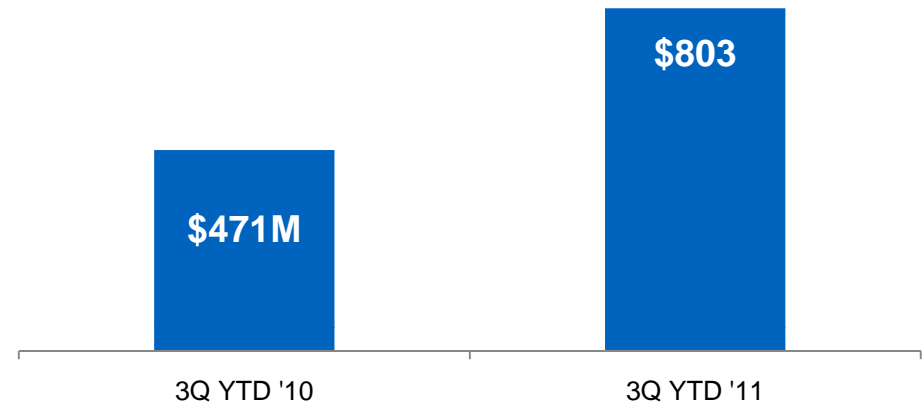
\*\* Excluding highlighted items, stock-based compensation, and intangible amortization



# CASH FLOW

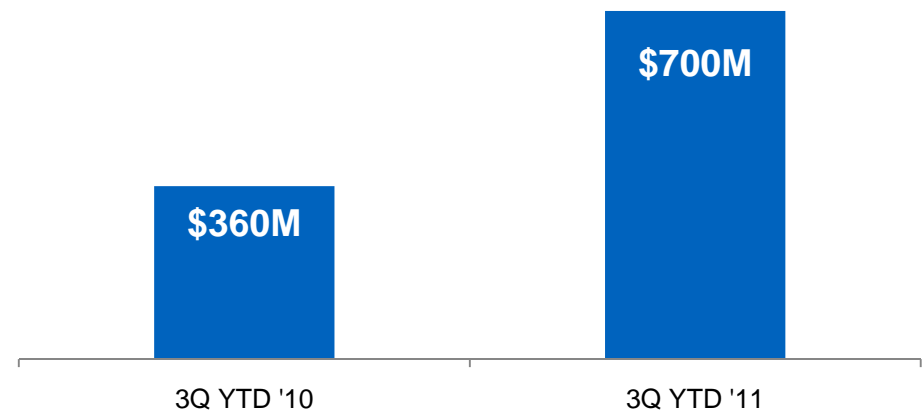
- Q3 '11 operating cash flow \$477M
- Q3 YTD operating cash flow up \$332M from last year

## Operating Cash Flow



- Q3 '11 free cash flow \$434M
- Q3 YTD free cash flow up \$340M from last year

## Free Cash Flow\*



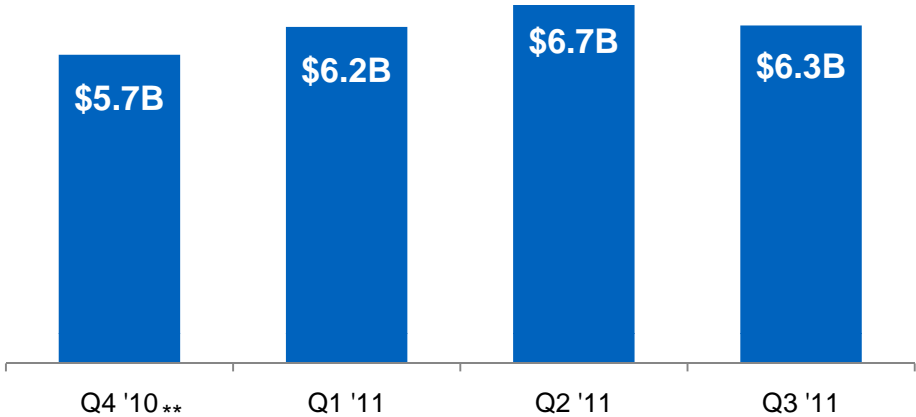
\* Free cash flow = Net cash provided by operating activities – Capital expenditures



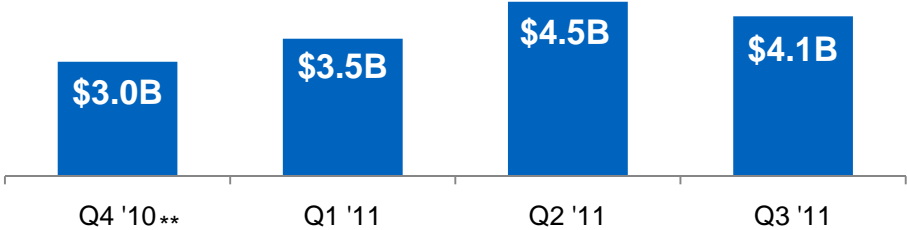
# BALANCE SHEET

- \$6.3B in total cash\*
- Repurchased 18.4M shares totaling \$744M during Q3

Total Cash\*



Net Cash\*\*\*



\* Total Cash includes cash and cash equivalents, Sigma Fund (current and non-current) and short-term investments  
\*\*Q4 pro-forma balance following Motorola Solutions \$3.2 billion contribution of cash and cash equivalents to Motorola Mobility, as presented in the Form 8-K furnished with the SEC on 01/27/11  
\*\*\*Net Cash = Total cash – Notes Payable and current portion of long-term debt and Long term debt



# OUTLOOK



## Expected Fourth Quarter 2011

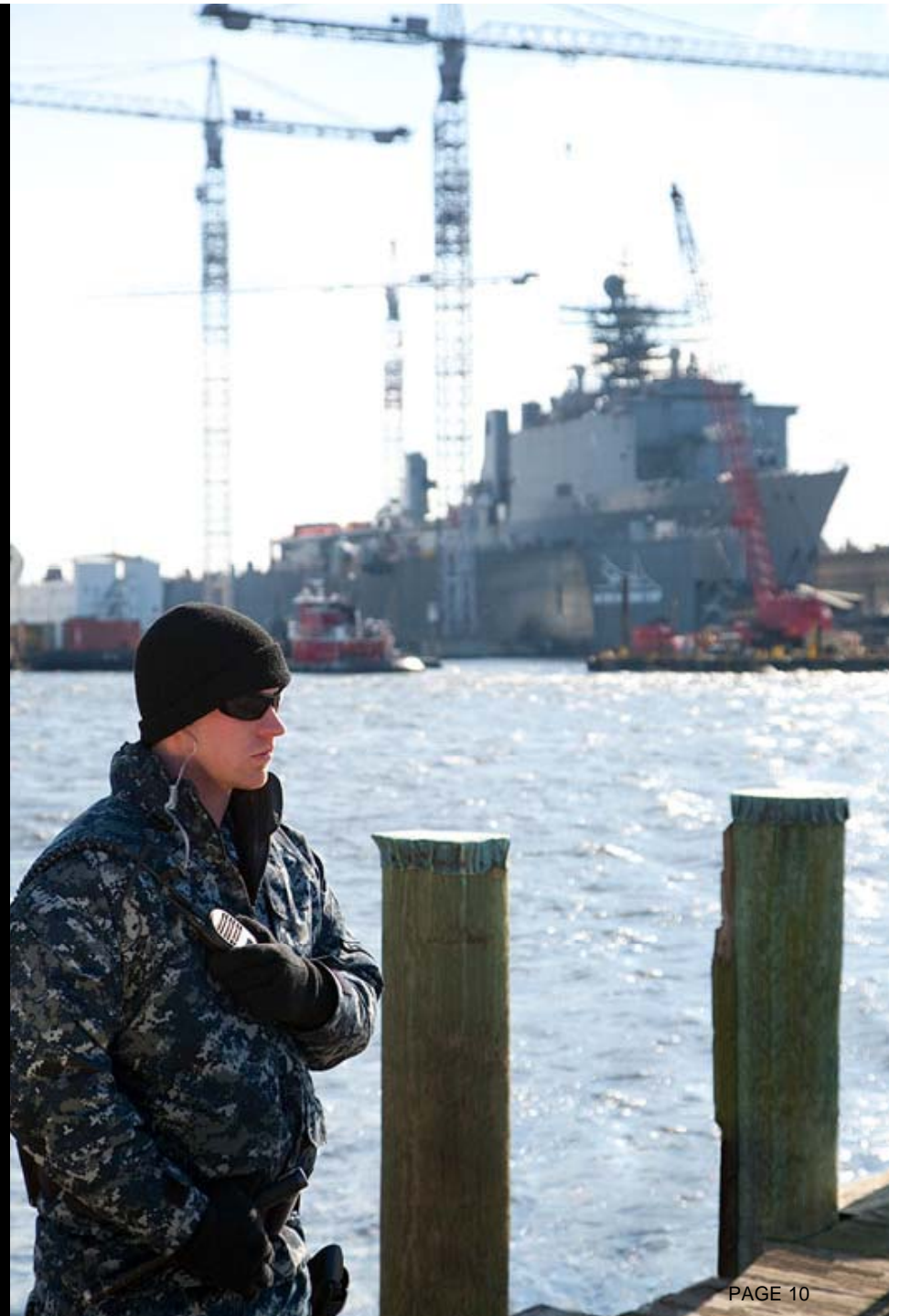
- Sales growth of 2% - 3%
- Non-GAAP EPS of \$0.78 - \$0.83 per share

## Expected Full Year 2011

- Sales growth ~ 7.0%
- Operating margin 16.5%
- Effective Tax Rate 34%-35%



# GOVERNMENT



# GOVERNMENT SEGMENT



(\$ in Millions)

GAAP	Third Quarter	
	2011	2010
Sales	\$1,379	\$1,267
Operating Earnings	185	159
Operating Margin	13.4%	12.5%

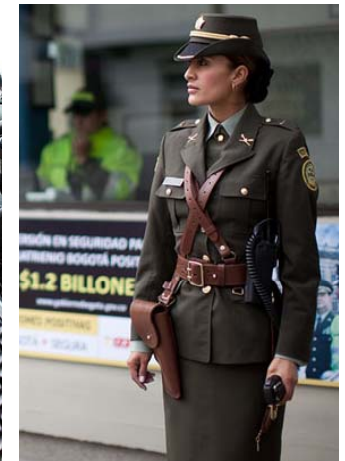
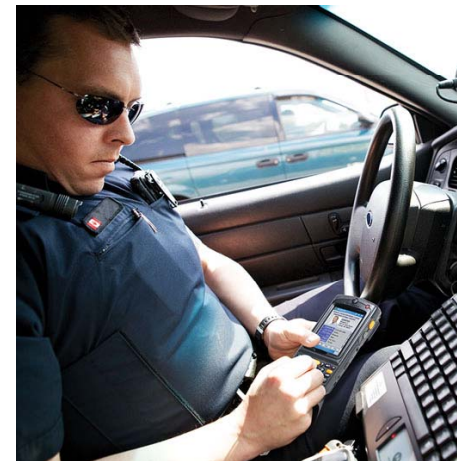
Non-GAAP*	Third Quarter	
	2011	2010
Operating Earnings	223	175
Operating Margin	16.2%	13.8%

\* Excluding highlighted items, stock-based compensation, and intangible amortization

# GOVERNMENT HIGHLIGHTS



- 9% sales growth over Q3 last year
- Operating margin\* of 16.2% compared to 13.8% last year
- ASTRO with P25 Phase II TDMA now shipping
- ASTRO wins with City of Cleveland, Jefferson County in Missouri, National Police of Colombia; TETRA wins with State of Hessen Germany and Airwave U.K.
- 1M MOTOTRBO unit shipment milestone
- Announced 2 new devices for public safety LTE



\* Excluding highlighted items, stock-based compensation, and intangible amortization

# ENTERPRISE



# ENTERPRISE SEGMENT



(\$ in Millions)

GAAP	Third Quarter	
	2011	2010
Sales	\$726	\$641
Operating Earnings	68	52
Operating Margin	9.4%	8.1%

Non-GAAP*	Third Quarter	
	2011	2010
Operating Earnings	135	114
Operating Margin	18.6%	17.8%

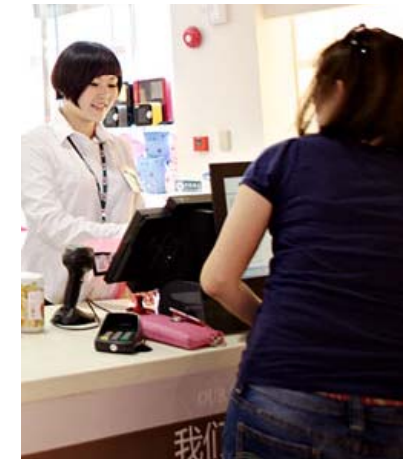
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# ENTERPRISE HIGHLIGHTS



- Sales grew 13% over Q3 last year
- 18.6% operating margin\* compared to 17.8% last year
- Record quarter for enterprise mobile computing portfolio with robust demand among core verticals
- Announced the ET1, an enterprise-class tablet and a new HTML5 application framework from recently acquired Rhomobile
- Significant managed services win with Sears

\* Excluding highlighted items, stock-based compensation, and intangible amortization

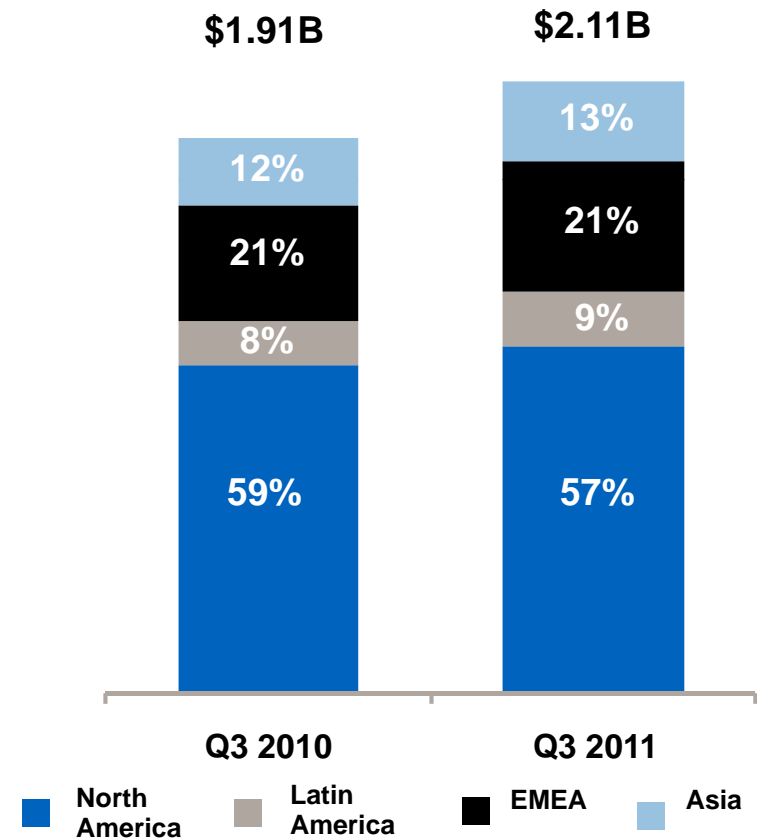




# REGIONAL HIGHLIGHTS

- Single-digit growth for North America
- EMEA double-digit growth with continued Enterprise strength and Government growth
- Double-digit growth for Asia and Latin America driven by Enterprise and Government

## SALES BY REGION





# Q&A PARTICIPANTS



## **GREG BROWN**

Chairman and CEO

## **ED FITZPATRICK**

Executive Vice President  
and CFO

## **MARK MOON**

Executive Vice President,  
Sales and Field Operations

## **SHEP DUNLAP**

Investor Relations Officer

# USE OF NON-GAAP MEASURES



In addition to the GAAP results provided during this conference call, Motorola Solutions has presented 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 call to GAAP measurements can be found at our website [www.motorolasolutions.com](http://www.motorolasolutions.com)

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