

Motorola Solutions, Inc. and Subsidiaries Non-GAAP Trend
(In millions, except for per share amounts)

	Q1 '13	Q2 '13	Q3 '13	Q4 '13	Q1 '14	Q2 '14	Q3 '14	Q4 '14	Q1 '15	Q2 '15	Q3 '15	Q4 '15	Q1 '16	Q2 '16	Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3 '17	Q4 '17
Net sales	\$1,396	\$1,497	\$1,517	\$1,817	\$1,228	\$1,393	\$1,436	\$1,823	\$1,223	\$1,368	\$1,422	\$1,682	\$1,193	\$1,430	\$1,532	\$1,883	\$1,281	\$1,497	\$1,645	1,957
GAAP gross margin	693	750	765	901	577	656	685	912	548	648	685	838	502	676	762	928	570	690	794	970
Non-GAAP gross margin adjustments:																				
Stock-based compensation expense	5	4	4	4	4	3	2	2	3	2	2	2	2	2	2	3	2	2	2	2
Reorganization of business charges	—	5	5	7	1	3	7	—	2	3	1	4	16	8	1	18	4	2	2	1
Non-GAAP gross margin	698	759	774	912	582	662	694	914	553	653	688	844	520	686	765	949	576	694	798	973
GAAP Operating earnings (loss) ("OE")	174	203	246	325	107	138	207	(1,459)	119	254	231	389	100	224	341	403	176	257	338	511
Non-GAAP OE Adjustments:																				
Stock-based compensation expense	30	23	25	26	25	23	18	18	18	17	16	18	15	16	15	13	15	14	14	15
Reorganization of business charges	7	13	16	34	9	25	13	15	12	13	14	38	7	19	6	48	15	1	6	11
Intangibles amortization expense	—	—	—	—	1	1	1	1	2	3	2	2	13	38	31	30	36	37	39	39
Other highlighted items	—	—	—	—	(21)	8	11	1,906	—	(32)	26	5	13	17	—	26	(24)	15	22	(3)
Non-GAAP OE	\$ 216	\$ 248	\$ 296	\$ 396	\$ 126	\$ 201	\$ 259	\$ 483	\$ 156	\$ 260	\$ 292	\$ 458	\$ 166	\$ 324	\$ 396	\$ 541	\$ 224	\$ 328	\$ 423	576
GAAP OE%	12.5%	13.6%	16.2%	17.9%	8.7%	9.9%	14.4%	(80.0)%	9.7%	18.6%	16.2%	23.1%	8.4%	15.7%	22.3%	21.4%	13.7%	17.2%	20.5%	26.1%
Non-GAAP Adj %	3.0%	3.0%	3.3%	3.9%	1.5%	4.5%	3.6%	106.5 %	3.1%	0.4%	4.3%	4.1%	5.5%	7.0%	3.5%	7.3%	3.8%	4.7%	5.2%	3.3%
Non-GAAP OE %	15.5%	16.6%	19.5%	21.8%	10.3%	14.4%	18.0%	26.5 %	12.8%	19.0%	20.5%	27.2%	13.9%	22.7%	25.8%	28.7%	17.5%	21.9%	25.7%	29.4%
GAAP Other income (expense)	(19)	(35)	5	(19)	(18)	(40)	(56)	(39)	9	(39)	(34)	(12)	(78)	(57)	(48)	(41)	(56)	(52)	(52)	(46)
Non-GAAP Below OE adjustments	—	—	23	—	—	—	(27)	—	46	—	—	39	(36)	—	—	—	3	(1)	—	—
Non-GAAP Other income (expense)	(19)	(35)	(18)	(19)	(18)	(40)	(29)	(39)	(37)	(39)	(34)	(51)	(42)	(57)	(48)	(41)	(59)	(51)	(52)	(46)
GAAP Earnings (loss) from continuing operations*	157	223	261	293	85	78	66	(926)	87	150	126	277	17	107	192	243	77	131	212	(575)
Non-GAAP OE adjustments	42	45	50	71	19	63	52	1,942	37	6	61	69	66	100	55	138	48	71	85	65
Non-GAAP below OE adjustments	—	—	(23)	—	—	—	27	—	(46)	—	—	(39)	36	—	—	—	(3)	1	—	—
Non-GAAP tax adjustments and effect	(57)	(11)	(2)	(6)	(32)	(20)	9	(728)	5	(13)	(21)	(27)	(27)	(27)	(14)	(35)	(2)	(14)	(38)	865
TOTAL Non-GAAP Earnings from continuing operations	\$ 142	\$ 257	\$ 286	\$ 358	\$ 72	\$ 121	\$ 154	\$ 288	\$ 83	\$ 143	\$ 166	\$ 280	\$ 92	\$ 180	\$ 233	\$ 346	\$ 120	\$ 189	\$ 259	355
GAAP Continuing operations earnings per share ("EPS")	\$ 0.56	\$ 0.81	\$ 0.98	\$ 1.12	\$ 0.33	\$ 0.30	\$ 0.27	\$(4.02)	\$ 0.40	\$ 0.72	\$ 0.63	\$ 1.56	\$ 0.10	\$ 0.61	\$ 1.13	\$ 1.43	\$ 0.45	\$ 0.78	\$ 1.25	\$(3.56)
EPS adjusted for dilution**	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	\$(3.40)
Non-GAAP Continuing operations EPS adjustments	(0.05)	0.13	0.10	0.25	(0.05)	0.17	0.35	5.27	(0.02)	(0.04)	0.19	0.02	0.42	0.42	0.24	0.60	0.26	0.34	0.28	5.50
Non-GAAP Continuing operations EPS	\$ 0.51	\$ 0.94	\$ 1.08	\$ 1.37	\$ 0.28	\$ 0.47	\$ 0.62	\$ 1.25	\$ 0.38	\$ 0.68	\$ 0.82	\$ 1.58	\$ 0.52	\$ 1.03	\$ 1.37	\$ 2.03	\$ 0.71	\$ 1.12	\$ 1.53	2.10
Diluted, weighted average shares outstanding	280.7	274.7	265.3	261.2	258.3	256.2	248.2	230.5	217.8	209.5	201.3	177.5	177.0	174.8	169.6	170.4	169.9	169.0	169.0	168.9

* Amounts attributable to Motorola Solutions, Inc. common shareholders.

** Under U.S. GAAP, the accounting for a net loss from continuing operations results in the presentation of dilutive earnings per share equal to basic earnings per share, as any increase in basic shares would be anti-dilutive to earnings per share. As a result of the highlighted items identified during Q4 2017, the Company reported a net loss from continuing operations within our GAAP Consolidated Statement of Operations, while reporting income on a non-GAAP basis. An adjustment is shown to reflect the dilution of 7.2 million dilutive shares outstanding in Q4 2017.