

September 25, 2014

MOTOROLA SOLUTIONS

PENSIONS UPDATE



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 on pages 10 through 21 in Item 1A of Motorola Solutions' 2013 Annual Report on Form 10-K, Item 1A. Risk Factors on page 31 of our Quarterly Report on form 10-Q for the period ended June 28, 2014, and in our other SEC filings available for free on the SEC's website at www.sec.gov, and on Motorola Solutions' website at www.motorolasolutions.com/investor

This presentation is being made on the 25th day of September 2014. The content of this presentation contains time-sensitive information that is accurate only as of the time hereof. If any portion of this presentation is rebroadcast, retransmitted or redistributed at a later date, Motorola Solutions will not be reviewing or updating the material that is contained herein.

PENSION SETTLEMENT SUMMARY



- Contributing \$1.1B into U.S. pension plans in 2014
- Lump-sum payment offer to terminated-vested plan participants, targeting \$1.1B pension obligation reduction
- Agreement with Prudential Insurance Company of America to purchase group annuity contract and assume annuity obligations for plan retirees of \$3.1B
- Actions expected to reduce MSI U.S. pension obligation by ~\$4.2B
- Target closing transactions by end of 2014

U.S. PENSION ACTIONS TAKEN



Significant Cash Contributions	✓
Asset/Liability Matching	✓
Closed Plan to New Participants	✓
Froze Benefits	✓
Large Scale Lump Sums	✓
Annuitization	✓

GLOBAL PENSION OVERVIEW



AS REPORTED 12/31/13

(\$ in billions)

	<u>GLOBAL PLANS</u>	<u>U.S. PLANS</u>
PENSION BENEFIT OBLIGATION (PBO)	9.3	7.3
PLAN ASSETS	7.6	6.1
FUNDING DEFICIT	(1.6)	(1.2)
FUNDED % STATUS	82%	83%
PARTICIPANTS	~95,000	~80,000

PRO FORMA U.S. PENSION LIABILITY



(\$ in billions)

	LIABILITY (GAAP PBO)	PLAN ASSETS	FUNDING DEFICIT	FUNDED %	# PARTICIPANTS
AS REPORTED DEC-31-13	7.3	6.1	(1.2)	83%	80K
INTERIM ADJUSTMENTS ¹	1.1	0.3			
2013 MINIMUM CONTRIBUTIONS	---	0.3			
PRO FORMA, PRE-TRANSACTIONS	8.4	6.7	(1.7)	79%	80K
DISCRETIONARY CONTRIBUTIONS	---	0.8			
IMPACT OF RISK TRANSFER ²	(4.2)	(4.1)			~(40)K-(50)K
PRO FORMA, POST-TRANSACTIONS³	4.2	3.4	(0.8)	81%	~30K-40K

¹ Adjustments to PBO include actuarial gains / losses from discount rate, mortality estimates and other assumptions. Adjustments to assets reflect returns net of benefit payments.

² Estimated impact of lump sum and annuitization based on assumptions regarding lump sum elections and current market conditions and could change materially prior to close.

³ Estimates assume transaction outcomes as shown and static capital markets factors, including no material changes in interest rates or asset valuations.

RATIONALE FOR DE-RISKING



- MSI pension liabilities are outsized relative to scale of business as a result of previous divestitures and spin-offs
- Company will only have 15K employees following close of Enterprise sale, while carrying global pension obligations for 95K participants
- MSI subject to significant funded status volatility and risk of large unexpected cash funding requirements if unaddressed
- Market conditions and economics are favorable to reduce obligation now

SUMMARY



- Allows MSI to decrease pension obligation
- Improves risk profile and financial flexibility of the company
- Provides flexibility and security to all plan participants
- Proactively take advantage of market conditions that allow us to meet obligations and de-risk the balance sheet

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.



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