

**Motorola Solutions, Inc. and Subsidiaries**  
**Adjusted EBITDA**

	2017	2016	2015	2014
Net sales	\$ 6,380	\$ 6,038	\$ 5,695	\$ 5,881
Net earnings (loss) attributable to Motorola Solutions, Inc.	(155)	560	610	1,299
Loss (earnings) from discontinued operations	—	—	30	(1,996)
Earnings attributable to noncontrolling interests	4	2	3	1
Income tax expense (benefit)	1,227	282	274	(465)
Interest expense, net	201	205	173	126
Other expenses (income)	5	18	(96)	29
GAAP operating earnings ("OE")	\$ 1,282	\$ 1,067	\$ 994	\$ (1,006)
Above-OE non-GAAP adjustments:				
Share-based compensation expense	66	68	78	94
Reorganization of business charges	42	123	87	73
Intangibles amortization expense	151	113	8	4
Other highlighted items	11	56	(1)	1,904
Total above-OE non-GAAP adjustments	\$ 270	\$ 360	\$ 172	\$ 2,075
Non-GAAP operating earnings	1,552	1,427	1,166	1,069
Depreciation	192	182	142	169
Adjusted EBITDA	\$ 1,744	\$ 1,609	\$ 1,308	\$ 1,238
GAAP operating earnings %	20.1%	17.7%	17.5%	(17.1)%
Non-GAAP operating earnings %	24.3%	23.6%	20.5%	18.2 %
Adjusted EBITDA %	27.3%	26.6%	23.0%	21.1 %

"Non-GAAP Operating Margin," "Non-GAAP Operating Expenses," and "Adjusted EBITDA," are non-GAAP measures and should not be considered replacements for results in accordance with accounting principles generally accepted in the U.S. ("GAAP"). These non-GAAP measures may not be comparable to similarly titled measures reported by other companies. The primary limitation of these measures is that they exclude the financial impact of items that would otherwise either increase or decrease our reported results. This limitation is best addressed by using these non-GAAP measures in combination with the most directly comparable GAAP measures in order to better understand the amounts, character and impact of any increase or decrease in reported amounts. The following provides additional information regarding these non-GAAP measures:

Non-GAAP Operating Margin – operating margins, adjusted for stock-based compensation expenses, reorganization charges, intangibles amortization expenses, and other highlighted items.

Non-GAAP Operating Expenses – R&D and SG&A expenses adjusted for stock-based compensation expenses, reorganization charges, intangibles amortization expenses, and other highlighted items.

Adjusted EBITDA – represents net income before interest expense, interest income, income taxes, depreciation, and amortization, as adjusted for net other income, income from discontinued operations, and special items including charges or income related to restructuring, acquisition related charges, impairment charges, and other income or charges, if any. We believe Adjusted EBITDA provides improved period-to-period comparability for decision making and because it better measures the ongoing earnings results of our strategic and operating decisions by excluding the earnings effects of restructuring activities and divested businesses.