

Motorola Solutions, Inc. and Subsidiaries
Consolidated Statements of Operations
(In millions, except per share amount)

	Three Months Ended	
	December 31, 2021	December 31, 2020
Net sales from products	\$ 1,358	\$ 1,326
Net sales from services	962	947
Net sales	2,320	2,273
Costs of products sales	589	568
Costs of services sales	548	559
Costs of sales	1,137	1,127
Gross margin	1,183	1,146
Selling, general and administrative expenses	368	343
Research and development expenditures	189	182
Other charges	13	9
Intangibles amortization	64	57
Operating earnings	549	555
Other income (expense):		
Interest expense, net	(54)	(53)
Gains (losses) on sales of investments and businesses, net	1	(1)
Other, net	22	21
Total other expense	(31)	(33)
Net earnings before income taxes	518	522
Income tax expense	116	109
Net earnings	402	413
Less: Earnings attributable to non-controlling interests	1	1
Net earnings attributable to Motorola Solutions, Inc.	\$ 401	\$ 412
Earnings per common share:		
Basic:	\$ 2.38	\$ 2.43
Diluted:	\$ 2.30	\$ 2.37
Weighted average common shares outstanding:		
Basic	168.8	169.5
Diluted	174.2	173.5
	Percentage of Net Sales*	
Net sales from products	58.5 %	58.3 %
Net sales from services	41.5 %	41.7 %
Net sales	100.0 %	100.0 %
Costs of products sales	43.4 %	42.8 %
Costs of services sales	57.0 %	59.0 %
Costs of sales	49.0 %	49.6 %
Gross margin	51.0 %	50.4 %
Selling, general and administrative expenses	15.9 %	15.1 %
Research and development expenditures	8.1 %	8.0 %
Other charges	0.6 %	0.4 %
Intangibles amortization	2.8 %	2.5 %
Operating earnings	23.7 %	24.4 %
Other income (expense):		
Interest expense, net	(2.3)%	(2.3)%
Gains (losses) on sales of investments and businesses, net	— %	— %
Other, net	0.9 %	0.9 %
Total other expense	(1.3)%	(1.5)%
Net earnings before income taxes	22.3 %	23.0 %
Income tax expense	5.0 %	4.8 %
Net earnings	17.3 %	18.2 %
Less: Earnings attributable to non-controlling interests	— %	0.1 %
Net earnings attributable to Motorola Solutions, Inc.	17.3 %	18.1 %

* Percentages may not add up due to rounding

Motorola Solutions, Inc. and Subsidiaries
Consolidated Statements of Operations
(In millions, except per share amounts)

	Years Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Net sales from products	\$ 4,606	\$ 4,087	\$ 4,746
Net sales from services	3,565	3,327	3,141
Net sales	8,171	7,414	7,887
Costs of products sales	2,104	1,872	2,049
Costs of services sales	2,027	1,934	1,907
Costs of sales	4,131	3,806	3,956
Gross margin	4,040	3,608	3,931
Selling, general and administrative expenses	1,353	1,293	1,403
Research and development expenditures	734	686	687
Other charges	50	31	52
Intangibles amortization	236	215	208
Operating earnings	1,667	1,383	1,581
Other income (expense):			
Interest expense, net	(208)	(220)	(220)
Gains (losses) on sales of investments and businesses, net	1	(2)	5
Other, net	92	13	(365)
Total other expense	(115)	(209)	(580)
Net earnings before income taxes	1,552	1,174	1,001
Income tax expense	302	221	130
Net earnings	1,250	953	871
Less: Earnings attributable to non-controlling interests	5	4	3
Net earnings attributable to Motorola Solutions, Inc.	\$ 1,245	\$ 949	\$ 868
Earnings per common share:			
Basic:	\$ 7.36	\$ 5.58	\$ 5.21
Diluted:	\$ 7.17	\$ 5.45	\$ 4.95
Weighted average common shares outstanding:			
Basic	169.2	170.0	166.6
Diluted	173.6	174.1	175.6
Percentage of Net Sales*			
Net sales from products	56.4 %	55.1 %	60.2 %
Net sales from services	43.6 %	44.9 %	39.8 %
Net sales	100.0 %	100.0 %	100.0 %
Costs of products sales	45.7 %	45.8 %	43.2 %
Costs of services sales	56.9 %	58.1 %	60.7 %
Costs of sales	50.6 %	51.3 %	50.2 %
Gross margin	49.4 %	48.7 %	49.8 %
Selling, general and administrative expenses	16.6 %	17.4 %	17.8 %
Research and development expenditures	9.0 %	9.3 %	8.7 %
Other charges	0.6 %	0.4 %	0.7 %
Intangibles amortization	2.9 %	2.9 %	2.6 %
Operating earnings	20.4 %	18.7 %	20.0 %
Other income (expense):			
Interest expense, net	(2.5)%	(3.0)%	(2.8)%
Gains (losses) on sales of investments and businesses, net	— %	— %	0.1 %
Other, net	1.1 %	0.2 %	(4.6)%
Total other expense	(1.4)%	(2.8)%	(7.4)%
Net earnings before income taxes	19.0 %	15.8 %	12.7 %
Income tax expense	3.7 %	3.0 %	1.6 %
Net earnings	15.3 %	12.9 %	11.0 %
Less: Earnings attributable to non-controlling interests	0.1 %	0.1 %	— %
Net earnings attributable to Motorola Solutions, Inc.	15.2 %	12.8 %	11.0 %

* Percentages may not add up due to rounding

Motorola Solutions, Inc. and Subsidiaries
Consolidated Balance Sheets
(In millions)

	December 31, 2021	December 31, 2020
Assets		
Cash and cash equivalents	\$ 1,874	\$ 1,254
Accounts receivable, net	1,386	1,390
Contract assets	1,105	933
Inventories, net	788	508
Other current assets	259	242
Total current assets	5,412	4,327
Property, plant and equipment, net	1,042	1,022
Operating lease assets	382	468
Investments	209	158
Deferred income taxes	916	966
Goodwill	2,565	2,219
Intangible assets, net	1,105	1,234
Other assets	558	482
Total assets	\$ 12,189	\$ 10,876
Liabilities and Stockholders' Equity (Deficit)		
Current portion of long-term debt	\$ 5	\$ 12
Accounts payable	851	612
Contract liabilities	1,650	1,554
Accrued liabilities	1,557	1,311
Total current liabilities	4,063	3,489
Long-term debt	5,688	5,163
Operating lease liabilities	313	402
Other liabilities	2,148	2,363
Total Motorola Solutions, Inc. stockholders' equity (deficit)	(40)	(558)
Non-controlling interests	17	17
Total liabilities and stockholders' equity (deficit)	\$ 12,189	\$ 10,876

Motorola Solutions, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In millions)

	Three Months Ended	
	December 31, 2021	December 31, 2020
Operating		
Net earnings	\$ 402	\$ 413
Adjustments to reconcile Net earnings to Net cash provided by operating activities:		
Depreciation and amortization	113	109
Non-cash other charges (income)	9	15
Share-based compensation expense	35	29
Losses (gains) on sales of investments and businesses, net	(1)	1
Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currency translation adjustments:		
Accounts receivable	(186)	(222)
Inventories	(185)	(16)
Other current assets and contract assets	(69)	168
Accounts payable, accrued liabilities, and contract liabilities	617	263
Other assets and liabilities	(64)	(8)
Deferred income taxes	32	(49)
Net cash provided by operating activities	<u>703</u>	<u>703</u>
Investing		
Acquisitions and investments, net	(161)	(4)
Proceeds from sales of investments	12	3
Capital expenditures	(68)	(66)
Net cash used for investing activities	<u>(217)</u>	<u>(67)</u>
Financing		
Repayment of debt	(2)	(4)
Repayment of unsecured revolving credit facility draw	—	(200)
Issuances of common stock	3	49
Purchases of common stock	(131)	(171)
Payment of dividends	(120)	(109)
Net cash used for financing activities	<u>(250)</u>	<u>(435)</u>
Effect of exchange rate changes on cash and cash equivalents	(15)	46
Net increase in cash and cash equivalents	221	247
Cash and cash equivalents, beginning of period	1,653	1,007
Cash and cash equivalents, end of period	<u>\$ 1,874</u>	<u>\$ 1,254</u>
Reconciliation of Net cash provided by operating activities to Free cash flow		
Net cash provided by operating activities	\$ 703	\$ 703
Capital expenditures	(68)	(66)
Free cash flow*	<u>\$ 635</u>	<u>\$ 637</u>

*Free cash flow is a non-GAAP financial measure and is calculated as Net cash provided by operating activities - Capital expenditures

Motorola Solutions, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In millions)

	Years Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Operating			
Net earnings	\$ 1,250	\$ 953	\$ 871
Adjustments to reconcile Net earnings to Net cash provided by operating activities:			
Depreciation and amortization	438	409	394
Non-cash other charges (income)	3	(13)	35
U.S. pension settlement loss	—	—	359
Gain from the extinguishment of 2.00% senior convertible notes	—	—	(4)
Share-based compensation expense	129	129	118
Losses (gains) on sales of investments and businesses, net	(1)	2	(5)
Losses from the extinguishment of long-term debt	18	56	50
Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currency translation adjustments:			
Accounts receivable	3	90	(79)
Inventories	(284)	(14)	(74)
Other current assets and contract assets	(205)	167	49
Accounts payable, accrued liabilities, and contract liabilities	578	(116)	198
Other assets and liabilities	(126)	(25)	(5)
Deferred income taxes	34	(25)	(84)
Net cash provided by operating activities	<u>1,837</u>	<u>1,613</u>	<u>1,823</u>
Investing			
Acquisitions and investments, net	(521)	(287)	(709)
Proceeds from sales of investments	16	11	16
Capital expenditures	(243)	(217)	(248)
Proceeds from sales of property, plant and equipment	6	56	7
Net cash used for investing activities	<u>(742)</u>	<u>(437)</u>	<u>(934)</u>
Financing			
Net proceeds from issuance of debt	844	892	1,804
Repayment of debt	(353)	(914)	(2,039)
Proceeds from unsecured revolving credit facility draw	—	800	—
Repayment of unsecured revolving credit facility draw	—	(800)	—
Revolving credit facility renewal fees	(7)	—	—
Issuances of common stock	102	108	114
Purchases of common stock	(528)	(612)	(315)
Settlement of conversion premium on 2.00% senior convertible notes	—	—	(326)
Payment of dividends	(482)	(436)	(379)
Payment of dividends to non-controlling interest	(5)	(4)	(3)
Net cash used for financing activities	<u>(429)</u>	<u>(966)</u>	<u>(1,144)</u>
Effect of exchange rate changes on cash and cash equivalents	(46)	43	(1)
Net increase (decrease) in cash and cash equivalents	620	253	(256)
Cash and cash equivalents, beginning of period	1,254	1,001	1,257
Cash and cash equivalents, end of period	<u>\$ 1,874</u>	<u>\$ 1,254</u>	<u>\$ 1,001</u>
Reconciliation of Net cash provided by operating activities to Free cash flow			
Net cash provided by operating activities	\$ 1,837	\$ 1,613	\$ 1,823
Capital expenditures	(243)	(217)	(248)
Free cash flow*	<u>1,594</u>	<u>1,396</u>	<u>1,575</u>

*Free cash flow is a non-GAAP financial measure and is calculated as Net cash provided by operating activities - Capital expenditures

Motorola Solutions, Inc. and Subsidiaries
Segment Information
(In millions)

Net Sales

	Three Months Ended		
	December 31, 2021	December 31, 2020	% Change
Products and Systems Integration	\$ 1,495	\$ 1,510	(1)%
Software and Services	825	763	8 %
Total Motorola Solutions	<u>\$ 2,320</u>	<u>\$ 2,273</u>	<u>2 %</u>

	Years Ended		
	December 31, 2021	December 31, 2020	% Change
Products and Systems Integration	\$ 5,033	\$ 4,634	9 %
Software and Services	3,138	2,780	13 %
Total Motorola Solutions	<u>\$ 8,171</u>	<u>\$ 7,414</u>	<u>10 %</u>

Operating Earnings

	Three Months Ended		
	December 31, 2021	December 31, 2020	% Change
Products and Systems Integration	\$ 320	\$ 351	(9)%
Software and Services	229	204	12 %
Total Motorola Solutions	<u>\$ 549</u>	<u>\$ 555</u>	<u>(1)%</u>

	Years Ended		
	December 31, 2021	December 31, 2020	% Change
Products and Systems Integration	\$ 760	\$ 656	16 %
Software and Services	907	727	25 %
Total Motorola Solutions	<u>\$ 1,667</u>	<u>\$ 1,383</u>	<u>21 %</u>

Operating Earnings %

	Three Months Ended	
	December 31, 2021	December 31, 2020
Products and Systems Integration	21.4 %	23.2 %
Software and Services	27.8 %	26.7 %
Total Motorola Solutions	<u>23.7 %</u>	<u>24.4 %</u>

	Years Ended	
	December 31, 2021	December 31, 2020
Products and Systems Integration	15.1 %	14.2 %
Software and Services	28.9 %	26.2 %
Total Motorola Solutions	<u>20.4 %</u>	<u>18.7 %</u>

Motorola Solutions, Inc. and Subsidiaries
Non-GAAP Adjustments (Intangible Assets Amortization Expense, Share-Based Compensation Expenses, and Other Highlighted Items)

(In millions)

Q1 2021

Non-GAAP Adjustments	Statement Line	PBT (Inc)/Exp	Tax Inc/(Exp)	PAT (Inc)/Exp	EPS impact
Intangible assets amortization expense	Intangibles amortization	\$ 58	\$ 13	\$ 45	\$ 0.26
Share-based compensation expenses	Cost of sales, SG&A and R&D	29	6	23	0.13
Reorganization of business charges	Cost of sales and Other charges (income)	16	3	13	0.07
Operating lease asset impairments	Other charges (income)	7	1	6	0.03
Hytera-related legal expenses	SG&A	2	1	1	0.01
Acquisition-related transaction fees	Other charges (income)	1	—	1	0.01
Fair value adjustments to equity investments	Other income (expense)	(5)	(1)	(4)	(0.02)
Adjustments to uncertain tax positions	Other income (expense) and Income tax expense	(1)	4	(5)	(0.03)
Total impact on Net earnings		\$ 107	\$ 27	\$ 80	\$ 0.46

Q2 2021

Non-GAAP Adjustments	Statement Line	PBT (Inc)/Exp	Tax Inc/(Exp)	PAT (Inc)/Exp	EPS impact
Intangible assets amortization expense	Intangibles amortization	\$ 58	\$ 9	\$ 49	\$ 0.28
Share-based compensation expenses	Cost of sales, SG&A and R&D	31	2	29	0.17
Loss from extinguishment of long-term debt	Other income (expense)	18	4	14	0.08
Reorganization of business charges	Cost of sales and Other charges (income)	9	2	7	0.04
Hytera-related legal expenses	SG&A	8	1	7	0.04
Acquisition-related transaction fees	Other charges (income)	3	—	3	0.02
Legal settlements	Other charges (income)	3	1	2	0.01
Impact of tax rate changes on deferred tax balances	Income tax expense	—	(2)	2	0.01
Fair value adjustments to equity investments	Other income (expense)	(8)	(2)	(6)	(0.03)
Adjustments to uncertain tax positions	Other income (expense) and Income tax expense	\$ (9)	\$ (1)	\$ (8)	\$ (0.05)
Release of valuation allowance on deferred tax assets	Income tax expense	\$ —	\$ 33	\$ (33)	\$ (0.19)
Total impact on Net earnings		\$ 113	\$ 47	\$ 66	\$ 0.38

Q3 2021

Non-GAAP Adjustments	Statement Line	PBT (Inc)/Exp	Tax Inc/(Exp)	PAT (Inc)/Exp	EPS impact
Intangible assets amortization expense	Intangibles amortization	\$ 56	\$ 9	\$ 47	\$ 0.27
Share-based compensation expenses	Cost of sales, SG&A and R&D	34	6	28	0.16
Fair value adjustments to equity investments	Other income (expense)	18	4	14	0.08
Hytera-related legal expenses	SG&A	8	1	7	0.04
Reorganization of business charges	Cost of sales and Other charges (income)	4	—	4	0.02
Acquisition-related transaction fees	Other charges (income)	2	—	2	0.02
Adjustments to uncertain tax positions	Other income (expense) and Income tax expense	1	—	1	0.01
Release of valuation allowance on deferred tax assets	Income tax expense	—	1	(1)	(0.01)
Total impact on Net earnings		\$ 123	\$ 21	\$ 102	\$ 0.59

Q4 2021

Non-GAAP Adjustments	Statement Line	PBT (Inc)/Exp	Tax Inc/(Exp)	PAT (Inc)/Exp	EPS impact
Intangible assets amortization expense	Intangibles amortization	\$ 64	\$ 18	\$ 46	\$ 0.26
Share-based compensation expenses	Cost of sales, SG&A and R&D	35	1	34	0.20
Acquisition-related transaction fees	Other charges (income)	9	—	9	0.05
Hytera-related legal expenses	SG&A	8	4	4	0.02
Reorganization of business charges	Cost of sales and Other charges (income)	3	2	1	0.01
Fair value adjustments to equity investments	Other income (expense)	3	2	1	0.01
Operating lease asset impairments	Other charges (income)	3	1	2	0.01
Sale of investments	(Gains) or losses on sales of investments and businesses, net	(1)	—	(1)	(0.01)
Adjustments to uncertain tax positions	Other income (expense) and Income tax expense	(1)	4	(5)	(0.03)
Impact of tax rate changes on deferred tax balances	Income tax expense	—	(2)	2	0.01
Undistributed foreign earnings from prior periods	Income tax expense	—	(3)	3	0.02
Total impact on Net earnings		\$ 123	\$ 27	\$ 96	\$ 0.55

FY 2021

Non-GAAP Adjustments	Statement Line	PBT (Inc)/Exp	Tax Inc/(Exp)	PAT (Inc)/Exp	EPS impact
Intangible assets amortization expense	Intangibles amortization	\$ 236	\$ 49	\$ 187	\$ 1.08
Share-based compensation expenses	Cost of sales, SG&A and R&D	129	15	114	0.66
Reorganization of business charges	Cost of sales and Other charges (income)	32	7	25	0.14
Hytera-related legal expenses	SG&A	26	7	19	0.11
Loss from extinguishment of long-term debt	Other income (expense)	18	4	14	0.08
Acquisition-related transaction fees	Other charges (income)	15	—	15	0.09
Operating lease asset impairments	Other charges (income)	10	2	8	0.05
Fair value adjustments to equity investments	Other income (expense)	8	3	5	0.03
Legal settlements	Other charges (income)	3	1	2	0.01
Sale of investments	(Gains) or losses on sales of investments and businesses, net	(1)	—	(1)	(0.01)
Adjustments to uncertain tax positions	Other income (expense) and Income tax expense	(10)	7	(17)	(0.10)
Release of valuation allowance on deferred tax assets	Income tax expense	—	34	(34)	(0.20)
Impact of tax rate changes on deferred tax balances	Income tax expense	—	(4)	4	0.02
Undistributed foreign earnings from prior periods	Income tax expense	—	(3)	3	0.02
Total impact on Net earnings		\$ 466	\$ 122	\$ 344	\$ 1.98

Motorola Solutions, Inc. and Subsidiaries
Non-GAAP Segment Information
(In millions)

Net Sales

	Three Months Ended		
	December 31, 2021	December 31, 2020	% Change
Products and Systems Integration	\$ 1,495	\$ 1,510	(1)%
Software and Services	825	763	8 %
Total Motorola Solutions	\$ 2,320	\$ 2,273	2 %

	Years Ended		
	December 31, 2021	December 31, 2020	% Change
Products and Systems Integration	\$ 5,033	\$ 4,634	9 %
Software and Services	3,138	2,780	13 %
Total Motorola Solutions	\$ 8,171	\$ 7,414	10 %

Non-GAAP Operating Earnings

	Three Months Ended		
	December 31, 2021	December 31, 2020	% Change
Products and Systems Integration	\$ 378	\$ 408	(7)%
Software and Services	292	259	13 %
Total Motorola Solutions	\$ 670	\$ 667	— %

	Years Ended		
	December 31, 2021	December 31, 2020	% Change
Products and Systems Integration	\$ 976	\$ 880	11 %
Software and Services	1,141	955	19 %
Total Motorola Solutions	\$ 2,117	\$ 1,835	15 %

Non-GAAP Operating Earnings %

	Three Months Ended	
	December 31, 2021	December 31, 2020
Products and Systems Integration	25.3 %	27.0 %
Software and Services	35.4 %	33.9 %
Total Motorola Solutions	28.9 %	29.3 %

	Years Ended	
	December 31, 2021	December 31, 2020
Products and Systems Integration	19.4 %	19.0 %
Software and Services	36.4 %	34.3 %
Total Motorola Solutions	25.9 %	24.8 %

Motorola Solutions, Inc. and Subsidiaries
Reconciliations of Operating Earnings to Non-GAAP Operating Earnings and Operating Margin to Non-GAAP Operating Margin
(In millions)

Q1 2021

	TOTAL	Products and Systems Integration	Software and Services
Net sales	\$ 1,773	\$ 1,015	\$ 758
Operating earnings ("OE")	\$ 298	\$ 77	\$ 221
Above-OE non-GAAP adjustments:			
Intangible assets amortization expense	58	13	45
Share-based compensation expenses	29	22	7
Reorganization of business charges	16	12	4
Operating lease asset impairment	7	5	2
Hytera-related legal expenses	2	2	—
Acquisition-related transaction fees	1	—	1
Total above-OE non-GAAP adjustments	113	54	59
Operating earnings after non-GAAP adjustments	\$ 411	\$ 131	\$ 280
Operating earnings as a percentage of net sales - GAAP	16.8 %	7.6 %	29.1 %
Operating earnings as a percentage of net sales - after non-GAAP adjustments	23.2 %	12.9 %	36.9 %

Q2 2021

	TOTAL	Products and Systems Integration	Software and Services
Net sales	\$ 1,971	\$ 1,198	\$ 773
Operating earnings ("OE")	\$ 370	\$ 139	\$ 231
Above-OE non-GAAP adjustments:			
Intangible assets amortization expense	58	13	45
Share-based compensation expenses	31	24	7
Reorganization of business charges	9	7	2
Hytera-related legal expenses	8	8	—
Legal settlements	3	2	1
Acquisition-related transaction fees	3	1	2
Total above-OE non-GAAP adjustments	112	55	57
Operating earnings after non-GAAP adjustments	\$ 482	\$ 194	\$ 288
Operating earnings as a percentage of net sales - GAAP	18.8 %	11.6 %	29.9 %
Operating earnings as a percentage of net sales - after non-GAAP adjustments	24.4 %	16.2 %	37.2 %

Q3 2021

	TOTAL	Products and Systems Integration	Software and Services
Net sales	\$ 2,107	\$ 1,325	\$ 782
Operating earnings ("OE")	\$ 451	\$ 224	\$ 227
Above-OE non-GAAP adjustments:			
Intangible assets amortization expense	56	13	43
Share-based compensation expenses	34	25	9
Hytera-related legal expenses	8	8	—
Reorganization of business charges	4	3	1
Acquisition-related transaction fees	2	—	2
Total above-OE non-GAAP adjustments	104	49	55
Operating earnings after non-GAAP adjustments	\$ 555	\$ 273	\$ 282
Operating earnings as a percentage of net sales - GAAP	21.4 %	16.9 %	29.1 %
Operating earnings as a percentage of net sales - after non-GAAP adjustments	26.3 %	20.6 %	36.0 %

Q4 2021

	TOTAL	Products and Systems Integration	Software and Services
Net sales	\$ 2,320	\$ 1,495	\$ 825
Operating earnings ("OE")	\$ 549	\$ 320	\$ 229
Above-OE non-GAAP adjustments:			
Intangible assets amortization expense	64	15	49
Share-based compensation expenses	35	28	7
Acquisition-related transaction fees	9	3	6
Hytera-related legal expenses	8	8	—
Reorganization of business charges	3	3	—
Operating lease asset impairment	3	2	1
Sale of investments	(1)	(1)	—
Total above-OE non-GAAP adjustments	121	58	63
Operating earnings after non-GAAP adjustments	\$ 670	\$ 378	\$ 292
Operating earnings as a percentage of net sales - GAAP	23.7 %	21.4 %	27.8 %
Operating earnings as a percentage of net sales - after non-GAAP adjustments	28.9 %	25.3 %	35.4 %

FY 2021

	TOTAL	Products and Systems Integration	Software and Services
Net sales	\$ 8,171	\$ 5,033	\$ 3,138
Operating earnings ("OE")	\$ 1,667	\$ 760	\$ 907
Above-OE non-GAAP adjustments:			
Intangible assets amortization expense	236	54	182
Share-based compensation expenses	129	99	30
Reorganization of business charges	32	25	7
Hytera-related legal expenses	26	26	—
Acquisition-related transaction fees	15	4	11
Operating lease asset impairment	10	7	3
Legal settlements	3	2	1
Sale of investments	(1)	(1)	—
Total above-OE non-GAAP adjustments	450	216	234
Operating earnings after non-GAAP adjustments	\$ 2,117	\$ 976	\$ 1,141
Operating earnings as a percentage of net sales - GAAP	20.4 %	15.1 %	28.9 %
Operating earnings as a percentage of net sales - after non-GAAP adjustments	25.9 %	19.4 %	36.4 %

Motorola Solutions, Inc. and Subsidiaries
Reconciliation of Revenue to Non-GAAP Organic Revenue
(In millions)

	Three Months Ended		% Change
	December 31, 2021	December 31, 2020	
Net sales	\$ 2,320	\$ 2,273	2 %
Non-GAAP adjustments:			
Sales from acquisitions	10	—	
Organic revenue	\$ 2,310	\$ 2,273	2 %

	Year Ended		% Change
	December 31, 2021	December 31, 2020	
Net sales	\$ 8,171	\$ 7,414	10 %
Non-GAAP adjustments:			
Sales from acquisitions	152	32	
Organic revenue	\$ 8,019	\$ 7,382	9 %