



EARNINGS PRESENTATION

Q1 2022 RESULTS | May 12, 2022

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.

Risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements include, without limitation: (i) the impact, including increased costs and potential liabilities, associated with changes in laws and regulations regarding privacy, data protection and information security; (ii) challenges relating to existing or future legislation and regulations pertaining to artificial intelligence (“AI”), AI-enabled products and the use of biometrics and other video analytics; (iii) the impact of government regulation of radio frequencies; (iv) audits and regulations and laws applicable to our U.S. government customer contracts and grants; (v) the impact, including additional compliance obligations, associated with existing or future telecommunications-related laws and regulations; (vi) the evolving state of environmental regulation relating to climate change, and the physical risks of climate change; (vii) impact of product regulatory and safety, consumer, worker safety and environmental laws; (viii) impact of tax matters; (ix) the continuing and future impact of the COVID-19 pandemic on our business; (x) additional compliance obligations and increased risk and competition associated with the expansion of our technologies within our Products and Systems Integration and Software and Services segments; (xi) the effectiveness of our investments in new products and technologies; (xii) the effectiveness of our strategic acquisitions, including the integrations of such acquired businesses; (xiii) increased cybersecurity threats, a security breach or other significant disruption of our IT systems or those of our outsource partners, suppliers or customers; (xiv) our inability to protect our intellectual property or potential infringement of intellectual property rights of third parties; (xv) our license of the MOTOROLA, MOTO, MOTOROLA SOLUTIONS and the Stylized M logo and all derivatives and formatives thereof from Motorola Trademark Holdings, LLC; (xvi) the global nature of our employees, customers, suppliers and outsource partners; (xvii) our use of third-parties to develop, design and/or manufacture many of our components and some of our products, and to perform portions of our business operations; (xviii) the inability of our subcontractors to perform in a timely and compliant manner or adhere to our Human Rights Policy; (xix) our inability to purchase at acceptable prices a sufficient amount of materials, parts, and components, as well as software and services, to meet the demands of our customers, and any disruption to our suppliers or significant increase in the price of supplies; (xx) risks related to our large, multi-year system and services contracts; (xxi) the inability of our products to meet our customers’ expectations or regulatory or industry standards; (xxii) impact of current global economic and political conditions in the markets in which we operate (including the Russia-Ukraine conflict and inflation); (xxiii) impact of returns on pension and retirement plan assets and interest rate changes; (xxiv) inability to access the capital markets for financing on acceptable terms and conditions; (xxv) inability to attract and retain senior management and key employees; (xxvi) impact of the ARPA on our business; and (xxvii) the return of capital to shareholders through dividends and/or repurchasing shares. Motorola Solutions undertakes no obligation to publicly update any forward-looking statement or risk factor, whether as a result of new information, future events or otherwise. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see our reports on Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC from time to time available for free on the SEC’s website at www.sec.gov, and on Motorola Solutions’ website at www.motorolasolutions.com/investor

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HIGHLIGHTS

Q1 2022



- **Sales of \$1.9B, up 7% vs. the prior year**
 - Products and Systems Integration up 9% on growth in Land Mobile Radio (“LMR”) and video security
 - Software and Services up 4% on growth in video security and command center software
- **GAAP EPS of \$1.54**
- **Non-GAAP EPS¹ of \$1.70**
- **Record Q1 ending backlog of \$13.4B, up 19% from a year ago**
- **Video Security and Access Control sales up 21%**
- **Repurchased \$493M of shares and paid \$134M in dividends**
- **Invested \$507M² for the acquisitions of Ava Security (\$387M) and TETRA Ireland (\$120M) within the quarter**
- **Subsequent to quarter-end we acquired Calipsa, a leader in cloud-based advanced video analytics for \$40M², and Videotec, a global supplier of pan-tilt-zoom and explosion proof cameras for \$22M²**

¹ Non-GAAP measures exclude highlighted items, including share-based compensation expenses and intangible assets amortization expense

² Net of cash acquired

FINANCIAL RESULTS

	Q1 21	Q1 22	CHANGE
REVENUE	\$1,773	\$1,892	7%
NON-GAAP OPERATING EARNINGS*	\$411	\$374	(9%)
NON-GAAP OPERATING MARGIN*	23.2%	19.8%	(340 bps)
NON-GAAP EARNINGS PER SHARE*	\$1.87	\$1.70	(9%)

(\$M) excluding per share amounts

* Non-GAAP measures exclude highlighted items, including share-based compensation expenses and intangible assets amortization expense.

CASH FLOW

(M\$)	Q1 21	Q1 22	CHANGE	FY 21	FY 22E	CHANGE
OPERATING CASH FLOW	\$370	\$152	(\$218)	\$1,837	\$1,875	\$38
CAPITAL EXPENDITURES	(\$52)	(\$54)	(\$2)	(\$243)	(\$275)	(\$32)
FREE CASH FLOW*	\$318	\$98	(\$220)	\$1,594	\$1,600	\$6

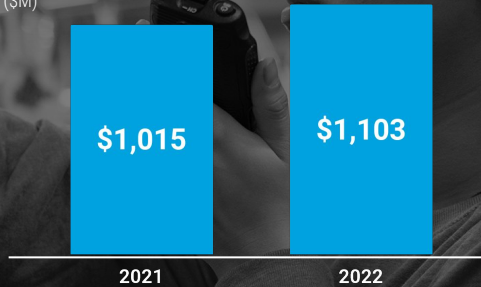
* Free Cash Flow is a non-GAAP financial measure and is calculated as Net cash provided by operating activities - Capital Expenditures.

PRODUCTS & SI

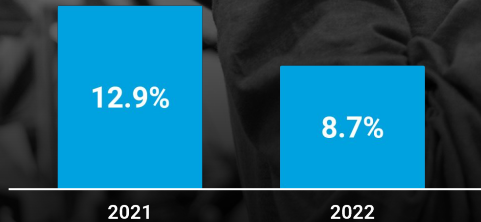
Q1 2022

Revenue

(\$M)



Non-GAAP Operating Margin %*



* Non-GAAP measures exclude highlighted items, including share-based compensation expenses and intangible assets amortization expense.

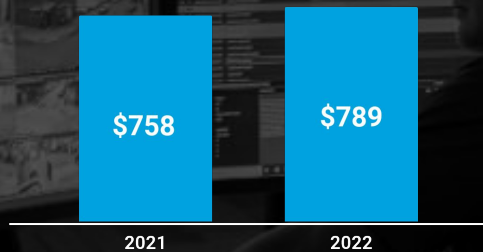
- Revenue up 9% driven by growth in LMR and video security
- Non-GAAP operating margin* down 420 bps driven by increased direct material costs, partially offset by higher sales
- Notable wins and achievements:
 - \$60M+ nationwide P25 order for Taiwan National Police Agency
 - \$20M of P25 upgrade orders for Los Angeles Unified School District
 - \$14M TETRA upgrade order for the Israel Railways
 - \$11M P25 expansion for a large U.S. customer
 - \$5M video order for a large U.S. public school system

SOFTWARE & SERVICES

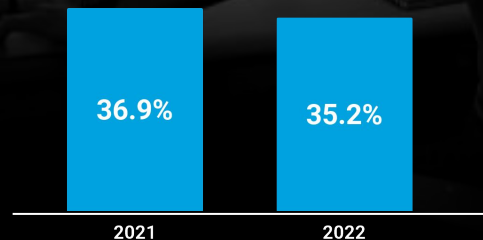
Q1 2022

Revenue

(\$M)



Non-GAAP Operating Margin %*



* Non-GAAP measures exclude highlighted items, including share-based compensation expenses and intangible assets amortization expense.

- Revenue up 4%, driven by growth in video security and command center software
- Non-GAAP operating margin* down 170 bps driven by mix and higher M&A operating expenses, partially offset by higher sales
- Notable multi-year wins and achievements:
 - \$27M command center software order for a customer in LATAM
 - \$20M of U.S. Federal multi-year service orders
 - \$8M command center software record management order for the City of Phoenix, AZ
 - \$8M services agreement with the City of Chicago, IL
 - 28% growth in video security and access control software
 - Subsequent to quarter end, launched the Public Safety Threat Alliance, a cybersecurity information sharing and intelligence hub for the public safety community

REGIONAL REVENUE

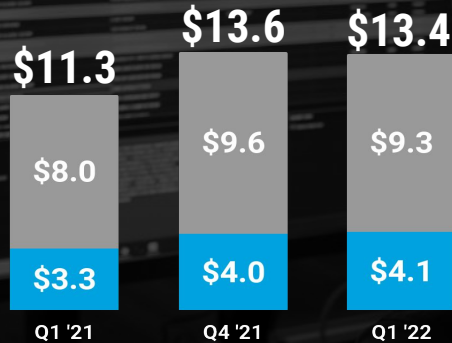
Q1 2022

(\$M)	Q1 21	Q1 22	CHANGE
NORTH AMERICA	\$1,185	\$1,305	10%
INTERNATIONAL	\$588	\$587	–
TOTAL	\$1,773	\$1,892	7%

- **North America** growth driven by LMR, video security and command center software
- **International** flat with growth in video security and command center software, offset by a decline in LMR due to FX

BACKLOG TREND

(\$B)



■ Products and SI ■ Software and Services

Software and Services

- Y/Y up \$1.3B primarily driven by an extension of the Airwave contract and growth in software and services contracts in North America
- Q/Q down \$221M primarily driven by revenue recognition for Airwave and ESN

Products and Systems Integration

- Y/Y up \$852M driven by strong LMR and video demand
- Q/Q up \$106M driven by strong LMR and video demand

OUTLOOK

(NON-GAAP)*



Q2 2022

Revenue Growth	4% - 5%
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Non-GAAP EPS	\$1.83 - \$1.88
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PRIOR FULL-YEAR 2022

Revenue Growth	Approx. 7%
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Non-GAAP EPS	\$9.80 - \$9.95
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FULL-YEAR 2022

Revenue Growth	Approx. 7%
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Non-GAAP EPS	\$9.80 - \$9.95
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Q2 Details

- Effective tax rate of 22% to 23%
- Fully diluted share count of approx. 173M shares
- Approx. \$50M FX headwind

Prior Full-Year Details

- Effective tax rate 21% to 22%
- Fully diluted share count approx. 174M shares
- Approx. \$60M FX headwind

Full-Year Details

- Effective tax rate 21% to 21.5%
- Fully diluted share count approx. 173M shares
- Approx. \$170M FX headwind

*FY outlook assumes current FX rates as of May 12th, 2022

Q&A PARTICIPANTS

GREG BROWN

Chairman and CEO

JASON WINKLER

Executive Vice President and CFO

TIM YOCUM

Vice President, Investor Relations

JACK MOLLOY

Executive Vice President and COO

MAHESH SAPTHARISHI

Executive Vice President and CTO

USE OF NON-GAAP MEASURES

In addition to the results presented in accordance with accounting principles generally accepted in the U.S. ("GAAP") included in this presentation, Motorola Solutions, Inc. (the "Company") also has included non-GAAP measurements of results, including free cash flow, non-GAAP operating earnings, non-GAAP EPS, non-GAAP operating margin, EBITDA, adjusted EBITDA, Net Debt and Net Debt to adjusted EBITDA ratio. The Company has provided these non-GAAP measurements to help investors better understand its core operating performance, enhance comparisons of core operating performance from period-to-period and allow better comparisons of its operating performance to that of its competitors. Among other things, management uses these operating results, excluding the identified items, to evaluate the performance of its businesses and to evaluate results relative to certain incentive compensation targets. Management uses operating results excluding these items because it believes these measurements enable it to make better period-to-period evaluations of the financial performance of its core business operations. The non-GAAP measurements are intended only as a supplement to the comparable GAAP measurements and the Company compensates for the limitations inherent in the use of non-GAAP measurements by using GAAP measures in conjunction with the non-GAAP measurements. As a result, investors should consider these non-GAAP measurements in addition to, and not in substitution for or as superior to, GAAP measurements.

Details of these items and reconciliations of the non-GAAP measurements provided during this presentation to GAAP measurements can be found in this appendix to this presentation and on Motorola Solutions' website at investors.motorolasolutions.com.

The Company has not quantitatively reconciled its guidance for forward-looking non-GAAP metrics to their most comparable GAAP measure because the Company does not provide specific guidance for the various reconciling items as certain items that impact these measures have not occurred, are out of the Company's control, or cannot be reasonably predicted. Accordingly, a reconciliation to the most comparable GAAP financial metric is not available without unreasonable effort. Please note that the unavailable reconciling items could significantly impact the Company's results.

Free Cash Flow - Represents net cash provided by operating activities ("operating cash flow") less capital expenditures. The Company believes that free cash flow is useful to investors as the basis for comparing its performance and coverage ratios with other companies in the Company's industries, although the Company's measure of free cash flow may not be directly comparable to similar measures used by other companies. This measure is also used as a component of incentive compensation.

EBITDA - Represents net income before interest expense, interest income, income taxes, depreciation, and amortization.

Adjusted EBITDA - Represents EBITDA adjusted for net other income, income from discontinued operations, share based compensation expense, U.S. Pension settlement loss, and special items including charges or income related to reorganization and other charges, 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 reorganization activities.

Net Debt and Net Debt to Adj. EBITDA Ratio - Net Debt is calculated as Long-term Debt, including the Current Portion of Long-term Debt, less Cash and Cash Equivalents. Net Debt to Adj. EBITDA Ratio is calculated by dividing Net Debt by Trailing 12 month Adjusted EBITDA.

SUPPLEMENTAL DISAGGREGATION OF REVENUE

Motorola Solutions, Inc. Disaggregation of Revenues

Below is an updated presentation of the disaggregation of revenues for the Company's major products and services for the three months ended April 3, 2021 and April 2, 2022 to provide a more comprehensive view of the Company's technologies within our reporting segments, Products & Systems Integration and Software & Services:

Land Mobile Radio Communications ("LMR Communications") - Includes revenues from infrastructure, devices (two-way radio and broadband, including both for public safety and Professional Commercial Radio) and software that enable communications, inclusive of installation and integration, backed by services, to assure availability, security and resiliency.

Video Security and Access Control - Includes revenues from cameras (fixed, body-worn, in-vehicle), access control, infrastructure, video management, software and artificial intelligence-enabled analytics that enable visibility "on scene" and bring attention to what's important.

Command Center Software - Includes revenues from our Software suite that enables collaboration and seamless information sharing through the public safety workflow from "911 call to case closure."

	Three Months Ended						Growth % by Total Technology
	April 3, 2021			April 2, 2022			
	Products and Systems Integration	Software and Services	Total	Products and Systems Integration	Software and Services	Total	
<i>(In millions)</i>							
LMR Communications	\$ 850	\$ 551	\$ 1,401	\$ 909	\$ 546	\$ 1,455	4 %
Video Security and Access Control	165	88	253	194	113	307	21 %
Command Center Software	—	119	119	—	130	130	9 %
Total	\$ 1,015	\$ 758	\$ 1,773	\$ 1,103	\$ 789	\$ 1,892	7 %

SUPPLEMENTAL NON-GAAP MEASURES

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

	Q1 '20	Q2 '20	Q3 '20	Q4 '20	Q1 '21	Q2 '21	Q3 '21	Q4 '21	Q1 '22
Net sales	\$ 1,655	\$ 1,618	\$ 1,868	\$ 2,273	\$ 1,773	\$ 1,971	\$ 2,107	\$ 2,320	\$ 1,892
GAAP gross margin	787	766	909	1,146	860	952	1,045	1,183	857
Non-GAAP gross margin adjustments:									
Pelco purchase accounting adjustment	—	—	3	4	—	—	—	—	—
Share-based compensation expenses	5	4	3	4	4	4	4	4	6
Reorganization of business charges	6	15	3	5	2	3	2	1	3
Non-GAAP gross margin	798	785	918	1,159	866	959	1,051	1,188	866
GAAP Operating earnings ("OE")	259	218	352	555	298	370	451	549	239
Non-GAAP OE Adjustments:									
Share-based compensation expenses	33	27	28	25	25	27	30	31	31
Reorganization of business charges	12	26	10	9	14	6	2	2	7
Intangible assets amortization expense	53	51	54	57	58	58	56	64	66
Other highlighted items*	(21)	18	10	8	10	14	10	19	22
Non-GAAP OE	\$ 347	\$ 359	\$ 463	\$ 667	\$ 411	\$ 482	\$ 555	\$ 670	\$ 374
GAAP OE %	15.6 %	13.5 %	18.9 %	24.4 %	16.8 %	18.8 %	21.4 %	23.7 %	12.6 %
Non-GAAP Adj %	5.4 %	8.7 %	5.9 %	4.9 %	6.4 %	5.6 %	4.9 %	5.2 %	7.2 %
Non-GAAP OE %	21.0 %	22.2 %	24.8 %	29.3 %	23.2 %	24.4 %	26.3 %	28.9 %	19.8 %
GAAP Other income (expense)	(35)	(42)	(101)	(33)	(9)	(30)	(46)	(31)	(20)
Non-GAAP below OE highlighted items*	1	4	(61)	3	6	(1)	(19)	(2)	6
Non-GAAP Other income (expense)	(36)	(46)	(40)	(36)	(15)	(29)	(27)	(29)	(26)
GAAP Net earnings attributable to Motorola Solutions, Inc.	197	135	205	412	244	293	307	401	267
Non-GAAP above OE highlighted items*	88	141	111	112	113	112	104	121	135
Non-GAAP below OE highlighted items*	(1)	(4)	61	(3)	(6)	1	19	2	(6)
Non-GAAP tax adjustments and effect	(21)	(31)	(38)	(24)	(27)	(47)	(21)	(27)	(102)
TOTAL Non-GAAP Earnings attributable to Motorola Solutions, Inc.	\$ 263	\$ 241	\$ 339	\$ 497	\$ 324	\$ 359	\$ 409	\$ 497	\$ 294
GAAP attributable to Motorola Solutions, Inc. earnings per share ("EPS")	\$ 1.12	\$ 0.78	\$ 1.18	\$ 2.37	\$ 1.41	\$ 1.69	\$ 1.76	\$ 2.30	\$ 1.54
Non-GAAP attributable to Motorola Solutions, Inc. EPS adjustments*	0.37	0.61	0.77	0.49	0.46	0.38	0.59	0.55	0.16
Non-GAAP attributable to Motorola Solutions, Inc. EPS	\$ 1.49	\$ 1.39	\$ 1.95	\$ 2.86	\$ 1.87	\$ 2.07	\$ 2.35	\$ 2.85	\$ 1.70
Diluted weighted average shares outstanding	175.9	173.6	173.5	173.5	173.2	173.1	174.1	174.2	173.1

*Highlighted items: The company has excluded the effects of highlighted items including, but not limited to, acquisition-related transaction fees, tangible and intangible asset impairments, certain non-cash pension adjustments, legal settlements and other contingencies, gains and losses on investments and businesses, Hytera-related legal expenses, and the income tax effects of significant tax matters, from its non-GAAP operating expenses and net income measurements because the company believes that these historical items do not reflect expected future operating earnings or expenses and do not contribute to a meaningful evaluation of the company's current operating performance or comparisons to the company's past operating performance. For the purposes of management's internal analysis over operating performance, the company uses financial statements that exclude highlighted items, as these charges do not contribute to a meaningful evaluation of the company's current operating performance or comparisons to the company's past operating performance.

SUPPLEMENTAL NON-GAAP MEASURES

Motorola Solutions, Inc. and Subsidiaries Reconciliation of GAAP EPS to Non-GAAP EPS

<i>(per diluted common share)</i>	Q1 2021		Q1 2022	
GAAP EPS	\$	1.41	\$	1.54
Highlighted Items:				
Intangible assets amortization expense	\$	0.33	\$	0.38
Share-based compensation expenses		0.17		0.21
Fair value adjustments to equity investments		(0.02)		0.10
Legal settlements		—		0.06
Acquisition-related transaction fees		0.01		0.06
Reorganization of business charges		0.09		0.06
Operating lease asset impairments		0.04		0.05
Fixed asset impairments		—		0.02
Hytera-related legal expenses		0.01		0.01
Investment impairments		—		0.01
Gain on sales of investments		—		(0.01)
Adjustments to uncertain tax positions		(0.01)		(0.01)
Gain on Hytera legal settlement		—		(0.07)
Gain on TETRA Ireland equity method investment		—		(0.12)
Income tax expense (income) on Non-GAAP adjustments		(0.16)		(0.59)
Non-GAAP EPS	\$	1.87	\$	1.70

SUPPLEMENTAL NON-GAAP MEASURES

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

	Three Months Ended					
	April 2, 2022			April 3, 2021		
	Products and Systems Integration	Software and Services	Total	Products and Systems Integration	Software and Services	Total
Net sales	\$ 1,103	\$ 789	\$ 1,892	\$ 1,015	\$ 758	\$ 1,773
Operating earnings ("OE")	\$ 39	\$ 200	\$ 239	\$ 77	\$ 221	\$ 298
Above-OE non-GAAP adjustments:						
Intangible assets amortization expense	15	51	66	13	45	58
Share-based compensation expenses	27	10	37	22	7	29
Legal settlements	—	11	11	—	—	—
Acquisition-related transaction fees	6	4	10	—	1	1
Reorganization of business charges	8	2	10	12	4	16
Operating lease asset impairment	9	—	9	5	2	7
Fixed asset impairment	3	—	3	—	—	—
Hytera-related legal expenses	2	—	2	2	—	2
Gain on Hytera legal settlement	(13)	—	(13)	—	—	—
Total above-OE non-GAAP adjustments	57	78	135	54	59	113
Operating earnings after non-GAAP adjustments	\$ 96	\$ 278	\$ 374	\$ 131	\$ 280	\$ 411
Operating earnings as a percentage of net sales - GAAP	3.5 %	25.3 %	12.6 %	7.6 %	29.1 %	16.8 %
Operating earnings as a percentage of net sales - after non-GAAP adjustments	8.7 %	35.2 %	19.8 %	12.9 %	36.9 %	23.2 %

SUPPLEMENTAL NON-GAAP MEASURES

RECONCILIATION OF GAAP NET EARNINGS TO EBITDA AND ADJUSTED EBITDA

(\$ in millions)	Q2 2021	Q3 2021	Q4 2021	Q1 2022	TTM
GAAP Net earnings attributable to Motorola Solutions, Inc.	\$ 293	\$ 307	\$ 401	\$ 267	\$ 1,268
Interest Expense, Net	44	56	54	56	210
Income Tax Expense	46	97	116	(49)	210
Depreciation Expense	52	49	49	45	195
Intangible Amortization Expense	58	56	64	66	244
EBITDA	\$ 493	\$ 565	\$ 684	\$ 385	\$ 2,127
Share-based Compensation Expense	31	34	35	37	137
Reorganization of Business Charges	9	4	3	10	26
Loss from the Extinguishment of Debt	18	—	—	—	18
Other Above OE Highlighted Items***	14	10	19	22	65
Below OE Highlighted Items***	(7)	19	2	(6)	8
Adjusted EBITDA	\$ 558	\$ 632	\$ 743	\$ 448	\$ 2,381

NET DEBT CALCULATION

	Q1 2022
Long-term Debt	\$ 5,689
Current Portion of Long-term Debt	4
Less Cash and Cash Equivalents	878
Net Debt	\$ 4,815

NET DEBT TO ADJUSTED EBITDA CALCULATION

	Q1 2022
Net Debt	\$ 4,815
Trailing Twelve Months ("TTM") Adjusted EBITDA	2,381
Net Debt to TTM Adjusted EBITDA	2.0

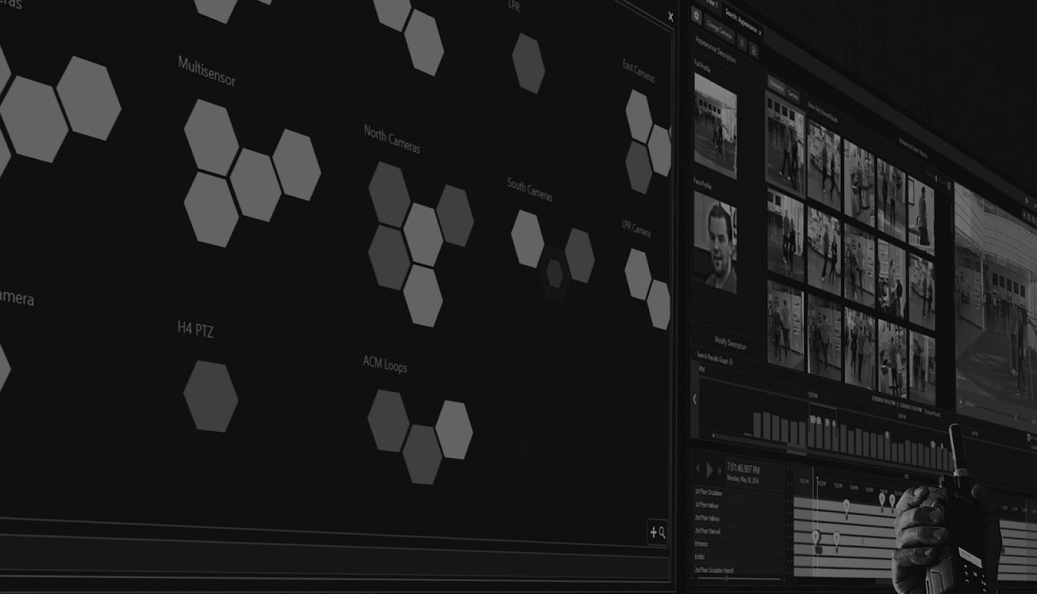
*** Refer to slide 14 for details of highlighted items

SUPPLEMENTAL NON-GAAP MEASURES

RECONCILIATION OF GAAP NET EARNINGS TO EBITDA AND ADJUSTED EBITDA

	(\$ in millions)						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
GAAP Net Earnings (Loss) from Continuing Operations	\$ 640	\$ 560	\$ (155)	\$ 966	\$ 868	\$ 949	\$ 1,245
Interest Expense, Net	173	205	201	222	220	220	208
Income Tax Expense	274	282	1,227	133	130	221	302
Depreciation Expense	142	182	192	172	186	194	202
Intangible Amortization Expense	8	113	151	188	208	215	236
EBITDA	\$ 1,237	\$ 1,342	\$ 1,616	\$ 1,681	\$ 1,612	\$ 1,799	\$ 2,193
US Pension Settlement Loss	—	—	—	—	359	—	—
Share-based Compensation Expenses	78	68	66	73	118	129	129
Reorganization of Business Charges	87	138	42	120	57	86	32
Loss from the Extinguishment of Debt	—	—	—	—	50	57	18
Other Above OE Highlighted Items***	31	15	(37)	104	11	15	53
Below OE Highlighted Items***	(117)	62	46	(12)	1	3	8
Adjusted EBITDA	\$ 1,316	\$ 1,625	\$ 1,733	\$ 1,966	\$ 2,210	\$ 2,091	\$ 2,433

*** Refer to slide 14 for details of highlighted items



THANK YOU
