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

	Three Months Ended						
	September 27, 2025	September 28, 2024					
Net sales from products	\$ 1,751	\$ 1,670					
Net sales from services	1,258	1,120					
Net sales	3,009	2,790					
Costs of products sales	728	688					
Costs of services sales	727	669					
Costs of sales	1,455	1,357					
Gross margin	1,554	1,433					
Selling, general and administrative expenses	485	439					
Research and development expenditures	237	234					
Other charges (income)	(4)	11					
Intangibles amortization	66	38					
Operating earnings	770	711					
Other income (expense):							
Interest expense, net	(86)	(58)					
Other, net	41	42					
Total other expense	(45)	(16)					
Net earnings before income taxes	725	695					
Income tax expense	161	132					
Net earnings	564	563					
Less: Earnings attributable to non-controlling interests	2	1					
Net earnings attributable to Motorola Solutions, Inc.	\$ 562	\$ 562					
-	φ 302	<u>Φ 302</u>					
Earnings per common share: Basic	\$ 3.37	\$ 3.36					
Diluted	\$ 3.33	\$ 3.29					
Weighted average common shares outstanding:	ψ 0.00	ψ 5.25					
Basic	166.6	167.1					
Diluted	169.0	170.9					
Zilatoa -							
Net sales from products	58.2 %	of Net Sales* 59.9 %					
Net sales from services	41.8 %						
Net sales	100.0 %	100.0 %					
Costs of products sales	41.6 %						
Costs of products sales Costs of services sales	57.8 %	59.7 %					
Costs of sales							
	48.4 %	48.6 %					
Gross margin	51.6 %						
Selling, general and administrative expenses	16.1 %						
Research and development expenditures	7.9 %						
Other charges (income)	(0.1)%						
Intangibles amortization	2.2 %						
Operating earnings	25.6 %	25.5 %					
Other income (expense):		(= .).=					
Interest expense, net	(2.9)%						
Other, net	1.4 %						
Total other expense	(1.5)%						
Net earnings before income taxes	24.1 %						
Income tax expense	5.4 %						
Net earnings	18.7 %						
Less: Earnings attributable to non-controlling interests	0.1 %	<u> </u>					
Net earnings attributable to Motorola Solutions, Inc.	18.7 %	20.2 %					

* Percentages may not add up due to rounding

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

	September 27, 2025	Sentember 28 202
Net sales from products	\$ 4,731	\$ 4,639
Net sales from services	3,571	3,167
Net sales	8,302	7,806
Costs of products sales	1,948	1,941
Costs of products sales	2,087	1,902
Costs of sales	4,035	3,843
Gross margin	4,267	3,963
Selling, general and administrative expenses	1,371	1,265
Research and development expenditures	700	671
• •	10	39
Other charges (income)		
Intangibles amortization	142	114
Operating earnings	2,044	1,874
Other income (expense):	(402)	(474)
Interest expense, net	(192)	(171)
Other, net	100	(519)
Total other expense	(92)	(690)
Net earnings before income taxes	1,952	1,184
Income tax expense	442	214
Net earnings	1,510	970
Less: Earnings attributable to non-controlling interests	5	4
Net earnings attributable to Motorola Solutions, Inc.	<u>\$ 1.505</u>	\$ 966
Earnings per common share:	•	
Basic	\$ 9.02	\$ 5.79
Diluted	\$ 8.89	\$ 5.66
Weighted average common shares outstanding:		
Basic	166.8	166.7
Diluted	169.2	170.6
	Percentage	of Net Sales*
Net sales from products	57.0 %	59.4
Net sales from services	43.0 %	40.6
Net sales	100.0 %	100.0
Costs of products sales	41.2 %	41.8
Costs of services sales	58.4 %	60.1
Costs of sales	48.6 %	49.2
Gross margin	51.4 %	50.8
Selling, general and administrative expenses	16.5 %	16.2
Research and development expenditures	8.4 %	8.6
Other charges (income)	0.1 %	0.5
Intangibles amortization	1.7 %	1.5
Operating earnings	24.6 %	
Other income (expense):		
Interest expense, net	(2.3)%	(2.2)
Other, net	1.2 %	
Total other expense	(1.1)%	
Net earnings before income taxes	23.5 %	
Income tax expense	5.3 %	
Net earnings	18.2 %	
Less: Earnings attributable to non-controlling interests	0.1 %	
Net earnings attributable to Motorola Solutions, Inc.	18.1 %	

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

	Septeml	oer 27, 2025	Dec	ember 31, 2024
Assets				
Cash and cash equivalents	\$	894	\$	2,102
Accounts receivable, net		2,018		1,952
Contract assets		1,515		1,230
Inventories, net		943		766
Other current assets		441		429
Total current assets		5,811		6,479
Property, plant and equipment, net		1,099		1,022
Operating lease assets		577		529
Investments		192		135
Deferred income taxes		767		1,280
Goodwill		6,776		3,526
Intangible assets, net		3,131		1,249
Other assets		446		375
Total assets	\$	18,799	\$	14,595
Liabilities and Stockholders' Equity				
Current portion of long-term debt	\$	_	\$	322
Short-term borrowings		928		_
Accounts payable		940		1,018
Contract liabilities		2,074		2,072
Accrued liabilities		1,717		1,643
Total current liabilities		5,659		5,055
Long-term debt		8,411		5,675
Operating lease liabilities		469		427
Other liabilities		1,916		1,719
Total Motorola Solutions, Inc. stockholders' equity		2,327		1,703
Non-controlling interests		17		16
Total liabilities and stockholders' equity	<u>\$</u>	18,799	\$	14,595

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

	Three Months Ended							
	September 27, 2025	September 28, 2024						
Operating								
Net earnings	\$ 564	\$ 563						
Adjustments to reconcile Net earnings to Net cash provided by operating activities:								
Depreciation and amortization	115	84						
Non-cash other charges (income)	1	(3)						
Share-based compensation expenses	73	61						
Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currency translation adjustments:								
Accounts receivable	(128)	(64)						
Inventories	(23)	(8)						
Other current assets and contract assets	(108)	(96)						
Accounts payable, accrued liabilities and contract liabilities	175	206						
Other assets and liabilities	52	1						
Deferred income taxes	78	15						
Net cash provided by operating activities	799	759						
Investing								
Acquisitions and investments, net	(4,370)	(226)						
Proceeds from sales of investments and businesses, net	2	1						
Capital expenditures	(66)	(57)						
Net cash used for investing activities	(4,434)	(282)						
Financing								
Net proceeds from issuance of debt	750	_						
Net proceeds from short-term borrowings	923	_						
Repayments of debt	(70)	(313)						
Issuances of common stock, net of tax	32	18						
Purchases of common stock	(121)	(31)						
Payments of dividends	(182)	(164)						
Payments of dividends to non-controlling interests	(1)	(1)						
Net cash provided by (used for) financing activities	1,331	(491)						
Effect of exchange rate changes on total cash and cash equivalents	(8)	37						
Net increase (decrease) in total cash and cash equivalents	(2,312)	23						
Cash and cash equivalents, beginning of period	3,206	1,381						
Cash and cash equivalents, end of period	\$ 894	\$ 1,404						

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

Net earnings \$ 1,510 \$ 970 Adjustments to reconcile Net earnings to Net cash provided by operating activities: Secondary of the context of		Nine Months Ended					
Net earnings 1,510 970 Adjustments to reconcile Net earnings to Net cash provided by operating activities: Secondary of the charges (income) 282 250 Non-cash other charges (income) (4) 12 250 Non-cash other charges (income) (4) 12 358 Changes in assets and liabilities net of effects of acquisitions, dispositions, and foreign currency translation adjustments: 655 455 Accounts receivable 1 (121) (190) 21 (121) Inventories (107) 21 (107) 21 (100) (279) <th></th> <th>September 27, 2025</th> <th>September 28, 2024</th>		September 27, 2025	September 28, 2024				
Adjustments to reconcile Net earnings to Net cash provided by operating activities: 282 250 Depreciation and amortization 282 250 Non-cash other charges (income) (4) 12 Share-based compensation expenses 213 180 Loss from the extinguishment of Silver Lake Convertible Debt — 585 Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currency translation adjustments: — 121 Accounts receivable 1 (121) Inventories (107) 21 Other current assets and contract assets (230) (279) Accounts payable, accrued liabilities and contract liabilities 101 (17 Other assets and liabilities 101 (17 Deferred income taxes 95 (155) Net cash provided by operating activities 1,581 1,321 Investing 4(4,835) (268) Proceeds from sales of investments and businesses, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (3,2	Operating						
activities: 282 250 Depreciation and amortization 282 250 Non-cash other charges (income) (4) 12 Share-based compensation expenses 213 180 Loss from the extinguishment of Silver Lake Convertible Debt — 585 Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currency translation adjustments: 585 Accounts receivable 1 (121) Inventories (107) 21 Other current assets and contract assets (230) (279) Accounts payable, accrued liabilities and contract liabilities 101 (17) Other assets and liabilities 101 (17) Deferred income taxes 95 (155) Net cash provided by operating activities 1,581 1,321 Investing (4,835) (268) Proceeds from sales of investments, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities	Net earnings	\$ 1,510	\$ 970				
Non-cash other charges (income) (4) 12 Share-based compensation expenses 213 180 Loss from the extinguishment of Silver Lake Convertible Debt — 585 Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currency translation adjustments: Interventices 1 (121) Accounts receivable 1 (121) (1107) 21 Inventories (230) (279) (279) Accounts payable, accrued liabilities and contract liabilities (280) (125) Other current assets and contract assets (280) (125) Other assets and liabilities 101 (17 Deferred income taxes 95 (155) Other assets and liabilities and contract liabilities 1,581 1,321 Investing 101 (17 (17 (12 (161) (171) Deferred income taxes 95 (155) (155) (155) Net cash provided by operating activities (4,835) (268) (268) Proceeds from sales of investments, net (4,835) (268	Adjustments to reconcile Net earnings to Net cash provided by operating activities:						
Share-based compensation expenses 213 180 Loss from the extinguishment of Silver Lake Convertible Debt — 585 Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currenty translation adjustments: 6 (107) 21 Accounts receivable 1 (121) (107) 21 Other current assets and contract assets (230) (279) Accounts payable, accrued liabilities and contract liabilities (280) (125) Other assets and liabilities 101 (17) Deferred income taxes 95 (155) Net cash provided by operating activities 1,581 1,321 Investing (4,835) (268) Proceeds from sales of investments, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net proceeds from issuance of debt 2,733 1,288 Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repay	Depreciation and amortization	282	250				
Loss from the extinguishment of Silver Lake Convertible Debt — 585 Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currency translation adjustments: Image: Converse of the convers	Non-cash other charges (income)	(4)	12				
Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currency translation adjustments: 1 (121) Accounts receivable 1 (127) 21 Other current assets and contract assets (230) (279) Accounts payable, accrued liabilities and contract liabilities (280) (125) Other assets and liabilities 101 (17) Deferred income taxes 95 (155) Net cash provided by operating activities 1,581 1,321 Investing (4,835) (268) Proceeds from sales of investments, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities 2,733 1,288 Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 - Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) - Issuances of common stock, net of tax (3) <td< td=""><td>Share-based compensation expenses</td><td>213</td><td>180</td></td<>	Share-based compensation expenses	213	180				
foreign currency translation adjustments: 1 (121) Accounts receivable 1 (121) Inventories (107) 21 Other current assets and contract assets (230) (279) Accounts payable, accrued liabilities and contract liabilities (280) (155) Other assets and liabilities 101 (17) Deferred income taxes 95 (155) Net cash provided by operating activities 1,581 1,321 Investing 4 39 Acquisitions and investments, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities (4,972) (400) Financing 2 4 39 Ret proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 22 1,306 Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) -	Loss from the extinguishment of Silver Lake Convertible Debt	_	585				
Inventories (107) 21 Other current assets and contract assets (230) (279) Accounts payable, accrued liabilities and contract liabilities (280) (125) Other assets and liabilities 101 (17) Deferred income taxes 95 (155) Net cash provided by operating activities 1,581 1,321 Investing 4,835 (268) Proceeds from sales of investments, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities (4,972) (400) Financing (4,972) (400) Financing 2,733 1,288 Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 - Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) - Issuances of common stock, net of tax (3) 19 Purcha	Changes in assets and liabilities, net of effects of acquisitions, dispositions, and foreign currency translation adjustments: $\frac{1}{2} \int_{-\infty}^{\infty} \frac{1}{2} \left(\frac{1}{2} \int_{-\infty}^{\infty} \frac{1}{2} $						
Other current assets and contract assets (230) (279) Accounts payable, accrued liabilities and contract liabilities (280) (125) Other assets and liabilities 101 (17) Deferred income taxes 95 (155) Net cash provided by operating activities 1,581 1,321 Investing	Accounts receivable	1	(121)				
Accounts payable, accrued liabilities and contract liabilities (280) (125) Other assets and liabilities 101 (17) Deferred income taxes 95 (155) Net cash provided by operating activities 1,581 1,321 Investing Acquisitions and investments, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities (4,972) (400) Financing Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111	Inventories	(107)) 21				
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Deferred income taxes 95 (155) Net cash provided by operating activities 1,581 1,321 Investing Capital rependitures (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities (4,972) (400) Financing (4,972) (400) Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net decrease in total cash and cash equivalents <td< td=""><td>Accounts payable, accrued liabilities and contract liabilities</td><td>(280)</td><td>(125)</td></td<>	Accounts payable, accrued liabilities and contract liabilities	(280)	(125)				
Net cash provided by operating activities 1,581 1,321 Investing Acquisitions and investments, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities (4,972) (400) Financing 2,733 1,288 Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock, net of tax (3) 19 Purchases of dividends (546) (490) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net de	Other assets and liabilities	101	(17)				
Investing Acquisitions and investments, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities (4,972) (400) Financing Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock, net of tax (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net decrease in total cash and cash equivalents (1,208) (301) Cash and cash equivalents, beginning of period 2,102 1,705	Deferred income taxes	95	(155)				
Acquisitions and investments, net (4,835) (268) Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities (4,972) (400) Financing Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock, net of tax (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net decrease in total cash and cash equivalents (1,208) (301) Cash and cash equivalents, beginning of period 2,102 1,705	Net cash provided by operating activities	1,581	1,321				
Proceeds from sales of investments and businesses, net 14 39 Capital expenditures (151) (171) Net cash used for investing activities (4,972) (400) Financing 8 1,288 Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net decrease in total cash and cash equivalents (1,208) (301) Cash and cash equivalents, beginning of period 2,102 1,705	Investing						
Capital expenditures (151) (171) Net cash used for investing activities (4,972) (400) Financing Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net decrease in total cash and cash equivalents (1,208) (301) Cash and cash equivalents, beginning of period 2,102 1,705	Acquisitions and investments, net	(4,835)	(268)				
Net cash used for investing activities (4,972) (400) Financing Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net decrease in total cash and cash equivalents (1,208) (301) Cash and cash equivalents, beginning of period 2,102 1,705	Proceeds from sales of investments and businesses, net	14	39				
Financing 2,733 1,288 Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net decrease in total cash and cash equivalents (1,208) (301) Cash and cash equivalents, beginning of period 2,102 1,705	Capital expenditures	(151)	(171)				
Net proceeds from issuance of debt 2,733 1,288 Net proceeds from short-term borrowings 923 — Repayments of debt (322) (1,906) Revolving credit facility renewal fees (5) — Issuances of common stock, net of tax (3) 19 Purchases of common stock (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net decrease in total cash and cash equivalents (1,208) (301) Cash and cash equivalents, beginning of period 2,102 1,705	Net cash used for investing activities	(4,972)	(400)				
Net proceeds from short-term borrowings923—Repayments of debt(322)(1,906)Revolving credit facility renewal fees(5)—Issuances of common stock, net of tax(3)19Purchases of common stock(664)(141)Payments of dividends(546)(490)Payments of dividends to non-controlling interests(5)(4)Net cash provided by (used for) financing activities2,111(1,234)Effect of exchange rate changes on total cash and cash equivalents7212Net decrease in total cash and cash equivalents(1,208)(301)Cash and cash equivalents, beginning of period2,1021,705	Financing						
Repayments of debt(322)(1,906)Revolving credit facility renewal fees(5)—Issuances of common stock, net of tax(3)19Purchases of common stock(664)(141)Payments of dividends(546)(490)Payments of dividends to non-controlling interests(5)(4)Net cash provided by (used for) financing activities2,111(1,234)Effect of exchange rate changes on total cash and cash equivalents7212Net decrease in total cash and cash equivalents(1,208)(301)Cash and cash equivalents, beginning of period2,1021,705	Net proceeds from issuance of debt	2,733	1,288				
Revolving credit facility renewal fees Issuances of common stock, net of tax Purchases of common stock Payments of dividends Payments of dividends Payments of dividends to non-controlling interests Net cash provided by (used for) financing activities Effect of exchange rate changes on total cash and cash equivalents Net decrease in total cash and cash equivalents Cash and cash equivalents, beginning of period (5) (490) (490) (490) (5) (490) (490) (5) (4) (1,234) (1,234) (1,234) (1,208) (301)	Net proceeds from short-term borrowings	923	_				
Issuances of common stock, net of tax(3)19Purchases of common stock(664)(141)Payments of dividends(546)(490)Payments of dividends to non-controlling interests(5)(4)Net cash provided by (used for) financing activities2,111(1,234)Effect of exchange rate changes on total cash and cash equivalents7212Net decrease in total cash and cash equivalents(1,208)(301)Cash and cash equivalents, beginning of period2,1021,705	Repayments of debt	(322)	(1,906)				
Purchases of common stock (664) (141) Payments of dividends (546) (490) Payments of dividends to non-controlling interests (5) (4) Net cash provided by (used for) financing activities 2,111 (1,234) Effect of exchange rate changes on total cash and cash equivalents 72 12 Net decrease in total cash and cash equivalents (1,208) (301) Cash and cash equivalents, beginning of period 2,102 1,705	Revolving credit facility renewal fees	(5)	_				
Payments of dividends(546)(490)Payments of dividends to non-controlling interests(5)(4)Net cash provided by (used for) financing activities2,111(1,234)Effect of exchange rate changes on total cash and cash equivalents7212Net decrease in total cash and cash equivalents(1,208)(301)Cash and cash equivalents, beginning of period2,1021,705	Issuances of common stock, net of tax	(3)) 19				
Payments of dividends to non-controlling interests Net cash provided by (used for) financing activities Effect of exchange rate changes on total cash and cash equivalents 72 Net decrease in total cash and cash equivalents (1,208) (301) Cash and cash equivalents, beginning of period 2,102 1,705	Purchases of common stock	(664)	(141)				
Net cash provided by (used for) financing activities2,111(1,234)Effect of exchange rate changes on total cash and cash equivalents7212Net decrease in total cash and cash equivalents(1,208)(301)Cash and cash equivalents, beginning of period2,1021,705	Payments of dividends	(546)	(490)				
Effect of exchange rate changes on total cash and cash equivalents7212Net decrease in total cash and cash equivalents(1,208)(301)Cash and cash equivalents, beginning of period2,1021,705	Payments of dividends to non-controlling interests	(5)	(4)				
Net decrease in total cash and cash equivalents(1,208)(301)Cash and cash equivalents, beginning of period2,1021,705	Net cash provided by (used for) financing activities	2,111	(1,234)				
Cash and cash equivalents, beginning of period 2,102 1,705	Effect of exchange rate changes on total cash and cash equivalents	72	12				
Cash and cash equivalents, beginning of period 2,102 1,705	Net decrease in total cash and cash equivalents	(1,208)	(301)				
Cash and cash equivalents, end of period \$ 894 \$ 1,404	Cash and cash equivalents, beginning of period	2,102	1,705				
	Cash and cash equivalents, end of period	\$ 894	\$ 1,404				

Motorola Solutions, Inc. and Subsidiaries Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow (In millions)

		Three Mon	ths	s Ended	Nine Months Ended						
	September 27, 2025			September 28, 2024		September 27, 2025	September 28, 2024				
Net cash provided by operating activities	\$	799	\$	759	\$	1,581	\$	1,321			
Capital expenditures		(66)		(57)		(151)		(171)			
Free cash flow	\$	733	\$	702	\$	1,430	\$	1,150			

Motorola Solutions, Inc. and Subsidiaries Reconciliation of Net Earnings Attributable to MSI to Non-GAAP Net Earnings Attributable to MSI (In millions)

		т	hree Mon	ths En	ded	Nine Mont	hs E	nded
	Statement Line		tember , 2025		ember 2024	ptember 7, 2025		otember 3, 2024
Net earnings attributable to MSI		\$	562	\$	562	\$ 1,505	\$	966
Non-GAAP adjustments before income taxes:								
Share-based compensation expenses	Cost of sales, SG&A and R&D	\$	73	\$	61	\$ 213	\$	180
Intangible assets amortization expense	Intangibles amortization		66		38	142		114
Acquisition-related transaction fees	Other charges (income)		55		4	63		11
Reorganization of business charges	Cost of sales and Other charges (income)		14		7	45		21
Hytera-related legal expenses	SG&A		11		7	31		14
Legal settlements	Other charges (income)		2		1	7		7
Investment impairments	Other (income) expense		2		_	2		3
Assessments of uncertain tax positions	Interest income, net, Other (income) expense		1		1	2		22
Operating lease asset impairments	Other charges (income)		1		1	1		5
Loss on financing issuance costs	Other (income) expense		_		_	2		_
Loss from the extinguishment of Silver Lake Convertible Debt	Other (income) expense		_		_	_		585
Fair value adjustments to equity investments	Other (income) expense		(8)		(9)	(21)		4
Gain on Hytera litigation	Other charges (income)		(74)			 (94)		_
Total Non-GAAP adjustments before income taxes		\$	143	\$	111	\$ 393	\$	966
Income tax expense on Non-GAAP adjustments			19		34	70		259
Total Non-GAAP adjustments after income taxes			124		77	323		707
Non-GAAP Net earnings attributable to MSI		\$	686	\$	639	\$ 1,828	\$	1,673

Calculation of Non-GAAP Tax Rate (In millions)

		Three Mo	nths E	Ended	1	Nine Mont	hs E	Ended	
		September S 27, 2025				tember 7, 2025	Septembe 28, 2024		
Net earnings before income taxes	\$	725	\$	695	\$	1,952	\$	1,184	
Total Non-GAAP adjustments before income taxes*		143		111		393		966	
Non-GAAP Net earnings before income taxes		868		806		2,345		2,150	
Income tax expense		161		132		442		214	
Income tax expense on Non-GAAP adjustments**		19		34		70		259	
Total Non-GAAP Income tax expense	\$	180	\$	166		512		473	
Non-GAAP Tax rate		20.7 %		20.6 %		21.8 %		22.0 %	
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^{*}See reconciliation on Non-GAAP-2 table above for detail on Non-GAAP adjustments before income taxes

^{**}Income tax impact of highlighted items

Reconciliation of Earnings Per Share to Non-GAAP Earnings Per Share*

		1	Three Mon	ths Ended		Nine Months Ended					
	Statement Line		otember 7, 2025	September 28, 2024	. ;	September 27, 2025	September 28, 2024				
Net earnings attributable to MSI		\$	3.33	\$ 3.2	9 \$	8.89	\$ 5.66				
Non-GAAP adjustments before income taxes:											
Share-based compensation expenses	Cost of sales, SG&A and R&D	\$	0.43	\$ 0.3	5 \$	1.26	\$ 1.05				
Intangible assets amortization expense	Intangibles amortization		0.39	0.2	2	0.84	0.67				
Acquisition-related transaction fees	Other charges (income)		0.33	0.0	2	0.37	0.07				
Reorganization of business charges	Cost of sales and Other charges (income)		0.08	0.0	4	0.27	0.12				
Hytera-related legal expenses	SG&A		0.07	0.0	4	0.18	0.08				
Legal settlements	Other charges (income)		0.01	0.0	1	0.04	0.04				
Investment impairments	Other (income) expense		0.01	_	-	0.01	0.02				
Assessments of uncertain tax positions	Interest income, net, Other (income) expense		0.01	0.0	1	0.01	0.13				
Operating lease asset impairments	Other charges (income)		0.01	0.0	1	0.01	0.03				
Loss on financing issuance costs	Other (income) expense		_	_	_	0.01	_				
Loss from the extinguishment of Silver Lake Convertible Debt	Other (income) expense		_	_	_	_	3.42				
Fair value adjustments to equity investments	Other (income) expense		(0.05)	(0.0	5)	(0.12)	0.02				
Gain on Hytera litigation	Other charges (income)		(0.44)		-	(0.56)					
Total Non-GAAP adjustments before income taxes		\$	0.85	\$ 0.6	5 \$	2.32	\$ 5.65				
Income tax expense on Non-GAAP adjustments			0.12	0.2	0	0.41	1.52				
Total Non-GAAP adjustments after income taxes			0.73	0.4	5	1.91	4.13				
Non-GAAP Net earnings attributable to MSI		\$	4.06	\$ 3.7	4 \$	10.80	\$ 9.79				
GAAP Diluted Weighted Average Common Shares			169.0	170.	9	169.2	170.6				
Adjusted for dilutive shares outstanding**							0.3				
Non-GAAP Diluted Weighted Average Common Shares			169.0	170.	9	169.2	170.9				

^{*}Indicates Non-GAAP Diluted EPS

^{**} Under U.S. GAAP, the Silver Lake shares were considered anti-dilutive to earnings per share for the nine months ended September 28, 2024 and were excluded from the computation of GAAP diluted weighted average common shares and diluted earnings per share. The shares are considered dilutive for non-GAAP earnings per share for the nine months ended September 28, 2024 and an adjustment is reflected to include these shares for non-GAAP diluted earnings per share.

Motorola Solutions, Inc. and Subsidiaries

Reconciliations of Operating Earnings to Non-GAAP Operating Earnings and Operating Margin to Non-GAAP Operating Margin

(In millions)

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		Sep	oten	ber 27, 2	025	i	September 28, 2024								
	S	roducts and ystems egration	·	oftware and ervices		Total	s	roducts and ystems egration	_	oftware and Services		Total			
Net sales	\$	1,897	\$	1,112	\$	3,009	\$	1,784	\$	1,006	\$	2,790			
Operating earnings ("OE")		458		312		770		446		265		711			
Above OE non-GAAP adjustments:															
Share-based compensation expenses		53		20		73		43		18		61			
Intangible assets amortization expense		44		22		66		18		20		38			
Acquisition-related transaction fees		52		3		55		2		2		4			
Reorganization of business charges		9		5		14		6		1		7			
Hytera-related legal expenses		11		_		11		7		_		7			
Legal settlements		1		1		2		_		1		1			
Operating lease asset impairments		1		_		1		_		1		1			
Gain on Hytera litigation		(74)		_		(74)				_		_			
Total above-OE non-GAAP adjustments		97		51		148		76		43		119			
Operating earnings after non-GAAP adjustments	\$	555	\$	363	\$	918	\$	522	\$	308	\$	830			
Operating earnings as a percentage of net sales - GAAP		24.1 %		28.1 %		25.6 %		25.0 %		26.3 %		25.5 %			
Operating earnings as a percentage of net sales - after non-GAAP adjustments		29.3 %		32.6 %		30.5 %		29.3 %		30.6 %		29.7 %			

Motorola Solutions, Inc. and Subsidiaries

Reconciliations of Operating Earnings to Non-GAAP Operating Earnings and Operating Margin to Non-**GAAP Operating Margin**

(In millions)

					Nine Mon	ths	Ended				
		Sept	ember 27, 2	025	i		Sep	oter	nber 28, 2	024	
	Product and System Integrati	s	Software and Services		Total	s	roducts and ystems egration		oftware and Services		Total
Net sales	\$ 5,095	5 5	\$ 3,207	\$	8,302	\$	4,933	\$	2,873	\$	7,806
Operating earnings ("OE")	1,173	<u> </u>	871	_	2,044		1,135		739		1,874
Above-OE non-GAAP adjustments:											
Share-based compensation expenses	155	5	58		213		126		54		180
Intangible assets amortization expense	76	5	66		142		35		79		114
Acquisition-related transaction fees	54	ļ	9		63		3		8		11
Reorganization of business charges	31		14		45		20		1		21
Hytera-related legal expenses	31		_		31		14				14
Legal settlements	4	ļ	3		7		1		6		7
Operating lease asset impairments	1		_		1		3		2		5
Gain on Hytera litigation	(94)	_		(94)		_		_		_
Total above-OE non-GAAP adjustments	258	3	150		408		202		150		352
Operating earnings after non-GAAP adjustments	\$ 1,431	;	\$ 1,021	\$	2,452	\$	1,337	\$	889	\$	2,226
Operating earnings as a percentage of net sales - GAAP	23.0) %	27.2 %		24.6 %		23.0 %		25.7 %		24.0 %
Operating earnings as a percentage of net sales - after non-GAAP adjustments	28.1	%	31.8 %		29.5 %		27.1 %		30.9 %		28.5 %

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

		Three Months Ended			
	Septem	ber 27, 2025	Septem	ber 28, 2024	% Change
Net sales	\$	3,009	\$	2,790	8 %
Non-GAAP adjustments:					
Sales from acquisitions		123		_	
Organic revenue	\$	2,886	\$	2,790	3 %
	Nine Months Ended				
	Septem	ber 27, 2025	Septem	ber 28, 2024	% Change
Net sales	\$	8,302	\$	7,806	6 %
Non-GAAP adjustments:					
Sales from acquisitions		194		_	
Organic revenue	\$	8,108	\$	7,806	4 %