

# Investor Overview

May 2025

- Investment thesis
- Total addressable market
- Who we serve
- Segments and technologies
- Financials
- Capital allocation



**MOTOROLA** SOLUTIONS





**MOTOROLA**  
SOLUTIONS

**36%**

of 2024 revenue from  
Software & Services,  
a proxy for ARR

**17% CAGR**

Non-GAAP EPS  
growth since 2015

**152%**

Growth in full-year  
free cash flow  
since 2015

# Solving for safer

We build and connect technologies to help protect  
people, property & places.

**Video Security &  
Access Control**

**5M+**

fixed video cameras  
deployed across  
300K+ sites

**LMR  
Communications**

**13K**

LMR networks  
worldwide

**Command  
Center**

**3.6K of 6K**

911 centers in U.S.  
use our software  
solutions



# Segments & Technologies

2024 Annual Revenue

## Products & Systems Integration Segment

LMR Products and Integration  
Video Products

**\$6.9B**

## Software & Services Segment (primarily recurring)

LMR Services  
Command Center  
Video Software

**\$3.9B**



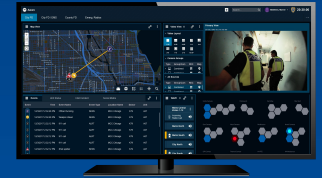
**Video Security & Access Control**

**\$1.9B**



**LMR Communications**

**\$8.1B**



**Command Center**

**\$0.8B**



# A technology ecosystem for public safety and enterprise security with \$72B TAM\*



## Video Security & Access Control

Our video security and access control systems, powered by AI, can alert you when action is needed, focusing human attention to help cover more ground and act with more certainty.

**\$34B TAM\*\***



## LMR Communications

Our critical communications devices and networks are designed for the harshest conditions, helping you stay connected and communicate with clarity when it matters most - from everyday routines to a crisis unfolding.

**\$20B TAM**



## Command Center

Our command center technologies can bring voice, video and data into a single view to help simplify workflows and provide the overarching perspective to make decisions with greater focus, accuracy and speed.

**\$18B TAM**

\* 2025 TAM updated as of May 2, 2025

\*\* Excludes China





# Investment thesis

## Revenue growth

- Nearly half of revenue now Video, software, and recurring Services
- Cloud and SaaS revenue growing rapidly
- Increased demand for security and access control solutions driving enterprise growth

## Operating margin expansion

- Shift to more feature rich solutions
- Growing cloud and SaaS contribution
- Continued operating leverage

## Cash flow generation

- Durable cash flows driven by recurring and reoccurring revenue
- 152% growth in annual free cash flow since 2015
- Strong cash conversion

## Prudent capital deployment

- Strong balance sheet and durable cash flows drive capital allocation framework
- Reduced outstanding shares by 51% since 2011\*
- ~\$7B\*\* in accretive acquisitions since 2015

\* As of March 29, 2025

\*\* As of May 2, 2025



# Who we serve

We enable the collaboration between public safety agencies and enterprises for a proactive approach to safety and security.

**\$10.8B**  
2024 Annual Revenue

By  
Region

**72%**  
North America

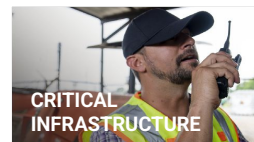
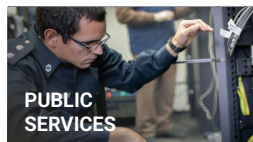
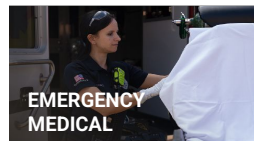
**28%**  
International

By  
Segment

**64%**  
Products & Systems  
Integration

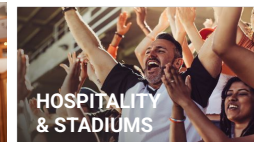
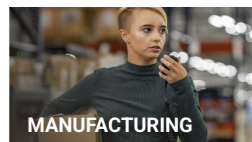
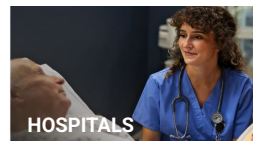
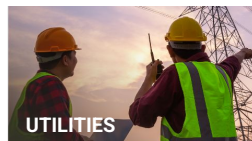
**36%**  
Software  
& Services

## Public Safety



~70% of revenue

## Enterprises



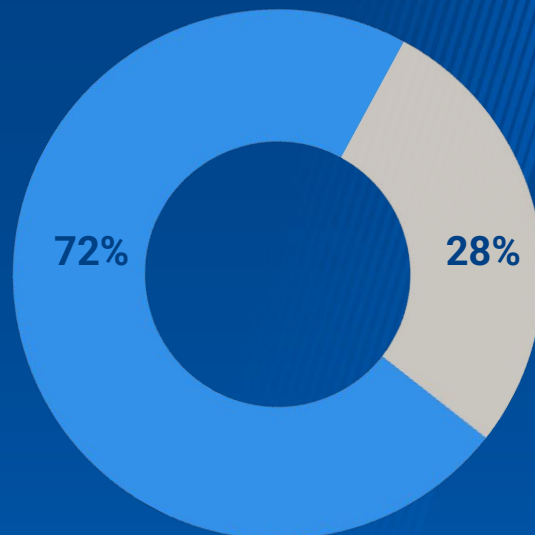
~30% of revenue



# Revenue by Geographic Region

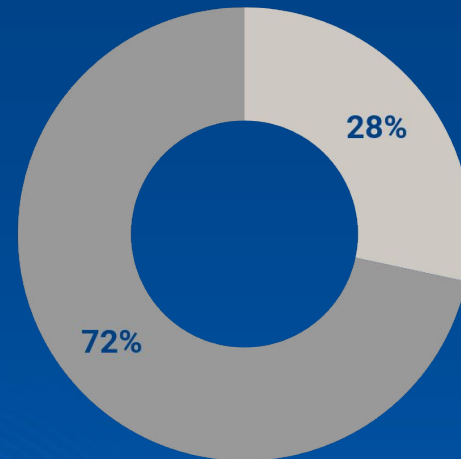
2024 Annual Revenue

**Region**  
\$10.8B\* of Revenue



- North America
- International

**International**  
\$3.0B of Revenue



- EMEA/Australia & NZ
- Other

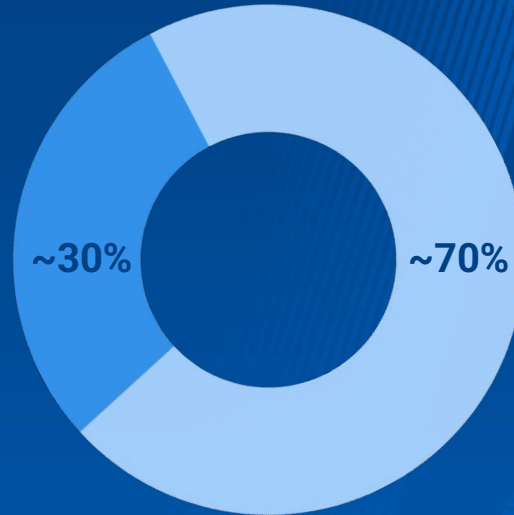
\* China revenues represent <1% of 2024 Annual Revenue



# Revenue Who we serve

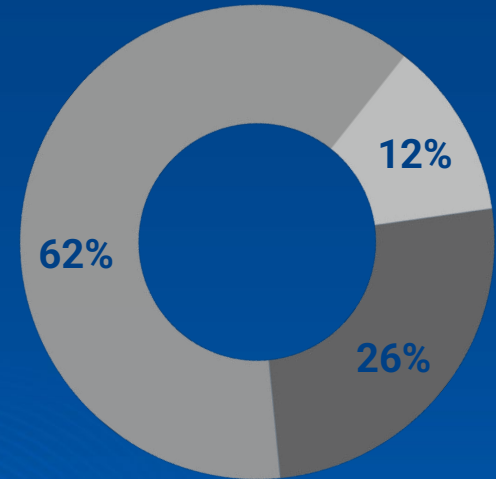
2024 Annual Revenue

**2024**  
\$10.8B of Revenue



- Public Safety
- Enterprise

**Public Safety**  
~70% of Revenue



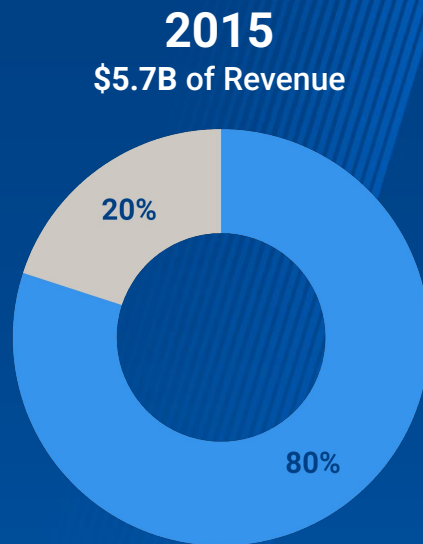
- North America state and local
- U.S. federal agencies
- International public safety



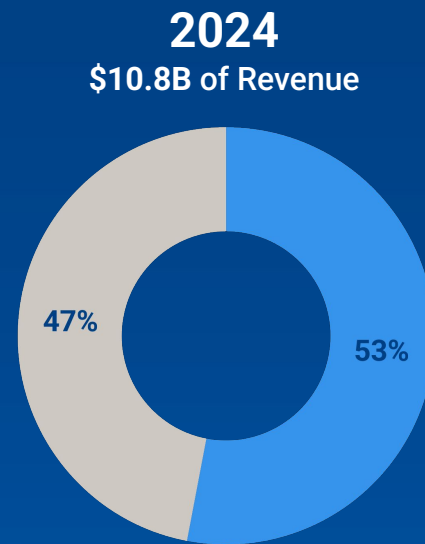


# Ongoing Portfolio Transformation

Nearly half of revenue now video, software and recurring services



Total Addressable Market  
~\$13B



Total Addressable Market  
~\$72B\*

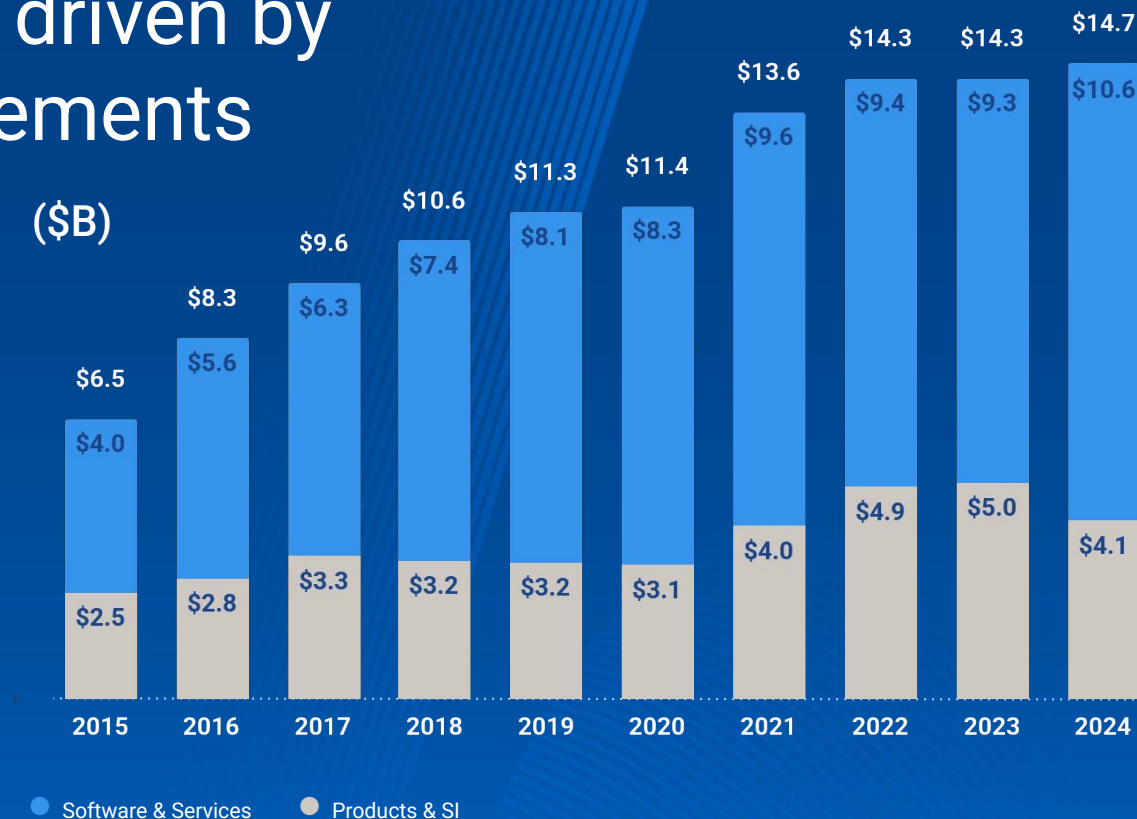
- LMR Products and Systems Integration
- Services, Command Center, Video Security & Access Control



# Strong backlog driven by multi-year agreements

## Backlog growth drivers

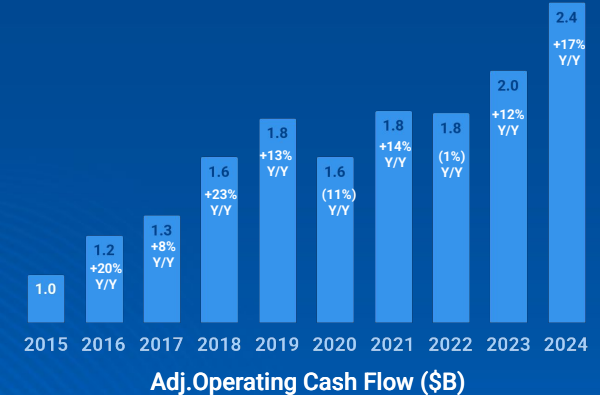
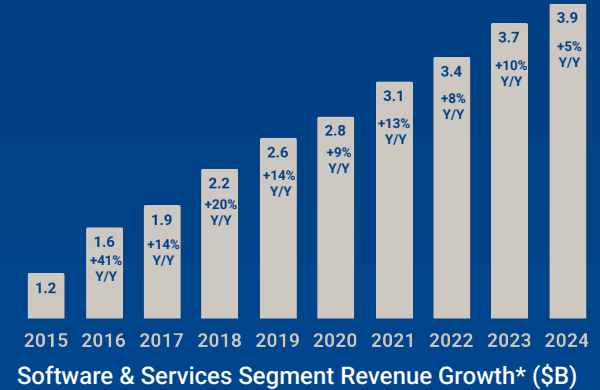
- Multi-year service agreements
- Cloud and SaaS acceleration
- North America and International



# Strong Financial Track Record

## Summary

- Consistent compounded revenue growth and ongoing margin expansion
- Strong durable cash flows used to fund acquisitions and share repurchases



\* Above amounts have been recast to be consistent with the realignment of our former Products and Services segment into our Products and Systems Integration segment and Software and Services segment that took place during the second quarter of 2018



# 2025 Guidance

May 1, 2025  
FY guidance

- Revenue growth of approx. 5.5%
- Non-GAAP EPS \$14.64 - \$14.74
- \$2.65B of Operating Cash Flow





# Capital allocation framework drives shareholder value

Based on operating cash flow

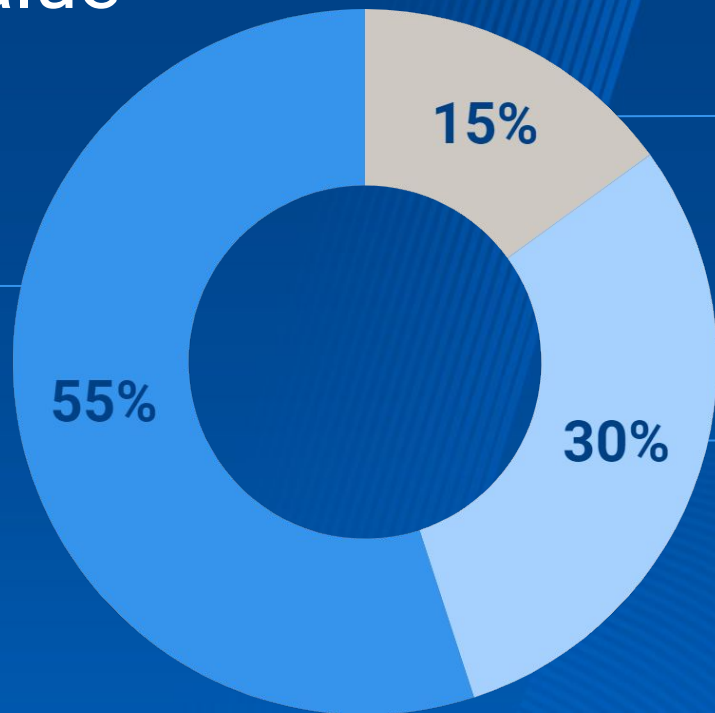
## Share repurchases or acquisitions

~\$8.3B\*

of share repurchases, retiring 23% of share float at average cost of \$99.37 since 2015\*\*

~\$7B\*\*\*

of acquisitions since 2015



Capex

Asset light model

Annual Dividend

Double digit annual increases since 2015

\* As of March 29, 2025

\*\* \$16.1B of share repurchases, resulting in a 51% reduction of share float at average cost of \$70.66 since 2011

\*\*\* As of May 2, 2025



# Accretive Acquisitions

~\$7B invested since 2015\*

Estimated 2025  
contribution

~\$3B

Revenue

High-single digit

Growth rate

~20%

Adj. EBITDA Margin

## Video Security & Access Control

**avigilon**

2018

**WATCH GUARD**

2019

**VaaS**  
VIDEO ANALYSIS AS SERVICE  
ADVANCED AI

2019

**IndigoVision**  
2020

**PELCO**  
2020

**openpath**  
2021

**Envysion**  
2021

**AVA**  
SECURITY  
2022

**Calipsa**  
2022

**VIDEOTEC**  
2022

**IRVIDEO**  
2023

**SILENT SENTINEL**  
VISION & MOTION CONTROL  
2024

## Command Center

**EMERGENCY  
CALLWORKS**

2015

**spillman**  
technologies, inc.

2016

**KODIAK** **PLANT+CML**

2017

2018

**callyo** **911**  
Datamaster

2020

2021

**RAVE** **nogggin**  
MOBILE SAFETY

2022

2024

**3tc** **RapidDeploy**

2024

2025

**Theatro**

2025

## LMR Communications

**AIRWAVE**

2016

**inter  
export**

2017

**AVTEC**

2019

**TETRA**  
IRELAND  
2022

**BARRETT**

2022

**FUTURECOM**  
SYSTEMS GROUP, LLC

2022



\*As of May 2, 2025

# Video Security & Access Control

Our video security and access control systems, powered by AI, can alert you when action is needed, focusing human attention to help cover more ground and act with more certainty.



## Current environment

- 5M+ fixed cameras across 300k+ installations
- Less than 20% of events are detected after the first 20 minutes of live monitoring by a person <sup>(1)</sup>
- 100TB of body-worn video per month in a large city, 90% of citizens prefer use of body cameras <sup>(2)</sup>

(1) Motorola Solutions Research & Study

(2) LAPD CompStat Division

## Our approach

More than just cameras and footage, our video solutions combine computer vision with AI, helping to recognize what's important and what's not.

Our Vision: To make video monitoring obsolete.





## Video Security & Access Control

### Fixed video security

Embedded AI locates  
persons or vehicles,  
anomaly detection flags  
unusual motion

### Access control management

Video, biometrics,  
weapons detection,  
card readers in one  
enterprise system

### In-car video systems

In-car video combines  
with body-worn and  
fixed video for 360°  
view of an incident

### Body cameras

Radios automate  
camera activation,  
send alerts, stream  
incident video

### License plate analytics

Patented analytics help  
find vehicles of interest

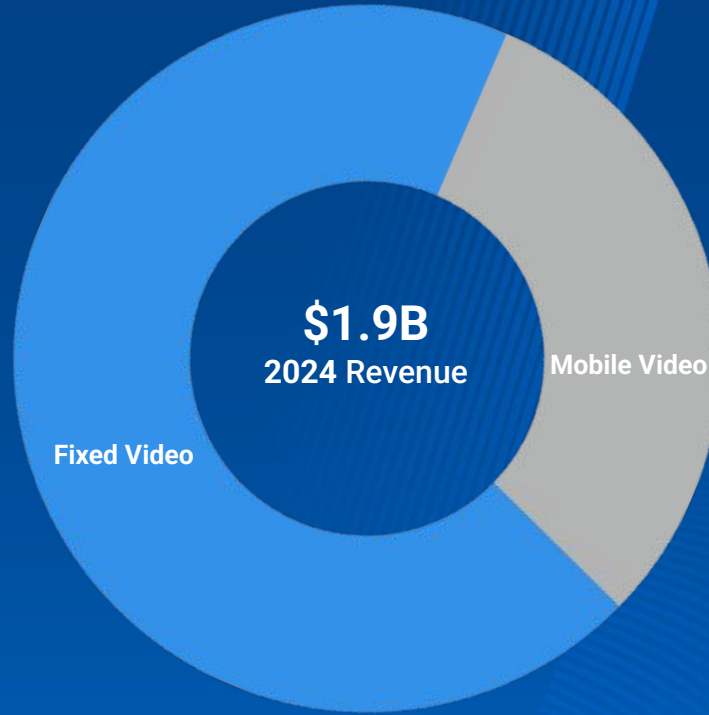
License Plate	Confidence
80094054	94%
GFG3012	94%
GFG301	93%
KLZ438	93%
BJY2698	93%
LPJ4628	93%
JNX5740	93%
JDP2001	93%
LPV8495	93%



# Video Security & Access Control Portfolio

## Fixed Video & Access Control

- Avigilon Unity on-prem suite
- Avigilon Alta cloud suite
- Specialized cameras
- Specialty sensors
- AI-powered analytics



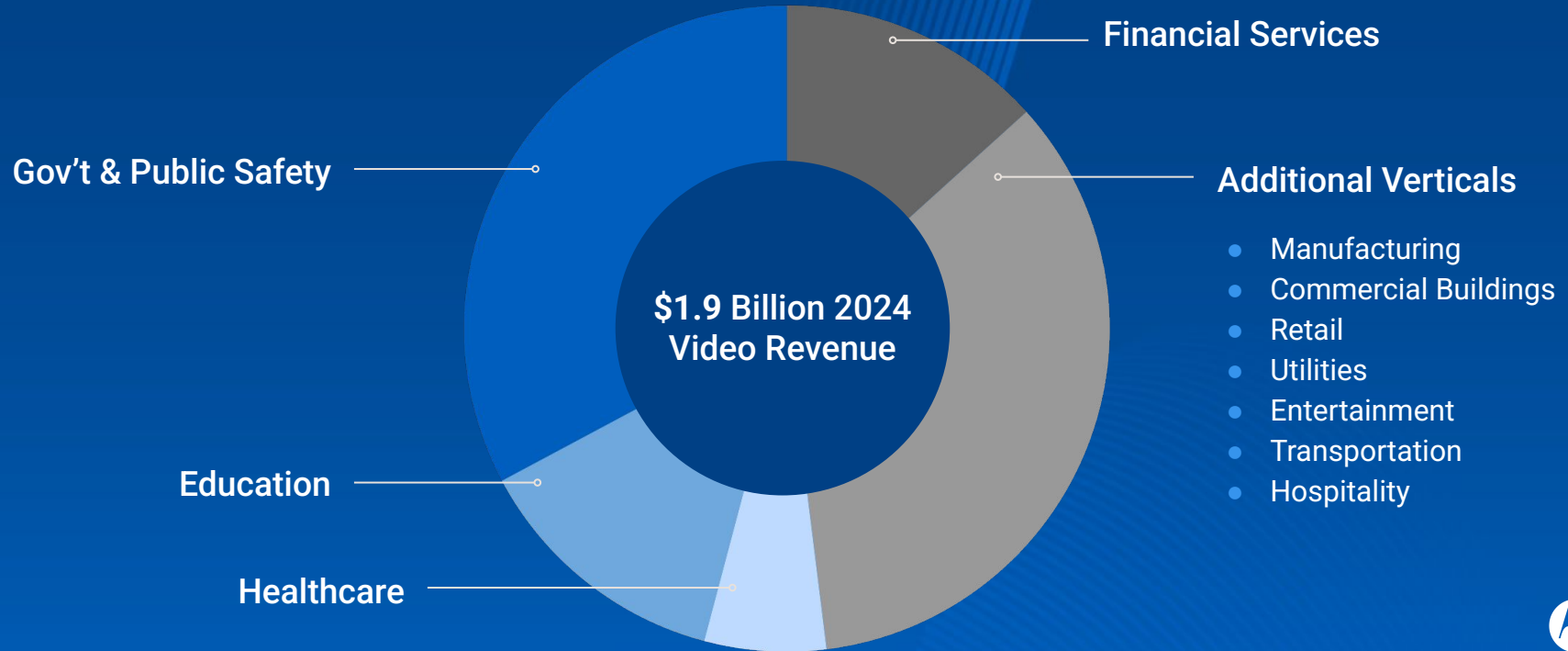
## Mobile Video

- Body cameras
- In-car cameras
- License plate recognition solutions and services
- AI-powered analytics
- Video Management

Purpose-built solutions for both government and enterprise that can enable public-private information sharing and collaboration to better inform and accelerate response.



# ~50% of total video sales in government & public safety, education and healthcare





# SVX with Assist

## Features

- Enhances APX NEXT family with advanced AI capabilities through an integrated body-worn camera
- Provides secure, P25 superior audio that significantly improves AI experience and evidence capture
- Streamlines operations and improves user experience through a converged speaker mic and camera device
- Leverages Assist, our new AI platform, which unifies critical communications and software for public safety





# Video Security & Access Control

Growth and Monetization

## Gaining share in video security

- \$1.9B+ in sales growing double digits in \$34B TAM
- 5M+ fixed video cameras deployed across 300K+ sites
- 90% of our fixed video camera portfolio has embedded AI capabilities
- Broad on-prem and cloud fixed video portfolio with global go-to-market reach provides competitive advantage
- Leveraging existing LMR relationships in U.S. and international

2025 - ~10% - 12% Sales Growth



# Land Mobile Radio Communications

Our critical communications devices and networks are designed for the harshest conditions, helping you stay connected and communicate with clarity when it matters most - from everyday routines to a crisis unfolding.





# Current environment

- When disaster strikes, cellular networks can fail or get overloaded - Hurricanes Helene and Milton, Los Angeles wildfires
- 13K+ LMR networks globally, 50+ nationwide & statewide systems
- Critical communication purpose-built for redundancy and extreme conditions



# Our approach

Secure and resilient communications unify voice and multimedia collaboration for critical events



## LMR Communications

### Public safety communications

Highly survivable networks, total control of coverage, capacity, maintenance, complemented with broadband connectivity

### Enterprise communications

Secure, encrypted networks protect sensitive communications and shield enterprise data

### LMR software & services

Strong adoption for managed services, software upgrades, remote monitoring and cybersecurity; serving 4M end users

### Public safety cloud core

Streamlining radio management, accelerating new features, increasing resiliency



# LMR Portfolio

Majority of LMR revenue driven by recurring services and multi-year public safety device refresh cycles

**2024**  
**\$8.1B of LMR Revenue**

## Public Safety Devices

- Multi-year refresh cycles across thousands of customers
- Innovation bringing new features that customers value with higher average selling prices

## Professional & Commercial Radio

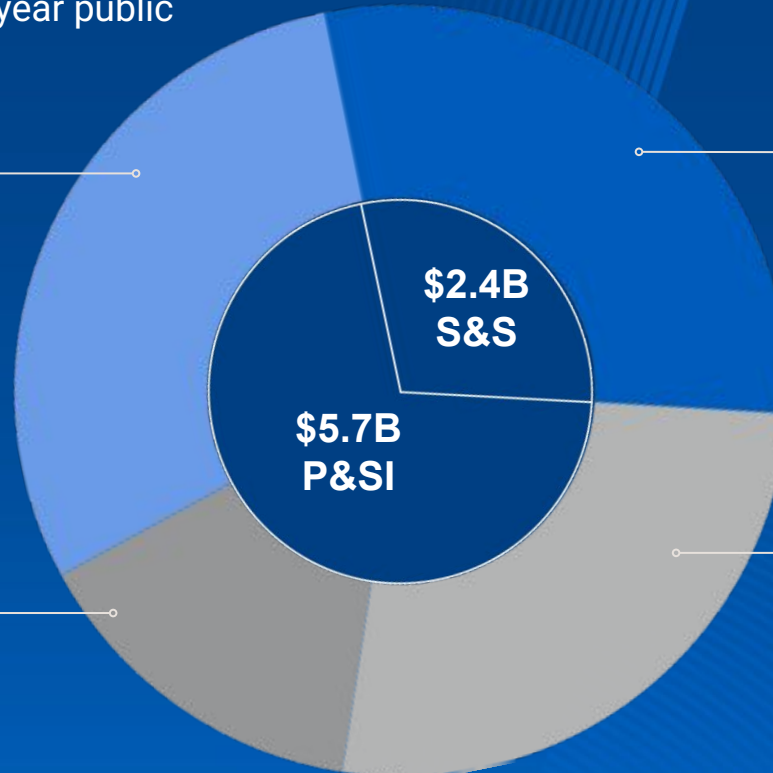
- Serving commercial verticals
- Primarily distributed through channel partners

## Services

- Critical networks with expanded scope and new value-added services like cybersecurity
- Software Upgrade Agreements
- Recurring contracts

## Network Deployment & Accessories

- Network Infrastructure
- System Integration
- Accessories





# LMR Communications

## Growth and Monetization

### A global leader in critical communications

- Platform business growing by low to mid-single digits
- 13k+ LMR networks globally, 50+ nationwide & statewide systems
- Networks monetized with recurring services and devices replaced every 6-8 years
- Multi-year services agreements shifting to higher margin offerings: software upgrades, cybersecurity, remote monitoring
- Customers with unique requirements & high expectations for 'always-on' performance provides a competitive advantage
- Worldwide network of channel partners to amplify market reach and penetration

2025 - "Low to Mid-Single Digit" Sales Growth

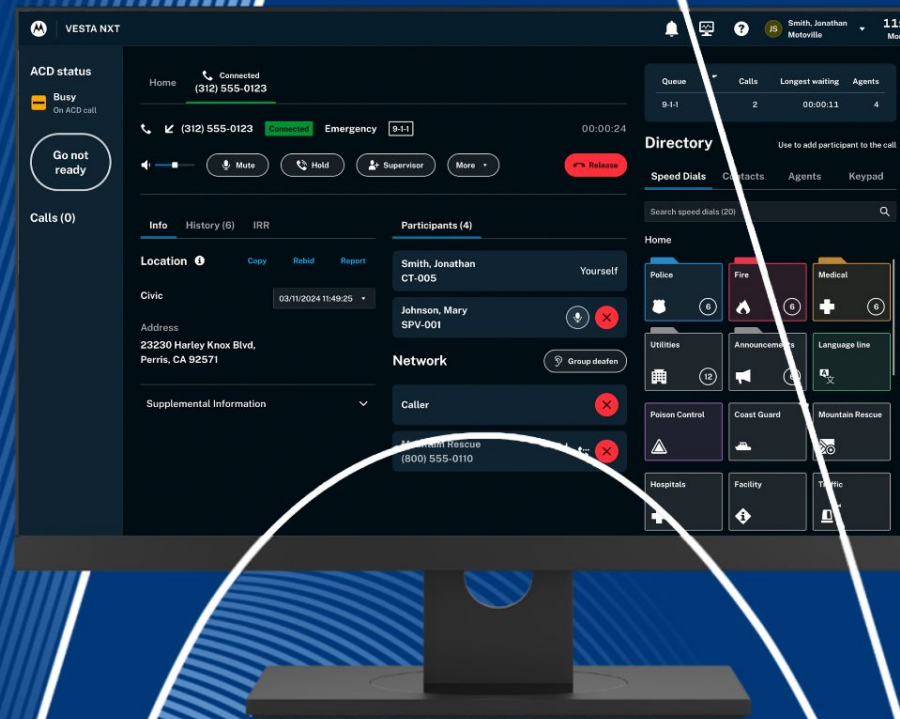


J. AHERN



# Command Center

Our command center technologies can bring voice, video and data into a single view to help simplify workflows and provide the overarching perspective to make decisions with greater focus, accuracy and speed.



# Current environment

- ~3.6K out of 6K 911 centers in the U.S. use our software solutions.
- 10k more lives could be saved each year if 911 could get to callers one minute faster. <sup>(1)</sup>

# Our approach

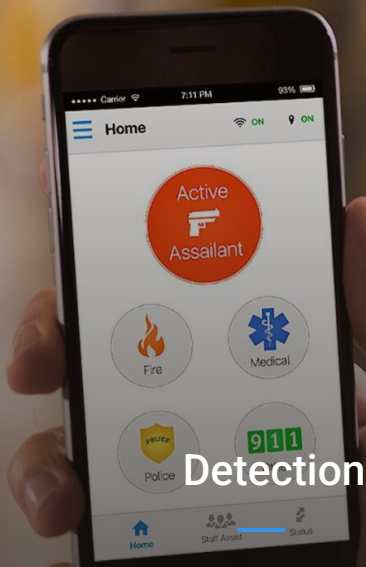
Software solutions that support the complex process of the public safety workflow from "911 call to case closure."

(1) FCC "Wireless E911 Location Accuracy, Fifth Report and Order," 2019





## Command Center



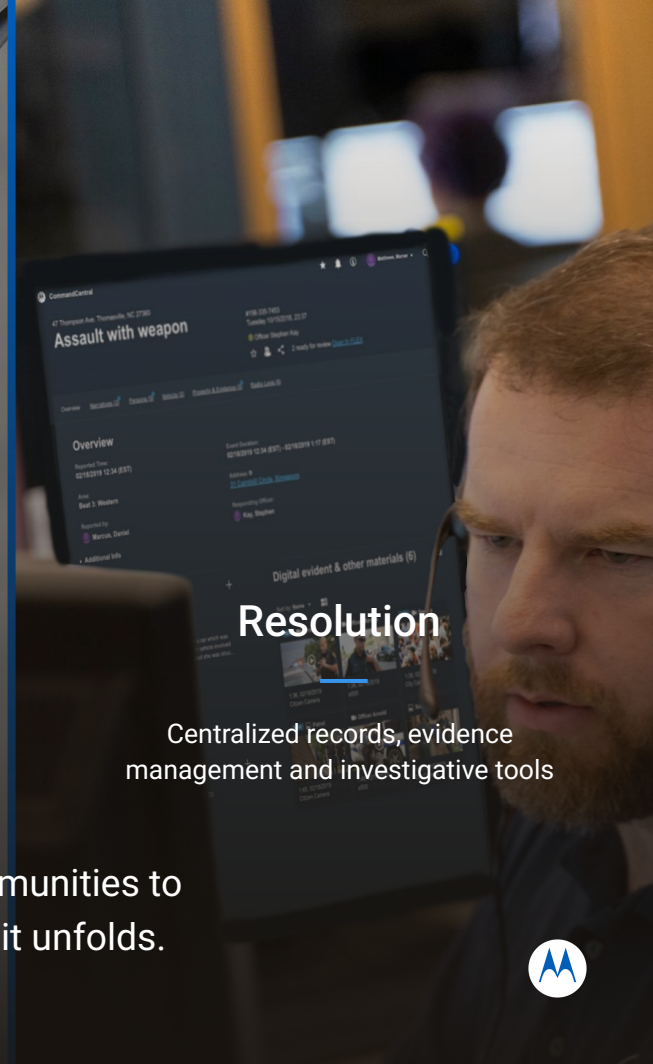
### Detection

Community tipping, mass notification, panic buttons and 911 call handling & routing



### Response

Dispatch & coordination, real-time intelligence & collaboration, field reporting and broadband enabled solutions



### Resolution

Centralized records, evidence management and investigative tools

Helping public safety agencies, enterprises and communities to work together through the phases of an incident as it unfolds.



# Command Center

## 911 call handling & routing

- Cloud-native, on-prem and hybrid
- Assistive AI enhances user workflows and creates efficiencies
- Growing international presence

## Dispatch & records

**\$0.8 Billion  
2024 Revenue**

## Collaborative workflow applications

- CommandCentral Aware
- Push to talk (PTT) broadband communications
- Mass notification and alerting
- APX NEXT Applications
- Incident management





# Command Center

Growth and Monetization

## End-to-end platform offered in the cloud and on-prem

- Large software install base of 3.6k 911 centers in the U.S. creates significant expansion opportunity
- Sales of ~\$0.8B growing double digits in \$18B TAM
- More than 60% of our Command Center customers have one or more of our cloud solutions
- Margin expansion driven by transition to SaaS cloud offerings
- Rave and Noggin bridge enterprise security and public safety with panic button alerting, mass notification, Smart 911 app suite, business continuity management and incident management in a recurring revenue stream
- Video intelligence automates incident triggers and analytics speed operations

2025 - ~12% Sales Growth



# Solving with AI

Taking a proactive and responsible approach to enabling the use of AI and generative AI in our solutions and within our teams

## Human-Centered Application in 3 Areas



### Automate the mundane

Human attention

Detect key events and automate workflows



### Accelerate analysis

Human action

Find answers without drowning in information



### Protect privacy

Human judgement

Share information quickly while keeping the privacy of unrelated individuals and objects intact



# SVX & Assist

Converging the incident workflow from APX NEXT through the Command Center enhances user productivity & drives software attachment opportunity

APX NEXT



SVX



Command Center



Assist 

AI Platform

## Smart Applications

SmartConnect  
SmartProgramming  
SmartLocate  
SmartMapping  
SmartIncident  
SmartMessaging  
ViQi VP

## Digital Evidence

CC DEMS  
Redaction Assist  
Transcription  
Storage  
Narrative Assist  
Translation

## Mobile Apps

Responder Platform  
Citations  
Police Phone  
Evidence  
Narrative Assist

## Command Center

Records  
Aware  
Dispatch  
Lightning (9-1-1)

AI-Assisted  
Applications

# Competitive Landscape

Our mission-critical ecosystem across video, software and LMR creates competitive differentiation

## Video Security & Access Control

### Video Security



### Access Control



## LMR Communications



## Command Center



\* This competitive landscape slide includes a non-exhaustive list of some key competitors in each technology MSI operates.

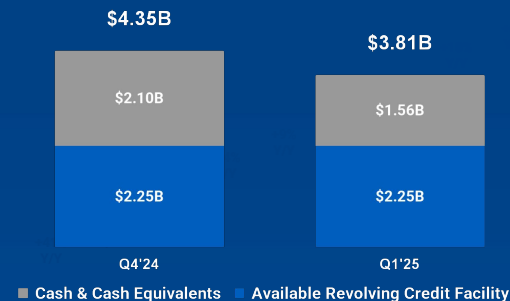
# Additional Financials





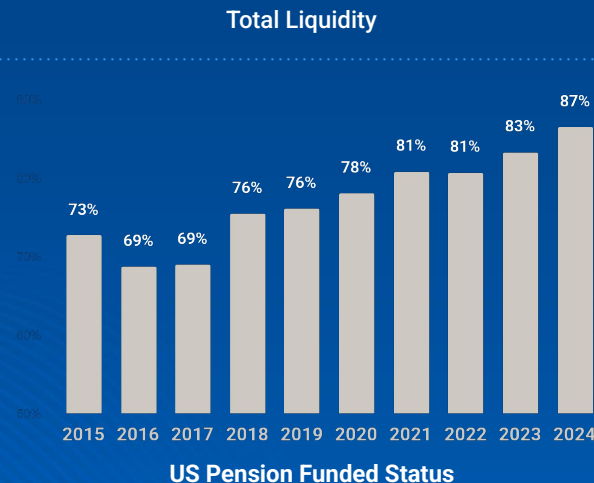
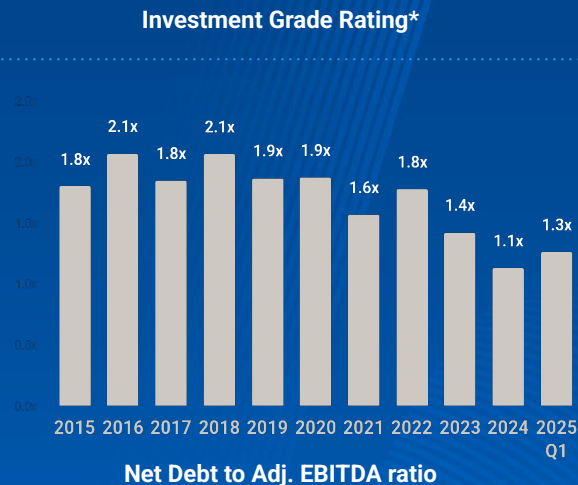
# Strong Balance Sheet

Moody's	Baa2, Stable
S&P	BBB, Stable
Fitch	BBB, Stable



## Summary

- Total Liquidity of ~\$3.81B
- Net Debt to Adj. EBITDA ratio of ~1.3X
- U.S. Pension ~87% funded as of Q4'24

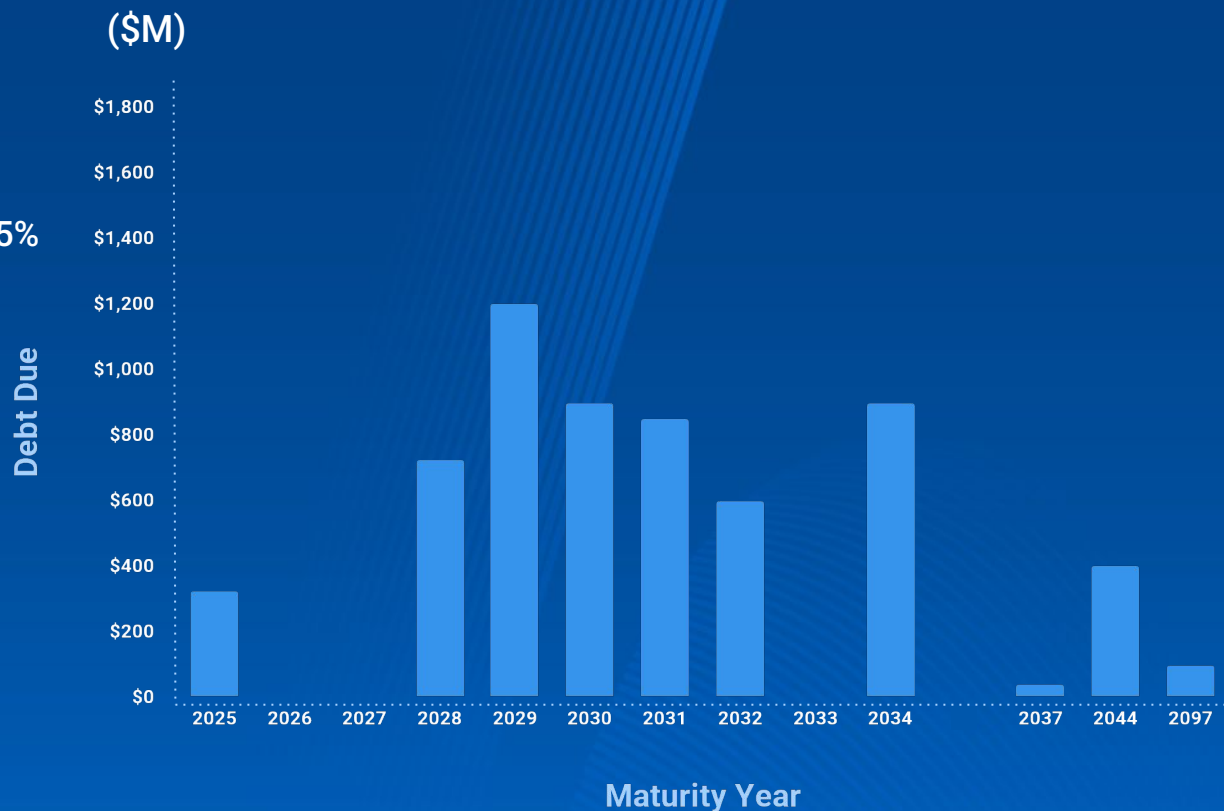


\* As of March 29, 2025



# Balanced Debt Maturity Profile\*

- Average maturity ~8yr
- Average coupon under 4.5%
- All fixed-rate notes



\* As of March 29, 2025



# Corporate Responsibility



# We are committed to corporate responsibility



## Philanthropy

Employee-initiated giving raised more than \$300,000 for causes around the world



## Environment

Optimized our company-wide cloud usage to reduce our carbon emissions



## Supplier Responsibility

Over \$400M in spend with small business partners



## Employee Volunteerism

~105,000 hours volunteered by employees around the world in 2024

## TIME

2024  
World's Best  
Companies

## Glassdoor

2025  
Best Places  
to Work

## Fast Company

2024  
World's Most Innovative  
Companies

## Forbes

2025  
Most Trusted Companies  
in America

## WSJ

2024  
Best Managed  
Companies

## Newsweek

2025  
America's Most Responsible  
Companies



# Our impact

Our technologies can directly support some of the world's largest societal challenges every day.

## Safer schools

More than 394,000 students have been exposed to gun violence in schools since the 1999 Columbine shooting.

—  
Video cameras can give law enforcement visibility on scene, access control can automatically lock down doors and radios can support coordination and response.

Office of Community Oriented Policing Services disbursed \$73M for School Violence Prevention Programs in 2024.

## Natural disasters

U.S. natural disasters have cost \$2.915 trillion since 1980 across 403 disasters on record.

—  
Land mobile radio devices and networks are built for redundancy and can withstand extreme conditions, offering reliable communication that's critical to coordinate emergency response.

Omdia projects active LMR users will increase to 66M by 2028.

## Rising retail theft and violence

Shoplifting incidents increased 93% from pre-COVID levels in 2019 to 2023, with ~177 incidents per day in the U.S.

—  
Body cameras can be a deterrent to aggressive or criminal behavior in stores, while access control and panic buttons can make frontline workers feel safer.

Frontline workers make up 60% of the global workforce, with 21% in the U.S. retail industry alone.

## Soaring cyber attacks

324 confirmed cyber attacks impacted public safety agencies globally in 2024, with 25 complete system shutdowns - a direct effect on communities.

—  
24/7 cybersecurity services can identify system and network risks, helping public safety agencies and businesses protect against attacks and respond to threats.

Cybercrime is projected to cost ~\$15.6T annually by 2029.

## Responding faster to 911

~10K lives could be saved each year if 911 could get to callers just one minute faster.

—  
A command center can unify information about an incident, from "911 call to case closure," helping to create a broad informational view that can simplify workflows and improve the accuracy and speed of decisions.

240M 911 calls are made to 911 each year.





# Appendix



# 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) impact of current global economic and political conditions in the markets in which we operate (including, but not limited to, with respect to tariffs); (ii) increased areas of risk, increased competition and additional compliance obligations associated with the introduction of new or enhanced products and services in our segments; (iii) impact of catastrophic events on our business or our customers' or suppliers' business; (iv) social, ethical, environmental and competitive risks relating to the use of artificial intelligence ("AI") in our products and services; (v) the effectiveness of our strategic acquisitions, including the integrations of such acquired businesses; (vi) the inability of our products to meet our customers' expectations or regulatory or industry standards; (vii) our inability to purchase a sufficient amount of materials, parts, and components, as well as software and services, at acceptable prices to meet the demands of our customers, and any disruption to our suppliers or significant increase in the price of supplies; (viii) risks related to our large, multi-year system and services contracts (including, but not limited to, with respect to the Airwave contract); (ix) the global nature of our employees, customers, suppliers and outsource partners; (x) 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; (xi) the inability of our subcontractors to perform in a timely and compliant manner or adhere to our Human Rights Policy; (xii) increasing scrutiny and evolving expectations from investors, customers, lawmakers, regulators and other stakeholders regarding environmental, social and governance ("ESG") related practices and disclosures, as well as recent U.S. based anti-ESG efforts; (xiii) challenges relating to existing or future legislation and regulations pertaining to AI, AI-enabled products and the use of biometrics and other video analytics; (xiv) the impact, including increased costs and potential liabilities, associated with changes in laws and regulations regarding cybersecurity, privacy, data protection, and information security; (xv) the impact of government regulation of radio frequencies; (xvi) regulations, laws and other compliance requirements applicable to our U.S. government customer contracts and grants; (xvii) the impact, including increased costs and additional compliance obligations, associated with existing or future telecommunications-related laws and regulations; (xviii) impact of product regulatory and safety, consumer, worker safety and environmental product compliance and remediation laws; (xix) the evolving state of environmental regulation relating to climate change, and the physical risks of climate change; (xx) impact of tax matters; (xxi) increased cybersecurity threats, a security breach or other significant disruption of our IT systems or those of our outsource partners, suppliers or customers; (xxii) our inability to protect our intellectual property or potential infringement of intellectual property rights of third parties; (xxiii) risks relating to intellectual property licenses and intellectual property indemnities in our customer and supplier contracts; (xxiv) our license of the MOTOROLA, MOTO, MOTOROLA SOLUTIONS and the Stylized M logo and all derivatives and formatives thereof from Motorola Trademark Holdings, LLC; (xxv) inability to attract and retain senior management and key employees; (xxvi) inability to access the capital markets for financing on acceptable terms and conditions; (xxvii) exposure to exchange rate fluctuations on cross-border transactions and the translation of local currency results into U.S. dollars; (xxviii) impact of returns on pension and retirement plan assets and interest rate changes; and (xix) 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](http://www.sec.gov), and on Motorola Solutions' website at [www.motorolasolutions.com/investors](http://www.motorolasolutions.com/investors).

Unless otherwise indicated, information in this presentation was updated on the 2nd day of May 2025. For the avoidance of doubt, the 2025 fiscal year guidance was provided as of May 1, 2025 and has not been updated or reaffirmed as of the date of this presentation. 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.



# Use of non-GAAP measures

In addition to the results presented in accordance with accounting principles generally accepted in the U.S. ("GAAP") in this presentation, Motorola Solutions, Inc. ("Motorola Solutions" or the "Company") has provided certain non-GAAP measurements. Motorola Solutions has provided these non-GAAP measurements 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 it believes these measurements enable it to make better period-to-period evaluations of the financial performance of 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 this Appendix to this presentation and on Motorola Solutions' website at [investors.motorolasolutions.com](https://investors.motorolasolutions.com)

The Company has not quantitatively reconciled its guidance for forward-looking non-GAAP metrics to their most comparable GAAP measures 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 measure is not available without unreasonable effort. Please note that the unavailable reconciling items could significantly impact the Company's results.

"Adjusted Operating Cash Flow," "Free Cash Flow," "Adjusted Free Cash Flow," "EBITDA," "Adjusted EBITDA," "Adjusted EBITDA Margin," "Net Debt," and "Net Debt to Adj. EBITDA Ratio," are non-GAAP measures and should not be considered as a replacement for GAAP results. These non-GAAP measures may not be comparable to similarly-titled measures reported by other companies. The primary limitation of these measures are that they exclude the financial impact of items that would otherwise either increase or decrease our reported results. These limitations are 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.

**Adjusted Operating Cash Flow** - Represents operating cash flow under GAAP excluding a \$500 million voluntary, debt-funded U.S. pension contribution in the first quarter of 2018. The Company has excluded the impact of this contribution because the Company believes that this item does not reflect expected future operating cash flows and does not contribute to a meaningful evaluation of the Company's current operating cash flow performance or comparisons to the Company's past operating cash flow performance.

**Free Cash Flow** - Represents net cash provided by operating activities ("operating cash flow") less capital expenditures. The Company believes that free cash flow is also 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.



# Use of non-GAAP measures

**Adjusted Free Cash Flow** - Represents Free Cash Flow excluding a \$500 million voluntary, debt-funded U.S. pension contribution in the first quarter 2018. The Company has excluded the impact of this contribution because the Company believes that this item does not reflect expected future free cash flows and does not contribute to a meaningful evaluation of the Company's current free cash flow performance or comparisons to the Company's past free cash flow performance.

**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. The Company believes Adjusted EBITDA provides improved period-to-period comparability for decision making and better measures the ongoing earnings results of its strategic and operating decisions by excluding the earnings effects of reorganization activities.

**Adjusted EBITDA Margin** - Adj. EBITDA Margin is calculated as Adjusted EBITDA divided by Revenue.

**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.







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# Appendix: Supplemental Non-GAAP Measures

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

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Net sales	\$ 5,695	\$ 6,038	\$ 6,380	\$ 7,343	\$ 7,887	\$ 7,414	\$ 8,171	\$ 9,112	\$ 9,978	\$10,817
GAAP gross margin	2,719	2,869	3,024	3,480	3,931	3,608	4,040	4,229	4,970	5,512
Non-GAAP gross margin adjustments:										
Avigilon purchase accounting adjustment	—	—	—	19	—	—	—	—	—	—
Pelco purchase accounting adjustment	—	—	—	—	—	7	—	—	—	—
Loss on ESN fixed asset impairment	—	—	—	—	—	—	—	147	—	—
Share-based compensation expenses	9	9	9	11	14	16	16	28	40	48
Reorganization of business charges	9	42	9	59	17	29	8	18	7	12
Non-GAAP gross margin	2,737	2,920	3,042	3,569	3,962	3,660	4,064	4,422	5,017	5,572
GAAP Operating earnings ("OE")	994	1,067	1,282	1,255	1,581	1,383	1,667	1,661	2,294	2,688
Non-GAAP OE Adjustments:										
Share-based compensation expenses	69	59	57	62	103	113	113	144	172	195
Reorganization of business charges	78	81	33	61	40	57	24	18	22	26
Intangible assets amortization expense	8	113	151	188	208	215	236	257	177	152
Other highlighted items****	(1)	56	10	85	11	15	53	95	72	21
Non-GAAP OE	\$ 1,166	\$ 1,427	\$ 1,552	\$ 1,740	\$ 1,975	\$ 1,835	\$ 2,117	\$ 2,368	\$ 2,784	\$ 3,142
GAAP OE %	17.5 %	17.7 %	20.1 %	17.1 %	20.0 %	18.7 %	20.4 %	18.2 %	23.0 %	24.8 %
Non-GAAP Adj %	3.0 %	5.9 %	4.2 %	6.6 %	5.0 %	6.1 %	5.5 %	7.8 %	4.9 %	4.2 %
Non-GAAP OE %	20.5 %	23.6 %	24.3 %	23.7 %	25.0 %	24.8 %	25.9 %	26.0 %	27.9 %	29.0 %
GAAP Other income (expense)	(77)	(223)	(206)	(153)	(580)	(209)	(115)	(146)	(148)	(716)
Non-GAAP below OE highlighted items****	85	(37)	2	12	(410)	(53)	(16)	(10)	(3)	(615)
Non-GAAP Other income (expense)	(162)	(186)	(208)	(165)	(170)	(156)	(99)	(136)	(145)	(101)
GAAP Net earnings from continuing operations*	\$ 640	\$ 560	\$ (155)	\$ 966	\$ 868	\$ 949	\$ 1,245	\$ 1,363	\$ 1,709	\$ 1,577
Non-GAAP above OE highlighted items****	172	359	270	485	394	452	450	707	490	454
Non-GAAP below OE highlighted items****	(85)	37	(2)	(12)	410	53	16	10	3	615
Non-GAAP tax adjustments and effect	(54)	(105)	810	(209)	(274)	(114)	(122)	(300)	(145)	(280)
TOTAL Non-GAAP Earnings from continuing operations	\$ 673	\$ 851	\$ 923	\$ 1,230	\$ 1,398	\$ 1,339	\$ 1,589	\$ 1,780	\$ 2,057	\$ 2,366
GAAP Continuing operations earnings per share ("EPS")	\$ 3.17	\$ 3.24	\$ (0.95)	\$ 5.62	\$ 4.95	\$ 5.45	\$ 7.17	\$ 7.93	\$ 9.93	\$ 9.23
EPS adjusted for dilution**	—	—	(0.92)	—	—	—	—	—	—	—
Non-GAAP Continuing operations EPS adjustments****	0.16	1.68	6.38	1.53	3.01	2.24	1.98	2.43	2.02	4.61
Non-GAAP Continuing operations EPS	\$ 3.33	\$ 4.92	\$ 5.46	\$ 7.15	\$ 7.96	\$ 7.69	\$ 9.15	\$ 10.36	\$ 11.95	\$ 13.84
GAAP Diluted weighted average shares outstanding	201.8	173.1	162.9	172.0	175.6	174.1	173.6	171.9	172.1	170.8
Non-GAAP Diluted weighted average shares outstanding***	201.8	173.1	169.2	172.0	175.6	174.1	173.6	171.9	172.1	171.0

\* Amounts attributable to Motorola Solutions, Inc. common shareholders.

\*\* Under U.S. GAAP, the accounting for a net loss from continuing operations results in the presentation of dilutive earnings per share equal to basic earnings per share, as any increase in basic shares would be anti-dilutive to earnings per share. As a result of the highlighted items identified during Q4 2017, the Company reported a net loss from continuing operations within our GAAP Consolidated Statement of Operations, while reporting income on a non-GAAP basis. An adjustment is shown to reflect the dilution of 7.2 million dilutive shares outstanding in Q4 2017 and 6.4 million dilutive shares for the full year of 2017.

\*\*\* Under U.S. GAAP, the Silver Lake shares were considered anti-dilutive to earnings per share for the year ended December 31, 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 year ended December 31, 2024 and an adjustment is reflected to include these shares for non-GAAP diluted earnings per share.

\*\*\*\*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, reorganization of business charges, certain non-cash pension adjustments, legal settlements and other contingencies, gains and losses on investments and businesses, Hytera-related legal expenses, gains and losses on the extinguishment of debt 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.



# Appendix: Supplemental Non-GAAP Measures

## Reconciliation of GAAP operating cash flow to adjusted operating cash flow

(\$ in millions)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
GAAP Net Cash Provided by Operating Activities	\$1,021	\$1,165	\$1,346	\$1,075	\$1,823	\$1,613	\$1,837	\$1,823	\$2,044	\$2,391
Contribution and Restructuring of the Pension Plan	—	—	—	500	—	—	—	—	—	—
<b>Adjusted Operating Cash Flow</b>	<b>\$1,021</b>	<b>\$1,165</b>	<b>\$1,346</b>	<b>\$1,575</b>	<b>\$1,823</b>	<b>\$1,613</b>	<b>\$1,837</b>	<b>\$1,823</b>	<b>\$2,044</b>	<b>\$2,391</b>

## Reconciliation of GAAP operating cash flow to adjusted free cash flow

(\$ in millions)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
GAAP Net Cash Provided by Operating Activities	\$1,021	\$1,165	\$1,346	\$1,075	\$1,823	\$1,613	\$1,837	\$1,823	\$2,044	\$2,391
Capital Expenditures	(175)	(271)	(227)	(197)	(248)	(217)	(243)	(256)	(253)	(257)
<b>Free Cash Flow</b>	<b>\$846</b>	<b>\$894</b>	<b>\$1,119</b>	<b>\$878</b>	<b>\$1,575</b>	<b>\$1,396</b>	<b>\$1,594</b>	<b>\$1,567</b>	<b>\$1,791</b>	<b>\$2,134</b>
Contribution and Restructuring of the Pension Plan	—	—	—	500	—	—	—	—	—	—
<b>Adjusted Free Cash Flow</b>	<b>\$846</b>	<b>\$894</b>	<b>\$1,119</b>	<b>\$1,378</b>	<b>\$1,575</b>	<b>\$1,396</b>	<b>\$1,594</b>	<b>\$1,567</b>	<b>\$1,791</b>	<b>\$2,134</b>



# Appendix: Supplemental Non-GAAP Measures

## Reconciliation of GAAP net earnings to EBITDA and adjusted EBITDA

(\$ in millions)	Q2 2024	Q3 2024	Q4 2024	Q1 2025	TTM
GAAP Net earnings attributable to Motorola Solutions, Inc.	\$ 443	\$ 562	\$ 611	\$ 430	\$ 2,046
Interest Expense, Net	69	58	56	51	234
Income Tax Expense	135	132	175	115	557
Depreciation Expense	47	46	48	44	185
Intangible Amortization Expense	36	38	39	37	150
<b>EBITDA</b>	<b>\$ 730</b>	<b>\$ 836</b>	<b>\$ 929</b>	<b>\$ 677</b>	<b>\$ 3,172</b>
Share-based Compensation Expense	63	61	63	66	253
Reorganization of Business Charges	4	7	17	17	45
Other Above OE Highlighted Items***	11	13	(17)	14	21
Below OE Highlighted Items***	22	(9)	1	6	20
<b>Adjusted EBITDA</b>	<b>\$ 830</b>	<b>\$ 908</b>	<b>\$ 993</b>	<b>\$ 780</b>	<b>\$ 3,511</b>

## Net Debt calculation

	Q1 2025
Long-term Debt	\$ 5,677
Current Portion of Long-term Debt	322
Less Cash and Cash Equivalents	1,564
<b>Net Debt</b>	<b>\$ 4,435</b>

## Net Debt to adjusted EBITDA calculation

	Q1 2025
<b>Net Debt</b>	<b>\$ 4,435</b>
Trailing Twelve Months ("TTM") Adjusted EBITDA	3,511
<b>Net Debt to TTM Adjusted EBITDA</b>	<b>1.3</b>

\*\*\* Refer to slide 46 for details of highlighted items





# Appendix: 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	FY 2022	FY 2023	FY 2024
<b>GAAP Net Earnings (Loss) from Continuing Operations</b>	\$ 640	\$ 560	\$(155)	\$ 966	\$ 868	\$ 949	\$1,245	\$1,363	\$1,709	\$1,577
Interest Expense, Net	173	205	201	222	220	220	208	226	216	227
Income Tax Expense	274	282	1,227	133	130	221	302	148	432	390
Depreciation Expense	142	182	192	172	186	194	202	183	179	184
Intangible Amortization Expense	8	113	151	188	208	215	236	257	177	152
<b>EBITDA</b>	<b>\$1,237</b>	<b>\$1,342</b>	<b>\$1,616</b>	<b>\$1,681</b>	<b>\$1,612</b>	<b>\$1,799</b>	<b>\$2,193</b>	<b>\$2,177</b>	<b>\$2,713</b>	<b>\$2,530</b>
US Pension Settlement Loss	\$ —	\$ —	\$ —	\$ —	\$ 359	\$ —	\$ —	\$ —	\$ —	\$ —
Share-based Compensation Expenses	78	68	66	73	118	129	129	172	212	243
Reorganization of Business Charges	87	138	42	120	57	86	32	36	29	38
Loss from the Extinguishment of Debt	—	—	—	—	50	57	18	6	—	585
Other Above OE Highlighted Items***	31	15	(37)	104	11	15	53	242	72	21
Below OE Highlighted Items***	(117)	62	46	(12)	1	3	8	4	3	20
<b>Adjusted EBITDA</b>	<b>\$1,316</b>	<b>\$1,625</b>	<b>\$1,733</b>	<b>\$1,966</b>	<b>\$2,210</b>	<b>\$2,091</b>	<b>\$2,433</b>	<b>\$2,637</b>	<b>\$3,029</b>	<b>\$3,437</b>

\*\*\* Refer to slide 46 for details of highlighted items



# Appendix: Supplemental Non-GAAP Measures

## Net Debt to adjusted EBITDA ratio calculation

(\$ in millions)	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Long-term Debt	\$ 4,386	\$ 4,392	\$ 4,419	\$ 5,289	\$ 5,113	\$ 5,163	\$ 5,688	\$ 6,013	\$ 4,705	\$ 5,675
Current Portion of Long-term Debt	4	4	52	31	16	12	5	1	1,313	322
Less Cash and Cash Equivalents	1,980	1,030	1,268	1,246	1,001	1,254	1,874	1,325	1,705	2,102
<b>Net Debt</b>	<b>\$ 2,410</b>	<b>\$ 3,366</b>	<b>\$ 3,203</b>	<b>\$ 4,074</b>	<b>\$ 4,128</b>	<b>\$ 3,921</b>	<b>\$ 3,819</b>	<b>\$ 4,689</b>	<b>\$ 4,313</b>	<b>\$ 3,895</b>
Adjusted EBITDA	1,316	1,625	1,733	1,966	2,210	2,091	2,433	2,637	3,029	3,437
<b>Net Debt to Adjusted EBITDA</b>	<b>1.8</b>	<b>2.1</b>	<b>1.8</b>	<b>2.1</b>	<b>1.9</b>	<b>1.9</b>	<b>1.6</b>	<b>1.8</b>	<b>1.4</b>	<b>1.1</b>



# Our impact

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