

**Motorola Mobility Holdings, Inc.**  
**Condensed Consolidated Statements of Operations**  
(In millions, except per share amounts)

|   | Three Months Ended |              |                 |
|---|--------------------|--------------|-----------------|
|   | October 1, 2011    | July 2, 2011 | October 2, 2010 |
| Net revenues  | \$ 3,259           | \$ 3,337     | \$ 2,946        |
| Costs of sales  | 2,415              | 2,473        | 2,155           |
| Gross margin  | 844                | 864          | 791             |
| Selling, general and administrative expenses              | 426                | 456          | 385             |
| Research and development expenditures                     | 390                | 395          | 373             |
| Other charges   | 18                 | 20           | 13              |
| Intangibles amortization                                  | 15                 | 16           | 14              |
| Operating earnings (loss)                                 | (5)                | (23)         | 6               |
| Other income (expense):                                   |                    |              |                 |
| Interest income (expense), net *                          | 7                  | 1            | (11)            |
| Gains on sales of investments                             | 2                  | 10           | -               |
| Other, net  | (6)                | (5)          | (2)             |
| Total other income (expense)                              | 3                  | 6            | (13)            |
| Loss before income taxes                                  | (2)                | (17)         | (7)             |
| Income tax expense **                                     | 30                 | 39           | 28              |
| Net loss  | (32)               | (56)         | (35)            |
| Less: Loss attributable to non-controlling interests      | -                  | -            | (1)             |
| Net loss attributable to Motorola Mobility Holdings, Inc. | \$ (32)            | \$ (56)      | \$ (34)         |
| Basic loss per common share ***                           | \$ (0.11)          | \$ (0.19)    | \$ (0.12)       |
| Diluted loss per common share ***                         | \$ (0.11)          | \$ (0.19)    | N/A             |
| <u>Weighted average common shares outstanding</u>         |                    |              |                 |
| Basic   | 297.7              | 295.8        | 294.3           |
| Diluted   | 297.7              | 295.8        | N/A             |

|   | Percentage of Net Revenues **** |              |                 |
|---|---------------------------------|--------------|-----------------|
|   | October 1, 2011                 | July 2, 2011 | October 2, 2010 |
| Net revenues  | 100.0%                          | 100.0%       | 100.0%          |
| Costs of sales  | 74.1%                           | 74.1%        | 73.2%           |
| Gross margin  | 25.9%                           | 25.9%        | 26.8%           |
| Selling, general and administrative expenses              | 13.1%                           | 13.7%        | 13.1%           |
| Research and development expenditures                     | 12.0%                           | 11.8%        | 12.7%           |
| Other charges   | 0.6%                            | 0.6%         | 0.4%            |
| Intangibles amortization                                  | 0.5%                            | 0.5%         | 0.5%            |
| Operating earnings (loss)                                 | -0.2%                           | -0.7%        | 0.2%            |
| Other income (expense):                                   |                                 |              |                 |
| Interest income (expense), net *                          | 0.2%                            | 0.0%         | -0.4%           |
| Gains on sales of investments                             | 0.1%                            | 0.3%         | 0.0%            |
| Other, net  | -0.2%                           | -0.1%        | -0.1%           |
| Total other income (expense)                              | 0.1%                            | 0.2%         | -0.4%           |
| Loss before income taxes                                  | -0.1%                           | -0.5%        | -0.2%           |
| Income tax expense **                                     | 0.9%                            | 1.2%         | 1.0%            |
| Net loss  | -1.0%                           | -1.7%        | -1.2%           |
| Less: Loss attributable to non-controlling interests      | 0.0%                            | 0.0%         | 0.0%            |
| Net loss attributable to Motorola Mobility Holdings, Inc. | -1.0%                           | -1.7%        | -1.2%           |

\* For periods prior to separation on January 4, 2011, interest expense, net represents an allocation to Motorola Mobility Holdings, Inc. of the interest income and interest expense recognized by Motorola, Inc.

\*\* For periods prior to separation on January 4, 2011, income tax expense was computed as if Motorola Mobility Holdings, Inc. had filed tax returns on a stand-alone basis separate from Motorola, Inc.

\*\*\* The computation of basic earnings (loss) per common share for all periods through December 31, 2010, is calculated using the number of shares of Motorola Mobility Holdings, Inc. common stock outstanding on January 4, 2011, following the distribution of Motorola Mobility Holdings, Inc. common stock. No measure of diluted earnings (loss) per share is presented for periods prior to separation.

\*\*\*\* Percentages may not add up due to rounding.

**Motorola Mobility Holdings, Inc.**  
**Condensed Consolidated Statements of Operations**  
(In millions, except per share amounts)

|   | Nine Months Ended |                 |
|---|-------------------|-----------------|
|   | October 1, 2011   | October 2, 2010 |
| Net revenues  | \$ 9,628          | \$ 8,035        |
| Costs of sales  | 7,165             | 5,985           |
| Gross margin  | 2,463             | 2,050           |
| Selling, general and administrative expenses              | 1,299             | 1,141           |
| Research and development expenditures                     | 1,142             | 1,112           |
| Other charges (income)                                    | 39                | (194)           |
| Intangibles amortization                                  | 47                | 41              |
| Operating loss  | (64)              | (50)            |
| Other income (expense):                                   |                   |                 |
| Interest income (expense), net *                          | 10                | (40)            |
| Gains on sales of investments                             | 12                | -               |
| Other, net  | (28)              | (24)            |
| Total other income (expense)                              | (6)               | (64)            |
| Loss before income taxes                                  | (70)              | (114)           |
| Income tax expense **                                     | 99                | 55              |
| Net loss  | (169)             | (169)           |
| Less: Loss attributable to non-controlling interests      | -                 | (3)             |
| Net loss attributable to Motorola Mobility Holdings, Inc. | \$ (169)          | \$ (166)        |
| Basic loss per common share ***                           | \$ (0.57)         | \$ (0.56)       |
| Diluted loss per common share ***                         | \$ (0.57)         | N/A             |
| <u>Weighted average common shares outstanding</u>         |                   |                 |
| Basic   | 296.1             | 294.3           |
| Diluted   | 296.1             | N/A             |

|   | Percentage of Net Revenues **** |                 |
|---|---------------------------------|-----------------|
|   | October 1, 2011                 | October 2, 2010 |
| Net revenues  | 100.0%                          | 100.0%          |
| Costs of sales  | 74.4%                           | 74.5%           |
| Gross margin  | 25.6%                           | 25.5%           |
| Selling, general and administrative expenses              | 13.5%                           | 14.2%           |
| Research and development expenditures                     | 11.9%                           | 13.8%           |
| Other charges (income)                                    | 0.4%                            | -2.4%           |
| Intangibles amortization                                  | 0.5%                            | 0.5%            |
| Operating loss  | -0.6%                           | -0.6%           |
| Other income (expense):                                   |                                 |                 |
| Interest income (expense), net *                          | 0.1%                            | -0.5%           |
| Gains on sales of investments                             | 0.1%                            | 0.0%            |
| Other, net  | -0.3%                           | -0.3%           |
| Total other income (expense)                              | -0.1%                           | -0.8%           |
| Loss before income taxes                                  | -0.7%                           | -1.4%           |
| Income tax expense **                                     | 1.0%                            | 0.7%            |
| Net loss  | -1.8%                           | -2.1%           |
| Less: Loss attributable to non-controlling interests      | 0.0%                            | 0.0%            |
| Net loss attributable to Motorola Mobility Holdings, Inc. | -1.8%                           | -2.1%           |

\* For periods prior to separation on January 4, 2011, interest expense, net represents an allocation to Motorola Mobility Holdings, Inc. of the interest income and interest expense recognized by Motorola, Inc.

\*\* For periods prior to separation on January 4, 2011, income tax expense was computed as if Motorola Mobility Holdings, Inc. had filed tax returns on a stand-alone basis separate from Motorola, Inc.

\*\*\* The computation of basic earnings (loss) per common share for all periods through December 31, 2010, is calculated using the number of shares of Motorola Mobility Holdings, Inc. common stock outstanding on January 4, 2011, following the distribution of Motorola Mobility Holdings, Inc. common stock. No measure of diluted earnings (loss) per share is presented for periods prior to separation.

\*\*\*\* Percentages may not add up due to rounding.

**Motorola Mobility Holdings, Inc.**  
**Condensed Consolidated Balance Sheets**  
(In millions)

|  | October 1,<br>2011 | July 2,<br>2011 | October 2,<br>2010 |
|--|--------------------|-----------------|--------------------|
| <b>Assets</b>  |                    |                 |                    |
| Cash and cash equivalents *  | \$ 3,078           | \$ 3,026        | \$ -               |
| Accounts receivable, net   | 1,774              | 1,843           | 1,568              |
| Inventories, net   | 746                | 744             | 854                |
| Deferred income taxes **   | 147                | 80              | 111                |
| Other current assets   | 605                | 620             | 692                |
| <b>Total current assets</b>  | <b>6,350</b>       | <b>6,313</b>    | <b>3,225</b>       |
| Cash deposits  | 160                | 180             | -                  |
| Property, plant and equipment, net                                 | 803                | 806             | 737                |
| Investments  | 125                | 122             | 123                |
| Deferred income taxes **   | 50                 | 98              | 49                 |
| Goodwill   | 1,431              | 1,423           | 1,323              |
| Other assets   | 558                | 614             | 701                |
| <b>Total assets</b>  | <b>\$ 9,477</b>    | <b>\$ 9,556</b> | <b>\$ 6,158</b>    |
| <b>Liabilities and Stockholders' Equity</b>                        |                    |                 |                    |
| Accounts payable   | 1,708              | 1,728           | 1,734              |
| Accrued liabilities  | 2,234              | 2,276           | 2,076              |
| <b>Total current liabilities</b>                                   | <b>3,942</b>       | <b>4,004</b>    | <b>3,810</b>       |
| Other liabilities  | 587                | 648             | 586                |
| <b>Stockholders' Equity:</b>                                       |                    |                 |                    |
| Common stock   | 3                  | 3               | -                  |
| Additional paid-in capital   | 5,217              | 5,051           | -                  |
| Accumulated other comprehensive loss                               | (103)              | (13)            | (398)              |
| Retained earnings (accumulated deficit)                            | (169)              | (137)           | -                  |
| Owner's net investment, prior to Separation                        | -                  | -               | 2,136              |
| <b>Total Motorola Mobility Holdings, Inc. stockholders' equity</b> | <b>4,948</b>       | <b>4,904</b>    | <b>1,738</b>       |
| Non-controlling interests  | -                  | -               | 24                 |
| <b>Total stockholders' equity</b>                                  | <b>4,948</b>       | <b>4,904</b>    | <b>1,762</b>       |
| <b>Total liabilities and stockholders' equity</b>                  | <b>\$ 9,477</b>    | <b>\$ 9,556</b> | <b>\$ 6,158</b>    |

\* Until separation, the Company participated in Motorola, Inc.'s centralized cash management program. Accordingly, no cash and cash equivalents are presented on the Motorola Mobility Holdings, Inc. Condensed Consolidated Balance Sheet as of any reporting period prior to separation. On January 3, 2011, the Company received a cash contribution of \$3.2 billion from Motorola, Inc., which included approximately \$168 million of cash deposits.

\*\* For periods prior to separation on January 4, 2011, income taxes were computed as if Motorola Mobility Holdings, Inc. had filed tax returns on a stand-alone basis separate from Motorola, Inc.

**Motorola Mobility Holdings, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(In millions)

|   | Three Months Ended |              |                 |
|---|--------------------|--------------|-----------------|
|   | October 1, 2011    | July 2, 2011 | October 2, 2010 |
| <b>Operating</b>  |                    |              |                 |
| Net loss attributable to Motorola Mobility Holdings, Inc.                       | \$ (32)            | \$ (56)      | \$ (34)         |
| Less: Loss attributable to non-controlling interests                            | -                  | -            | (1)             |
| Net loss  | (32)               | (56)         | (35)            |
| Adjustments to reconcile net loss to net cash provided by operating activities: |                    |              |                 |
| Depreciation and amortization   | 57                 | 56           | 58              |
| Share-based compensation expense  | 34                 | 46           | 42              |
| Non-cash other charges  | -                  | 18           | -               |
| Gains on sales of investments   | (2)                | (10)         | -               |
| Deferred income taxes   | (31)               | (4)          | 17              |
| Changes in assets and liabilities, net of effects of acquisitions:              |                    |              |                 |
| Accounts receivable, net  | 17                 | (284)        | (276)           |
| Inventories   | (19)               | 115          | (226)           |
| Other current assets  | (45)               | 23           | (86)            |
| Accounts payable and accrued liabilities  | 30                 | 94           | 775             |
| Other assets and liabilities  | 16                 | 2            | 55              |
| Net cash provided by operating activities                                       | 25                 | -            | 324             |
| <b>Investing</b>  |                    |              |                 |
| Acquisitions and investments  | (21)               | (33)         | (46)            |
| Proceeds from sales of investments  | 12                 | 17           | 12              |
| Capital expenditures  | (40)               | (46)         | (26)            |
| Cash deposits   | (1)                | (23)         | -               |
| Other, net  | 4                  | 1            | (5)             |
| Net cash used for investing activities  | (46)               | (84)         | (65)            |
| <b>Financing</b>  |                    |              |                 |
| Share-based compensation activity   | 46                 | (14)         | -               |
| Capital contribution from Former Parent   | 75                 | -            | -               |
| Other, net  | (1)                | -            | -               |
| Net transfers to Former Parent  | -                  | -            | (265)           |
| Net cash provided by (used for) financing activities                            | 120                | (14)         | (265)           |
| Effect of exchange rate changes on cash and cash equivalents                    | (47)               | 8            | 6               |
| Net increase (decrease) in cash and cash equivalents                            | 52                 | (90)         | -               |
| Cash and cash equivalents, beginning of period                                  | 3,026              | 3,116        | -               |
| Cash and cash equivalents, end of period  | \$ 3,078           | \$ 3,026     | \$ -            |

Until separation, the Company participated in Motorola, Inc.'s (Former Parent) centralized cash management program. Accordingly, no cash and cash equivalents are presented on the Motorola Mobility Holdings, Inc. Condensed Consolidated Balance Sheet as of any reporting period prior to separation. On January 3, 2011, the Company received a cash contribution of \$3.2 billion from Motorola, Inc., which included approximately \$168 million of cash deposits. On July 22, 2011, the Company received \$75 million of the deferred contribution due from the Former Parent.

**Motorola Mobility Holdings, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(In millions)

|   | Nine Months Ended |                 |
|---|-------------------|-----------------|
|   | October 1, 2011   | October 2, 2010 |
| <b>Operating</b>  |                   |                 |
| Net loss attributable to Motorola Mobility Holdings, Inc.                       | \$ (169)          | \$ (166)        |
| Less: Loss attributable to non-controlling interests                            | -                 | (3)             |
| Net loss  | (169)             | (169)           |
| Adjustments to reconcile net loss to net cash provided by operating activities: |                   |                 |
| Depreciation and amortization   | 167               | 169             |
| Share-based compensation expense  | 120               | 120             |
| Non-cash other charges  | 17                | 1               |
| Gains on sales of investments   | (12)              | -               |
| Deferred income taxes   | (46)              | 14              |
| Changes in assets and liabilities, net of effects of acquisitions:              |                   |                 |
| Accounts receivable, net  | (246)             | (225)           |
| Inventories   | 80                | (166)           |
| Other current assets  | -                 | (7)             |
| Accounts payable and accrued liabilities  | 125               | 686             |
| Other assets and liabilities  | 96                | (42)            |
| Net cash provided by operating activities                                       | 132               | 381             |
| <b>Investing</b>  |                   |                 |
| Acquisitions and investments  | (65)              | (66)            |
| Proceeds from sales of investments  | 29                | 12              |
| Capital expenditures  | (136)             | (68)            |
| Cash deposits   | (24)              | -               |
| Other, net  | 5                 | 1               |
| Net cash used for investing activities  | (191)             | (121)           |
| <b>Financing</b>  |                   |                 |
| Share-based compensation activity   | 48                | -               |
| Capital contributions from Former Parent  | 3,107             | -               |
| Other, net  | 14                | -               |
| Net transfers to Former Parent  | -                 | (293)           |
| Net cash provided by (used for) financing activities                            | 3,169             | (293)           |
| Effect of exchange rate changes on cash and cash equivalents                    | (32)              | 33              |
| Net increase in cash and cash equivalents                                       | 3,078             | -               |
| Cash and cash equivalents, beginning of period                                  | -                 | -               |
| Cash and cash equivalents, end of period  | \$ 3,078          | \$ -            |

Until separation, the Company participated in Motorola, Inc.'s (Former Parent) centralized cash management program. Accordingly, no cash and cash equivalents are presented on the Motorola Mobility Holdings, Inc. Condensed Consolidated Balance Sheet as of any reporting period prior to separation. On January 3, 2011, the Company received a cash contribution of \$3.2 billion from Motorola, Inc., which included approximately \$168 million of cash deposits. On July 22, 2011, the Company received \$75 million of the deferred contribution due from the Former Parent.

**Motorola Mobility Holdings, Inc.**  
**Segment Information**  
(In millions)

Summarized below are the Company's Net revenues and Operating earnings (loss) by reportable segment for the three months and nine months ended October 1, 2011 and October 2, 2010.

| <b>Net Revenues</b>                |   |   |                               |
|------------------------------------|---|---|-------------------------------|
|                                    | <b>Three Months Ended<br/>October 1, 2011</b> | <b>Three Months Ended<br/>October 2, 2010</b> | <b>% Change from<br/>2010</b> |
| Mobile Devices                     | \$ 2,434                                      | \$ 2,034                                      | 19.7 %                        |
| Home                               | 825   | 912   | (9.5)%                        |
| Company Totals                     | <b>\$ 3,259</b>                               | <b>\$ 2,946</b>                               | <b>10.6 %</b>                 |
|                                    | <b>Nine Months Ended<br/>October 1, 2011</b>  | <b>Nine Months Ended<br/>October 2, 2010</b>  | <b>% Change from<br/>2010</b> |
| Mobile Devices                     | \$ 6,992                                      | \$ 5,399                                      | 30 %                          |
| Home                               | 2,636   | 2,636   | -                             |
| Company Totals                     | <b>\$ 9,628</b>                               | <b>\$ 8,035</b>                               | <b>20 %</b>                   |
| <b>Operating Earnings (Loss)</b>   |   |   |                               |
|                                    | <b>Three Months Ended<br/>October 1, 2011</b> | <b>Three Months Ended<br/>October 2, 2010</b> | <b>% Change from<br/>2010</b> |
| Mobile Devices                     | \$ (41)                                       | \$ (43)                                       | (5)%                          |
| Home                               | 54  | 49  | 10 %                          |
| Merger-related transaction costs * | (18)  | -   | -                             |
| Company Totals                     | <b>\$ (5)</b>                                 | <b>\$ 6</b>                                   | <b>(183)%</b>                 |
|                                    | <b>Nine Months Ended<br/>October 1, 2011</b>  | <b>Nine Months Ended<br/>October 2, 2010</b>  | <b>% Change from<br/>2010</b> |
| Mobile Devices                     | \$ (215)                                      | \$ (148)                                      | 45 %                          |
| Home                               | 169   | 98  | 72 %                          |
| Merger-related transaction costs * | (18)  | -   | -                             |
| Company Totals                     | <b>\$ (64)</b>                                | <b>\$ (50)</b>                                | <b>28 %</b>                   |

\* Represents costs incurred at the corporate level related to the Company's proposed merger with Google Inc.

**Motorola Mobility Holdings, Inc.**  
**GAAP to Non-GAAP Bridge**  
(In millions, except per share amounts)

|  | Three Months Ended<br>October 1, 2011 |                         |                     | Three Months Ended<br>July 2, 2011 |                         |                     |
|--|---------------------------------------|-------------------------|---------------------|------------------------------------|-------------------------|---------------------|
|  | GAAP<br>Results                       | Non-GAAP<br>Adjustments | Non-GAAP<br>Results | GAAP<br>Results                    | Non-GAAP<br>Adjustments | Non-GAAP<br>Results |
| Net revenues   | \$ 3,259                              | \$ -                    | \$ 3,259            | \$ 3,337                           | \$ -                    | \$ 3,337            |
| Costs of sales   | 2,415                                 | 3                       | 2,412               | 2,473                              | 4                       | 2,469               |
| Gross margin   | 844                                   | (3)                     | 847                 | 864                                | (4)                     | 868                 |
| Selling, general and administrative expenses                         | 426                                   | 19                      | 407                 | 456                                | 28                      | 428                 |
| Research and development expenditures                                | 390                                   | 12                      | 378                 | 395                                | 14                      | 381                 |
| Other charges  | 18                                    | 18                      | -                   | 20                                 | 20                      | -                   |
| Intangibles amortization   | 15                                    | 15                      | -                   | 16                                 | 16                      | -                   |
| Operating earnings (loss)  | (5)                                   | (67)                    | 62                  | (23)                               | (82)                    | 59                  |
| Other income (expense):  |                                       |                         |                     |                                    |                         |                     |
| Interest income, net   | 7                                     | -                       | 7                   | 1                                  | -                       | 1                   |
| Gains on sales of investments  | 2                                     | -                       | 2                   | 10                                 | -                       | 10                  |
| Other, net   | (6)                                   | -                       | (6)                 | (5)                                | -                       | (5)                 |
| Total other income (expense)   | 3                                     | -                       | 3                   | 6                                  | -                       | 6                   |
| Earnings (loss) before income taxes                                  | (2)                                   | (67)                    | 65                  | (17)                               | (82)                    | 65                  |
| Income tax expense   | 30                                    | -                       | 30                  | 39                                 | -                       | 39                  |
| Net earnings (loss)  | (32)                                  | (67)                    | 35                  | (56)                               | (82)                    | 26                  |
| Less: Earnings attributable to non-controlling interests             | -                                     | -                       | -                   | -                                  | -                       | -                   |
| Net earnings (loss) attributable to Motorola Mobility Holdings, Inc. | \$ (32)                               | \$ (67)                 | \$ 35               | \$ (56)                            | \$ (82)                 | \$ 26               |
| Basic earnings (loss) per common share                               | \$ (0.11)                             | \$ (0.23)               | \$ 0.12             | \$ (0.19)                          | \$ (0.28)               | \$ 0.09             |
| Diluted earnings (loss) per common share                             | \$ (0.11)                             | \$ (0.23)               | \$ 0.12             | \$ (0.19)                          | \$ (0.28)               | \$ 0.09             |
| <u>Weighted average common shares outstanding</u>                    |                                       |                         |                     |                                    |                         |                     |
| Basic  | 297.7                                 | 297.7                   | 297.7               | 295.8                              | 295.8                   | 295.8               |
| Diluted  | 297.7                                 | 297.7                   | 297.7               | 295.8                              | 295.8                   | 295.8               |

|  | Percentage of Net Revenues * |  |        |        |  |        |
|--|------------------------------|--|--------|--------|--|--------|
| Net revenues   | 100.0%                       |  | 100.0% | 100.0% |  | 100.0% |
| Costs of sales   | 74.1%                        |  | 74.0%  | 74.1%  |  | 74.0%  |
| Gross margin   | 25.9%                        |  | 26.0%  | 25.9%  |  | 26.0%  |
| Selling, general and administrative expenses                         | 13.1%                        |  | 12.5%  | 13.7%  |  | 12.8%  |
| Research and development expenditures                                | 12.0%                        |  | 11.6%  | 11.8%  |  | 11.4%  |
| Other charges  | 0.6%                         |  | 0.0%   | 0.6%   |  | 0.0%   |
| Intangibles amortization   | 0.5%                         |  | 0.0%   | 0.5%   |  | 0.0%   |
| Operating earnings (loss)  | -0.2%                        |  | 1.9%   | -0.7%  |  | 1.8%   |
| Other income (expense):  |                              |  |        |        |  |        |
| Interest income, net   | 0.2%                         |  | 0.2%   | 0.0%   |  | 0.0%   |
| Gains on sales of investments  | 0.1%                         |  | 0.1%   | 0.3%   |  | 0.3%   |
| Other, net   | -0.2%                        |  | -0.2%  | -0.1%  |  | -0.1%  |
| Total other income (expense)   | 0.1%                         |  | 0.1%   | 0.2%   |  | 0.2%   |
| Earnings (loss) before income taxes                                  | -0.1%                        |  | 2.0%   | -0.5%  |  | 1.9%   |
| Income tax expense   | 0.9%                         |  | 0.9%   | 1.2%   |  | 1.2%   |
| Net earnings (loss)  | -1.0%                        |  | 1.1%   | -1.7%  |  | 0.8%   |
| Less: Earnings attributable to non-controlling interests             | 0.0%                         |  | 0.0%   | 0.0%   |  | 0.0%   |
| Net earnings (loss) attributable to Motorola Mobility Holdings, Inc. | -1.0%                        |  | 1.1%   | -1.7%  |  | 0.8%   |

\* Percentages may not add up due to rounding.

**Motorola Mobility Holdings, Inc.**  
**GAAP to Non-GAAP Bridge**  
(In millions, except per share amounts)

|  | Three Months Ended<br>October 1, 2011 |                         |                     | Three Months Ended<br>October 2, 2010 |                         |                     |
|--|---------------------------------------|-------------------------|---------------------|---------------------------------------|-------------------------|---------------------|
|  | GAAP<br>Results                       | Non-GAAP<br>Adjustments | Non-GAAP<br>Results | GAAP<br>Results                       | Non-GAAP<br>Adjustments | Non-GAAP<br>Results |
| Net revenues   | \$ 3,259                              | \$ -                    | \$ 3,259            | \$ 2,946                              | \$ -                    | \$ 2,946            |
| Costs of sales   | 2,415                                 | 3                       | 2,412               | 2,155                                 | 9                       | 2,146               |
| Gross margin   | 844                                   | (3)                     | 847                 | 791                                   | (9)                     | 800                 |
| Selling, general and administrative expenses                         | 426                                   | 19                      | 407                 | 385                                   | 23                      | 362                 |
| Research and development expenditures                                | 390                                   | 12                      | 378                 | 373                                   | 15                      | 358                 |
| Other charges  | 18                                    | 18                      | -                   | 13                                    | 13                      | -                   |
| Intangibles amortization   | 15                                    | 15                      | -                   | 14                                    | 14                      | -                   |
| Operating earnings (loss)  | (5)                                   | (67)                    | 62                  | 6                                     | (74)                    | 80                  |
| Other income (expense):  |                                       |                         |                     |                                       |                         |                     |
| Interest income (expense), net *                                     | 7                                     | -                       | 7                   | (11)                                  | -                       | (11)                |
| Gains on sales of investments  | 2                                     | -                       | 2                   | -                                     | -                       | -                   |
| Other, net   | (6)                                   | -                       | (6)                 | (2)                                   | -                       | (2)                 |
| Total other income (expense)   | 3                                     | -                       | 3                   | (13)                                  | -                       | (13)                |
| Earnings (loss) before income taxes                                  | (2)                                   | (67)                    | 65                  | (7)                                   | (74)                    | 67                  |
| Income tax expense **  | 30                                    | -                       | 30                  | 28                                    | (2)                     | 30                  |
| Net earnings (loss)  | (32)                                  | (67)                    | 35                  | (35)                                  | (72)                    | 37                  |
| Less: Loss attributable to non-controlling interests                 | -                                     | -                       | -                   | (1)                                   | -                       | (1)                 |
| Net earnings (loss) attributable to Motorola Mobility Holdings, Inc. | \$ (32)                               | \$ (67)                 | \$ 35               | \$ (34)                               | \$ (72)                 | \$ 38               |
| Basic earnings (loss) per common share ***                           | \$ (0.11)                             | \$ (0.23)               | \$ 0.12             | \$ (0.12)                             | \$ (0.25)               | \$ 0.13             |
| Diluted earnings (loss) per common share ***                         | \$ (0.11)                             | \$ (0.23)               | \$ 0.12             | N/A                                   | N/A                     | N/A                 |
| <u>Weighted average common shares outstanding***</u>                 |                                       |                         |                     |                                       |                         |                     |
| Basic  | 297.7                                 | 297.7                   | 297.7               | 294.3                                 | 294.3                   | 294.3               |
| Diluted  | 297.7                                 | 297.7                   | 297.7               | N/A                                   | N/A                     | N/A                 |

|  | Percentage of Net Revenues **** |  |        |        |        |
|--|---------------------------------|--|--------|--------|--------|
| Net revenues   | 100.0%                          |  | 100.0% | 100.0% | 100.0% |
| Costs of sales   | 74.1%                           |  | 74.0%  | 73.2%  | 72.8%  |
| Gross margin   | 25.9%                           |  | 26.0%  | 26.8%  | 27.2%  |
| Selling, general and administrative expenses                         | 13.1%                           |  | 12.5%  | 13.1%  | 12.3%  |
| Research and development expenditures                                | 12.0%                           |  | 11.6%  | 12.7%  | 12.2%  |
| Other charges  | 0.6%                            |  | 0.0%   | 0.4%   | 0.0%   |
| Intangibles amortization   | 0.5%                            |  | 0.0%   | 0.5%   | 0.0%   |
| Operating earnings (loss)  | -0.2%                           |  | 1.9%   | 0.2%   | 2.7%   |
| Other income (expense):  |                                 |  |        |        |        |
| Interest income (expense), net *                                     | 0.2%                            |  | 0.2%   | -0.4%  | -0.4%  |
| Gains on sales of investments  | 0.1%                            |  | 0.1%   | 0.0%   | 0.0%   |
| Other, net   | -0.2%                           |  | -0.2%  | -0.1%  | -0.1%  |
| Total other income (expense)   | 0.1%                            |  | 0.1%   | -0.4%  | -0.4%  |
| Earnings (loss) before income taxes                                  | -0.1%                           |  | 2.0%   | -0.2%  | 2.3%   |
| Income tax expense **  | 0.9%                            |  | 0.9%   | 1.0%   | 1.0%   |
| Net earnings (loss)  | -1.0%                           |  | 1.1%   | -1.2%  | 1.3%   |
| Less: Loss attributable to non-controlling interests                 | 0.0%                            |  | 0.0%   | 0.0%   | 0.0%   |
| Net earnings (loss) attributable to Motorola Mobility Holdings, Inc. | -1.0%                           |  | 1.1%   | -1.2%  | 1.3%   |

\* For periods prior to separation on January 4, 2011, interest expense, net represents an allocation to Motorola Mobility Holdings, Inc. of the interest income and interest expense recognized by Motorola, Inc.

\*\* For periods prior to separation on January 4, 2011, income tax expense was computed as if Motorola Mobility Holdings, Inc. had filed tax returns on a stand-alone basis separate from Motorola, Inc.

\*\*\* The computation of basic earnings (loss) per common share for all periods through December 31, 2010, is calculated using the number of shares of Motorola Mobility Holdings, Inc. common stock outstanding on January 4, 2011, following the distribution of Motorola Mobility Holdings, Inc. common stock. No measure of diluted earnings (loss) per share is presented for periods prior to separation.

\*\*\*\* Percentages may not add up due to rounding.



**Motorola Mobility Holdings, Inc.**  
**Operating Earnings (Loss) after Non-GAAP Adjustments**  
(In millions)

**Q1 2011**

|  | TOTAL                 | Mobile Devices | Home   | Other |
|--|-----------------------|----------------|--------|-------|
| Net revenues   | \$ 3,032              | \$ 2,128       | \$ 904 | \$ -  |
| Operating earnings (loss)  | \$ (36)               | \$ (89)        | \$ 53  | \$ -  |
| Non-GAAP adjustments by P&L statement line:  | <u>Statement Line</u> |                |        |       |
| Stock-based compensation expense   | 4                     | 2              | 2      | -     |
| Stock-based compensation expense   | 36                    | 23             | 13     | -     |
| Intangible assets amortization expense   | 16                    | 3              | 13     | -     |
| Less: Total non-GAAP adjustments   | 56                    | 28             | 28     | -     |
| Operating earnings (loss) after non-GAAP adjustments                                   | \$ 20                 | \$ (61)        | \$ 81  | \$ -  |
| Operating earnings (loss) as a percentage of net revenues - GAAP                       | -1.2%                 | -4.2%          | 5.9%   | 0.0%  |
| Operating earnings (loss) as a percentage of net revenues - after non-GAAP adjustments | 0.7%                  | -2.9%          | 9.0%   | 0.0%  |

**Q2 2011**

|  | TOTAL                 | Mobile Devices | Home   | Other |
|--|-----------------------|----------------|--------|-------|
| Net revenues   | \$ 3,337              | \$ 2,430       | \$ 907 | \$ -  |
| Operating earnings (loss)  | \$ (23)               | \$ (85)        | \$ 62  | \$ -  |
| Non-GAAP adjustments by P&L statement line:  | <u>Statement Line</u> |                |        |       |
| Stock-based compensation expense   | 4                     | 3              | 1      | -     |
| Stock-based compensation expense   | 42                    | 29             | 13     | -     |
| Intangible assets amortization expense   | 16                    | 2              | 14     | -     |
| Legal claim provision  | 20                    | 20             | -      | -     |
| Less: Total non-GAAP adjustments   | 82                    | 54             | 28     | -     |
| Operating earnings (loss) after non-GAAP adjustments                                   | \$ 59                 | \$ (31)        | \$ 90  | \$ -  |
| Operating earnings (loss) as a percentage of net revenues - GAAP                       | -0.7%                 | -3.5%          | 6.8%   | 0.0%  |
| Operating earnings (loss) as a percentage of net revenues - after non-GAAP adjustments | 1.8%                  | -1.3%          | 9.9%   | 0.0%  |

**Q3 2011**

|  | TOTAL                 | Mobile Devices | Home   | Other   |
|--|-----------------------|----------------|--------|---------|
| Net revenues   | \$ 3,259              | \$ 2,434       | \$ 825 | \$ -    |
| Operating earnings (loss)  | \$ (5)                | \$ (41)        | \$ 54  | \$ (18) |
| Non-GAAP adjustments by P&L statement line:  | <u>Statement Line</u> |                |        |         |
| Merger-related transaction costs *   | 18                    | -              | -      | 18      |
| Stock-based compensation expense   | 3                     | 2              | 1      | -       |
| Stock-based compensation expense   | 31                    | 21             | 10     | -       |
| Intangible assets amortization expense   | 15                    | 3              | 12     | -       |
| Less: Total Non-GAAP adjustments   | 67                    | 26             | 23     | 18      |
| Operating earnings (loss) after non-GAAP adjustments                                   | \$ 62                 | \$ (15)        | \$ 77  | \$ -    |
| Operating earnings (loss) as a percentage of net revenues - GAAP                       | -0.2%                 | -1.7%          | 6.5%   | 0.0%    |
| Operating earnings (loss) as a percentage of net revenues - after non-GAAP adjustments | 1.9%                  | -0.6%          | 9.3%   | 0.0%    |

\* Represents costs incurred at the corporate level related to the Company's proposed merger with Google Inc.

**Motorola Mobility Holdings, Inc.**  
**Non-GAAP Adjustments**  
(In millions, except per share amounts)

**Q1 2011**

| Non-GAAP Adjustments                   | Statement Line              | Q1 2011 PBT<br>(Inc)/Exp | Q1 2011 Tax<br>Inc/(Exp) | Q1 2011 PAT<br>(Inc)/Exp | EPS Impact<br>(Incr)/Decr * |
|--|-----------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|
| <b>GAAP Results</b>                    |                             | \$ (51)                  | \$ 30                    | \$ (81)                  | \$ (0.27)                   |
| Stock-based compensation expense       | Cost of sales, SG&A and R&D | 40                       | -                        | 40                       | (0.14)                      |
| Intangible assets amortization expense | Intangibles amortization    | 16                       | -                        | 16                       | (0.05)                      |
| <b>Total Impact</b>                    |                             | 56                       | -                        | 56                       | (0.19)                      |
| <b>Non-GAAP Results</b>                |                             | <u>\$ 5</u>              | <u>\$ 30</u>             | <u>\$ (25)</u>           | <u>\$ (0.08)</u>            |

**Q2 2011**

| Non-GAAP Adjustments                   | Statement Line              | Q2 2011 PBT<br>(Inc)/Exp | Q2 2011 Tax<br>Inc/(Exp) | Q2 2011 PAT<br>(Inc)/Exp | EPS Impact<br>(Incr)/Decr * |
|--|-----------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|
| <b>GAAP Results</b>                    |                             | \$ (17)                  | \$ 39                    | \$ (56)                  | \$ (0.19)                   |
| Stock-based compensation expense       | Cost of sales, SG&A and R&D | 46                       | -                        | 46                       | (0.16)                      |
| Intangible assets amortization expense | Intangibles amortization    | 16                       | -                        | 16                       | (0.05)                      |
| Legal claim provision                  | Other charges (income)      | 20                       | -                        | 20                       | (0.07)                      |
| <b>Total Impact</b>                    |                             | 82                       | -                        | 82                       | (0.28)                      |
| <b>Non-GAAP Results</b>                |                             | <u>\$ 65</u>             | <u>\$ 39</u>             | <u>\$ 26</u>             | <u>\$ 0.09</u>              |

**Q3 2011**

| Non-GAAP Adjustments                   | Statement Line              | Q3 2011 PBT<br>(Inc)/Exp | Q3 2011 Tax<br>Inc/(Exp) | Q3 2011 PAT<br>(Inc)/Exp | EPS Impact<br>(Incr)/Decr * |
|--|-----------------------------|--------------------------|--------------------------|--------------------------|-----------------------------|
| <b>GAAP Results</b>                    |                             | \$ (2)                   | \$ 30                    | \$ (32)                  | \$ (0.11)                   |
| Merger-related transaction costs **    | Other charges (income)      | 18                       | -                        | 18                       | (0.06)                      |
| Stock-based compensation expense       | Cost of sales, SG&A and R&D | 34                       | -                        | 34                       | (0.11)                      |
| Intangible assets amortization expense | Intangibles amortization    | 15                       | -                        | 15                       | (0.05)                      |
| <b>Total Impact</b>                    |                             | 67                       | -                        | 67                       | (0.23)                      |
| <b>Non-GAAP Results</b>                |                             | <u>\$ 65</u>             | <u>\$ 30</u>             | <u>\$ 35</u>             | <u>\$ 0.12</u>              |

\* EPS impact may not add up due to rounding.

\*\* Represents costs incurred at the corporate level related to the Company's proposed merger with Google Inc.

**Motorola Mobility Holdings, Inc.**  
**Revenue Mix by Region**  
(In millions)

**Q1 2011**

|               | TOTAL       | Mobile Devices | Home        |
|---------------|-------------|----------------|-------------|
| North America | 62%         | 56%            | 77%         |
| Latin America | 17%         | 20%            | 11%         |
| Greater China | 11%         | 15%            | 2%          |
| EMEA          | 6%          | 5%             | 8%          |
| Rest of Asia  | 4%          | 4%             | 2%          |
| <b>Total</b>  | <b>100%</b> | <b>100%</b>    | <b>100%</b> |

**Q2 2011**

|               | TOTAL       | Mobile Devices | Home        |
|---------------|-------------|----------------|-------------|
| North America | 51%         | 43%            | 73%         |
| Latin America | 21%         | 24%            | 13%         |
| Greater China | 11%         | 14%            | 2%          |
| EMEA          | 9%          | 9%             | 9%          |
| Rest of Asia  | 8%          | 10%            | 3%          |
| <b>Total</b>  | <b>100%</b> | <b>100%</b>    | <b>100%</b> |

**Q3 2011**

|               | TOTAL       | Mobile Devices | Home        |
|---------------|-------------|----------------|-------------|
| North America | 54%         | 48%            | 73%         |
| Latin America | 23%         | 26%            | 13%         |
| Greater China | 12%         | 15%            | 2%          |
| EMEA          | 7%          | 6%             | 10%         |
| Rest of Asia  | 4%          | 5%             | 2%          |
| <b>Total</b>  | <b>100%</b> | <b>100%</b>    | <b>100%</b> |