

**MOTOROLA SOLUTIONS  
DANMARK A/S**  
Sydvestvej 15  
2600 Glostrup

**Annual Report 31.12.2015**

CVR-No.: 10 29 08 13

Approved on the companies ordinary shareholder meeting 24 May 2016

As chairman



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Klavs Berthelsen

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## Declarations

### Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Motorola Solutions Danmark A/S for the financial year 1 January – 31 December 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January – 31 December 2015.

In our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and of the results of the Company's operations and its financial position.

We recommend that the annual report be approved at the annual general meeting.

Glostrup, 24 May 2016

*Executive Board:*



Michael Kaae

*Board of Directors:*



Henrik Blume  
Chairman



Ian McCullagh



Michael Kaae



Brian Larsen  
Elected by the employees



Steen Petersen  
Elected by the employees

## **Independent auditors' report**

### **To the shareholders of Motorola Solutions Danmark A/S**

#### **Independent auditors' report on the financial statements**

We have audited the financial statements of Motorola Solutions Danmark A/S for the financial year 1 January – 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

#### **Management's responsibility for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditors' responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

## **Independent auditors' report Opinion**

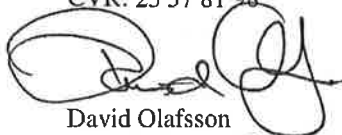
In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of its operations for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act

## **Statement on the Management's review**

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 24 May 2016

**KPMG**  
Statsautoriseret Revisionspartnerselskab  
CVR: 25 57 81 98



David Olafsson  
State Authorized Public Accountant



Henrik Kyhnav  
State Authorized Public Accountant

## **Management's review**

### **Company details**

Motorola Solutions Danmark A/S  
Sydvestvej 15  
2600 Glostrup

*Telephone:* 43 48 80 00  
*Fax:* 43 48 80 01  
*E-mail:* recdk01@motorolasolutions.com

*CVR No. :* 10 29 08 13  
*Established:* 1964  
*Registered office:* Glostrup  
*Financial year:* 1 January - 31 December

#### ***Board of Directors***

Henrik Blume  
Ian McCullagh  
Michael Kaae  
Brian Larsen  
Steen Petersen

#### ***Executive Board***

Michael Kaae

#### ***Auditors***

KPMG  
Statsautoriseret Revisionspartnerselskab  
Dampfærgevej 28  
2100 Copenhagen

#### ***Annual general meeting***

*The annual general meeting is to be held on 24th May 2016*

## Management's review

### Financial highlights

DKKm	2015	2014	2013	2012	2011
Principal figures					
Revenue	182.2	235.4	243.9	248.5	320.1
Ordinary operating profit	8.7	25.0	7.3	7.1	-4.0
Net from financial income and expenses	2.2	-1.3	-1.3	1.3	1.1
<b>Profit for the year</b>	<b>8.3</b>	<b>20.0</b>	<b>8.8</b>	<b>6.2</b>	<b>-4.0</b>
Non-current assets	6.4	6.5	9.2	13.7	21.0
Current assets	95.0	142.7	121.9	122.5	176.0
<b>Total assets</b>	<b>101.5</b>	<b>149.2</b>	<b>131.1</b>	<b>136.2</b>	<b>197.0</b>
Share capital	10.0	10.0	10.0	10.0	10.0
<b>Equity</b>	<b>47.5</b>	<b>84.3</b>	<b>64.3</b>	<b>55.4</b>	<b>89.3</b>
Non-current liabilities other than provisions	0.1	4.2	2.2	4.8	7.4
Current liabilities other than provisions	53.9	60.2	64.7	75.9	100.3
Financial Ratio					
Operating margin	4.8	3.1	3.0	2.9	-1.2
Return on invested capital	133.8	228.1	127.0	82.3	-24.9
Gross margin	12.1	14.6	13.6	16.6	14.1
Current ratio	180.2	237.0	188.4	161.3	163.3
Solvency ratio	48.1	56.5	49.0	40.7	45.3
Return on equity	17.2	23.7	14.7	-3.6	-3.6
<b>Average number of employees</b>	<b>141</b>	<b>180</b>	<b>180</b>	<b>247</b>	<b>247</b>

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' Guideline's on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

## Definitions

<i>Operating margin</i>	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
<i>Return on invested capital</i>	$\frac{\text{Operating profit} \times 100}{\text{Average invested capital}}$
<i>Invested capital</i>	<i>Operating intangible assets and property, plant and equipment plus net working capital</i>
<i>Gross margin</i>	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
<i>Current ratio</i>	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
<i>Solvency ratio</i>	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
<i>Return on equity</i>	$\frac{\text{Profit from ordinary activities after tax} \times 100}{\text{Average equity}}$



## **Management's review**

### **Operating review**

Motorola Solutions Danmark A/S is a 100% owned subsidiary of Motorola Solutions Finance EMEA Ltd., Jays Close Viables Industrial Estate, Basingstoke, Hampshire RG22 4 PD, England.

In accordance with The Companies Statutory Act §71, note that the company is included as part of the Annual Report of Motorola Solutions Inc.

### **Principal activities of the company**

Motorola Solutions Group's activities include the development and sale of customized communications solutions that support the customer and its users need for future-proof communication solutions for their business.

Motorola Solutions Danmark A/S activities relates to development, sale and maintenance of portable and mobile, stationary communications.

The company's sales and maintenance is primarily for public- and commercial customers.

Sales activities are undertaken from own departments in Denmark and from Danish and European distributors. Furthermore, Motorola Solutions Danmark A/S handles various services on behalf of other Motorola companies for which the company receives a fee.

In addition, the company works closely with the operator Dansk Beredskabskommunikation A/S also a subsidiary of Motorola Solutions Inc.

## **Development in activities and financial position**

### **Revenue**

The company turnover in 2015 amounted to 182,2 DKKm versus 235,4 DKKm in 2014. The decrease in turnover of 53,5 DKKm, approx. 23%, refer to sale of enterprise business to Zebra Technologies in October 2014.

### **Result after tax**

2015 net profit of the year is a surplus of 8,3 DKKm versus 2014 surplus of 20,0 DKKm. The decreased result in 2015 refers to the fact that in 2014 the company completed the sale of enterprise business to Zebra Technologies.

In 2015 the company has continued its focus on cost control and continued to reduce the operational cost.

Equity amounts to 47,6 DKKm after distribution of profit for the year.

## **Cash Flow**

The company's cash flow position is strong. The cash available by the end of 2015 amounted to 26,6 DKKm.

## **Management's review**

### **Significant events after the balance sheet date**

After the balance sheet date, no subsequent events, which have significant impact on the Company's financial position, have occurred.

### **Outlook 2016**

Management expectations for 2016 a turnover close to the 2015 level. The outlook is based on focusing on the company's core business which is expected to compensate for the Enterprise business.

The total cost is expected to decrease compared to 2015.

Overall, it is Management view that the company will reach a result in 2016 that is at the same level as 2015.

## **Risk factors**

### **Financial risk**

As part of the Motorola Solutions Inc. Group and their strong financial position and cash flow, the company is very limited exposed to changes in the interest level.

### **Credit risk**

The company has no significant risks towards individual customers or partners.

### **Environmental conditions**

The company's main activity is predominantly development of communication solutions based on the Tetra standard and sales, therefore the impact on the surrounding environment is minimal.

## **Knowledge Resources**

The company had an average of 141 employees in the company against 180 last year. The reduction is attributable to the restructuring of the development.

In 2015, Motorola Solutions Danmark A/S continued to pursue its comprehensive training program in order to maintain and enhance employees' personal and professional development. The program includes technical courses, management courses and courses in environment and safety.

This is essential for the company to continue to maintain and attract highly experienced people with expertise skills related to mobile communication.

To ensure a high and competence product quality the company is certified with ISO9001:2008 standard.

The use of ISO9001:2008 require a high level of competence and the company continues with additional investments with the aim of further increase of the competence level of the employees.

The development and knowledge increase to employees are done through the education program that is updated at a regular basis to ensure that the latest knowledge regarding Tetra technology is available.

## **FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER**

### **Accounting policies**

The annual report of Motorola Solutions Danmak A/S for the year 2015 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

In accordance with the Danish Financial Statements Act §86 paragraph 4 the company's cash flow statement is omitted because the financial statements is included in the consolidated financial statements of Motorola Solutions Inc.

The financial statements are prepared using the same accounting policies as last year.

### **General recognition and measurement**

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the Company and the asset can be reliably measured.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow from the company and the value can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortized cost, applying a constant effective interest rate during the term. Amortized cost is calculated as initial cost after deduction of any principal repayments as well as additions / deduction of the accumulated amortization of the difference between cost and nominal amount.

The recognition or measurement takes into account predictable losses and risks arising before year-end reporting and which prove or disprove matters that existed at the balance sheet date.

Revenue is being recognized in the income statement as it occurs, including value adjustments of financial assets and liabilities measured at fair value or amortized cost. In addition, costs incurred for the year's earnings, including depreciation, write-down and provisions as well reversals due to changes in accounting estimates of amounts previously recognized in the income statement.

### **Conversion of foreign currency**

Transactions in foreign currencies have been converted at the internal standard rate at transaction date. Receivables and payables that are payable in foreign currencies are converted to the internal standard rates.

Gains and losses, both realized and unrealized, are included in financial items in the income statement.

## **FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER**

### **Accounting policies**

#### **Income statement**

##### **Net revenues**

The company's net revenue represents the invoiced sales after deduction of any discounts, which are directly related to sales and fees for services performed.

##### **Manufacturing costs**

Manufacturing costs include costs such as depreciation and salaries incurred in order to obtain the annual revenue for the year.

This includes direct and indirect costs of raw materials, wages and salaries, rentals and leasing and depreciation of production.

Research and development costs are expensed as incurred and included in cost of sales in the income statement.

##### **Sales and distribution costs**

Sales and distribution cost include cost incurred in distributing goods sold during the year and for the years accomplished sales campaigns, etc. Also included are costs for sales employees, advertising and exhibition expenses as well as depreciation.

##### **Administration costs**

Administration cost include cost incurred during the year for leadership and administration of the company, including costs for administrative personnel, office premises and office expenses as well as depreciation.

##### **Other Income**

Other income is those items that don't occur during the normal course of business operation.

##### **Financial income and expenses**

Financial income and expenses include interest, capital gains and losses on securities, debt and foreign currency transactions, write-down of financial assets and liabilities, surcharges and refunds under the tax on account scheme etc.

## **FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER**

### **Accounting policies**

#### **Income tax expense**

The tax for the year which consists of the current tax for the year, joint taxation contributions for the year and changes in the deferred tax, is recognized in the income statement.

#### **Balance sheet**

##### **Tangible fixed assets**

Leasehold improvements, technical equipment under construction as well as operating equipment and fixtures are being measured at cost less accumulated depreciation and write-down.

Cost includes purchase price and any costs directly attributable to the acquisition until the date when the asset is ready for use. For internally constructed assets the cost includes direct and indirect costs of materials, components, sub-contractors and salary.

Straight-line depreciation is based on the following assessment of the expected useful life: Leasehold improvements Up to 10 years.

Tools and equipment 3 to 8 years.

Depreciation is recognized in the income statement under production costs, distribution costs and administrative expenses.

Profit or loss on disposal of tangible fixed assets is calculated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognized in the income statement under production costs, distribution costs as well as administrative expenses.

##### **Financial assets**

Certain financial assets and liabilities are measured at amortized cost.

## **FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER**

### **Accounting policies**

#### **Balance sheet**

#### **Accounts receivable**

Receivables are measured at amortized cost.

The company has set aside a reserve against potential losses based on an individual assessment of each individual receivable.

#### **Dividends**

Dividend expected to be paid out for the year, is recognized separately in the equity. Dividend is recognized as a liability at time of adoption at the general meeting.

#### **Prepayments (assets)**

Accruals included under assets, includes costs incurred, concerning subsequent financial years.

#### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognized in the balance sheet as tax calculated on the taxable income, adjusted for tax on prior years' taxable income and tax paid on account.

Payable and receivable joint taxation contributions are recognized in the balance sheet under accounts with affiliates.

Deferred tax is measured according to the balance liability method of all temporary differences between accounting and tax values of assets and liabilities. It does not recognize deferred tax on temporary differences relating to items where temporary differences have arisen at the time of acquisition without affecting profit or taxable income. In those situations, where the tax base can be made for alternative taxation rules, deferred tax is based on the planned use of the asset or settlement of the obligation.

Deferred tax assets, including the tax value of tax loss carry forwards, are measured at the expected realizable value of the asset, either by set-off against tax on future revenue or by set-off against deferred tax liabilities within the same legal tax entity.

Changes in deferred tax due to change in tax rate is recognized in the income statement.

## **Liabilities**

Financial liabilities are recognized at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortized cost equal to the capitalized value when using effective interest, the difference between the proceeds and the nominal value being recognized in the income statement over the term of loan.

## **Prepayments (liabilities)**

Prepayments recognized under liabilities include payments received concerning income in subsequent years.

## **Cash equivalents**

Cash equivalents comprise cash and short-term securities, which are readily convertible into cash and which are subject to an insignificant risk of changes in value.



## FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

<b>Income statement (TDKK)</b>		<b>2015</b>	<b>2014</b>
<b>REVENUE</b>	1	182,173	235,376
Production costs	2	<u>-160,421</u>	<u>-201,102</u>
<b>GROSS PROFIT</b>		21,751	34,274
Sales and distribution costs	2	-12,687	-26,038
Administrative expenses	2, 3	<u>-387</u>	<u>-986</u>
<b>ORDINARY PROFIT</b>		8,677	7,250
Other operating income		0	17,768
<b>OPERATING PROFIT</b>		8,677	25,018
Financial income	3	3,630	2,925
Financial expenses	3	<u>-1,421</u>	<u>-825</u>
<b>PROFIT BEFORE TAX</b>		10,886	27,118
Tax for the year	4	<u>-2,574</u>	<u>-7,105</u>
<b>PROFIT FOR THE YEAR</b>		<u><u>8,313</u></u>	<u><u>20,013</u></u>

### Proposed profit appropriation (TDKK)

#### At disposal:

Profit for the year	8,313	20,013
Retained earnings	<u>29,274</u>	<u>54,261</u>
Total disposal	<u><u>37,586</u></u>	<u><u>74,274</u></u>

#### Distribution of profit of the financial year

Retained earnings	22,586	29,274
Proposed dividend	<u>15,000</u>	<u>45,000</u>
	<u><u>37,586</u></u>	<u><u>74,274</u></u>

## FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

<b>Balance sheet (TDKK)</b>	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	5	
Leasehold improvements	1,183	1,218
Machinery and equipment	1,332	1,946
Assets under construction	9	1
	<u>2,524</u>	<u>3,165</u>
<b>Investments</b>		
Deposits	3,916	3,351
	<u>3,916</u>	<u>3,351</u>
<b>Total non-current assets</b>	<u>6,440</u>	<u>6,516</u>
<b>CURRENT ASSETS</b>		
Trade receivables	2,988	2,261
Receivables from affiliated companies	58,097	51,452
Income tax receivable	4,751	0
Deferred tax	8	2,994
Other receivables	160	5,940
Prepayments	91	513
	<u>68,441</u>	<u>63,161</u>
<b>Cash at bank and in hand</b>	<u>26,652</u>	<u>79,500</u>
<b>Total current assets</b>	<u>95,093</u>	<u>142,661</u>
<b>TOTAL ASSETS</b>	<u>101,533</u>	<u>149,177</u>

## FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

<b>Balance sheet (TDKK)</b>	<b>2015</b>	<b>2014</b>
<b>Equity and liabilities</b>		
<b>EQUITY</b>	<b>6</b>	
Share capital	10,001	10,001
Proposed dividend	15,000	45,000
Retained earnings	<u>22,586</u>	<u>29,274</u>
Total equity	<u>47,587</u>	<u>84,275</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities other than provisions</b>		
Prepayments	7	4,738
Total non-current liabilities other than provisions	<u>42</u>	<u>4,738</u>
<b>Current liabilities</b>		
Trade payables	3,581	5,092
Debt to affiliated companies	2,864	8,714
Income taxes liabilities	0	298
Other payables	36,710	45,577
Prepayments	<u>10,748</u>	<u>483</u>
Total current liabilities other than provisions	<u>53,902</u>	<u>60,164</u>
<b>TOTAL LIABILITIES</b>	<u>53,902</u>	<u>64,902</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>101,533</u>	<u>149,177</u>

Rental and lease obligations	9
Contingent liabilities	10
Collaterals	11
Related party disclosures	12

## FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

### Notes (Total amounts: TDKK)

#### 1. Revenue

The company deals exclusively within the segment development, sales and maintenance of portable as well as mobile and stationary communication devices and enterprise equipment such as scanners and data capture devices.

The company's revenue is divided into the following geographical areas:

	<b>2015</b>	<b>2014</b>
Denmark	35,547	37,299
Other countries	<u>146,626</u>	<u>198,077</u>
	<u><u>182,173</u></u>	<u><u>235,376</u></u>

#### 2. Employee costs

Wages and salaries	115,170	142,205
Pensions	8,577	11,597
Other social security costs	<u>12</u>	<u>561</u>
	<u><u>123,759</u></u>	<u><u>154,362</u></u>

#### It is distributed as follows

Production costs	114,353	136,147
Sales and distribution cost	9,158	17,597
Administrative cost	<u>248</u>	<u>617</u>
	<u><u>123,759</u></u>	<u><u>154,362</u></u>

Average number of full-time employees	<u>141</u>	<u>180</u>
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Remuneration to the Executive Board and the Board of Directors	<u>2.655</u>	<u>1.294</u>
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The Company's management is part of a group established international option program.

With reference to the Danish Financial Statement Act section 98.b, the remuneration to the Executive Board and the Board of Directors has been disclosed together.

## FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes (Total amounts: TDKK)	2015	2014
<b>3. Financial income and expense</b>		
Expense from currency translations	-1,414	-796
Interest expense	<u>-7</u>	<u>-30</u>
	<u>-1,421</u>	<u>-826</u>
Income from currency translations	<u>3,630</u>	<u>2,925</u>
	<u>3,630</u>	<u>2,925</u>
<b>4. Tax for the year</b>		
Adjustment of joint tax in previous years	0	- 249
Adjustment of deferred tax for the year	-684	- 916
Adjustment of deferred tax relating to change in corporation tax percentage	44	0
Current tax for the year	<u>-1,934</u>	<u>- 5,940</u>
	<u>-2,574</u>	<u>- 7,105</u>

## FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

### Notes (Total amounts: TDKK)

#### 5. Property, plant and equipment

Accumulated cost	<u>Leasehold Improvements</u>	<u>Assets under construction</u>	<u>Plant Equipment</u>
Cost 1 January 2015	14,412	1	48,164
Additions	123	1,220	84
Adjustments	703	-741	301
Retirement	-736	0	-22,105
Disposals	0	-471	0
Cost 31 December 2015	<u>14,502</u>	<u>9</u>	<u>26,443</u>
<b>Accumulated depreciation</b>			
Balance 1 January 2015	13,194	0	46,217
Disposal	0	0	0
Retirement	-640	0	-22,105
Annual depreciation	514	0	998
Balance 31 December 2015	<u>13,320</u>	<u>0</u>	<u>25,110</u>
Net value as of 31 December 2015	<u>1,182</u>	<u>9</u>	<u>1,332</u>
Net value as of 1 January 2015	<u>1,218</u>	<u>1</u>	<u>1,946</u>

#### 6. Equity

	<u>Share Capital</u>	<u>Dividend</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2015	10,001	45,000	29,274	84,275
Transferred, cf. distribution of profit	0	-30,000	6,687	-36,687
Equity 31 December 2015	<u>10,001</u>	<u>15,000</u>	<u>22,586</u>	<u>47,587</u>
<b>Share capital</b>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
10,001 shares of 1 TDKK.	<u>10,001</u>	<u>10,001</u>	<u>10,001</u>	<u>10,001</u>

All shares have same rights.

## FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes (Total amounts: TDKK) 2015 2014

### 7. Prepayments

Prepayments are distributed as follows

0-1 year	0	175
1-5 years	<u>43</u>	<u>4,562</u>
	<u>43</u>	<u>4,737</u>

The amount is recognized as income over the contractual period running up to 5 years.

### 8. Deferred taxes

Balance at January 1	2,994	3,909
Adjustment of deferred tax for the year	-684	-843
Adjustment of deferred tax relating to change in tax percentage	<u>44</u>	<u>-73</u>
Balance at December 31	<u>2,354</u>	<u>2,994</u>

Deferred taxes relate to:

Plant and equipment	<u>2,354</u>	<u>2,994</u>
	<u>2,354</u>	<u>2,994</u>

### 9. Rental and leasing obligation

Obligation due 0-1 year	8,523	13,151
Obligation due 1-5 years	<u>7,453</u>	<u>41,550</u>
December 31st of rental- and leasing obligations	<u>15,976</u>	<u>54,701</u>

The amounts for rent and leasing obligations include total obligations concerning cars and rental obligations for a number of contracts covering various periods up to and including 2020.

## FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

### Notes (Total amounts: TDKK)

#### 10. Contingent liabilities

The Company has no contingent liabilities.

The company is jointly taxed with other Danish group companies. As the administrative company, together with the other group enterprises included in the joint taxation, the Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation. At 31 December 2015, the jointly taxed companies' net receivables to SKAT amounted to 4,723 TDKK. Any subsequent correction of the taxable income subject to joint taxation may entail that the Company's liability will increase.

#### 11. Collaterals

The company has not issued any guarantee.

#### 12. Related party disclosures

Motorola Solutions Danmark AS related parties include the following:

##### Controlling interest

Motorola Solutions Inc., 1303 E Algonquin, Schaumburg, 60196 Illinois, USA.

##### Ownership

Motorola Solutions Finance EMEA Ltd. which hold 100% of the share capital.

The consolidated financial statements of Motorola Solutions Inc. are available at the company's address or on the Company's website <http://investors.motorolasolutions.com/>

##### Other related parties

Includes the group of companies under Motorola Solutions Inc.