

lenovo® **FOR**
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Investor Conference Call –
Acquisition of Motorola Mobility

Wai Ming Wong, CFO | January 30, 2014



Lenovo + Motorola = A Winning Combination

lenovo



- US\$33.9 billion revenue global technology company
- #3 smart connected device player globally
 - #1 PC vendor globally
 - #2 smartphone brand in China
 - #4 smartphone player globally
- Excellence in supply chain management and operational efficiency



- US\$4.7 billion revenue* mobile phone company
- 30 years' operating history in mobile industry
- Portfolio of well known products with strong brand awareness
- Strong relationships with retailers and carriers in North America and Latin America
- Robust R&D capabilities and IP position

Creating a premier global smartphone player

Transaction Summary

Structure

- Lenovo to acquire 100% of Motorola Mobility, including:
 - Mobile device business
 - Approximately 3,500 technical and other resources across 33 locations globally
 - Broad product portfolio covering premium (Moto X and Droid series) to value segments (Moto G)
 - License to a rich portfolio of mobile patents and ownership of over 2,000 additional patents

Consideration

- Total consideration of US\$2.91 billion, consisting of the following
 - US\$660 million in cash
 - US\$750 million in Lenovo stock
 - US\$1.5 billion 3-year interest-free promissory note

Approvals Required

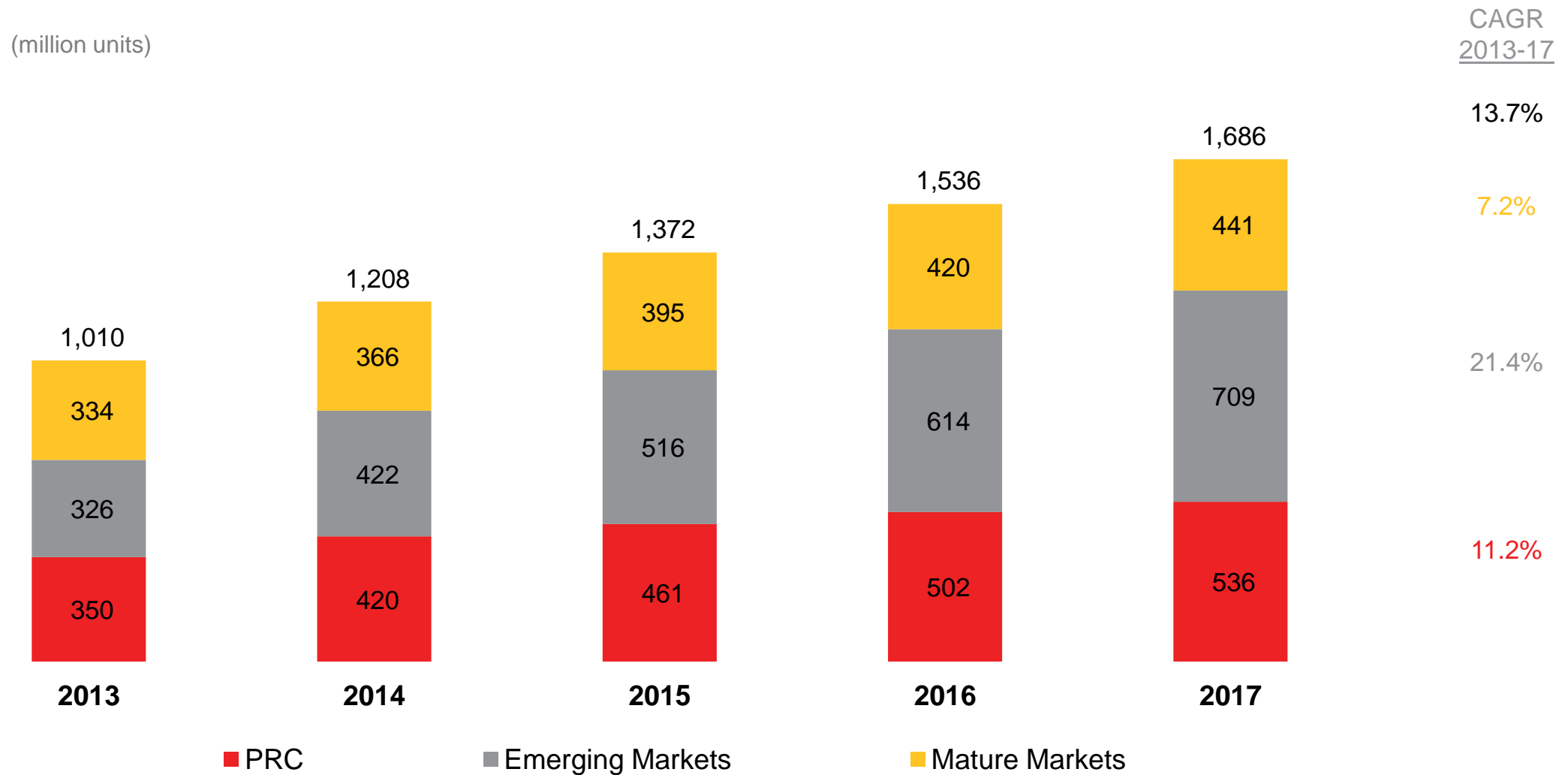
- Approvals required include CFIUS and Antitrust Improvements Act of 1976 in the US, as well as customary regulatory approvals in other markets around the world

Closing

- The transaction is expected to close in late summer or early fall of this year, subject to the satisfaction of regulatory requirements and customary closing conditions

Huge Growth Opportunities to be Captured in the Global Smartphone Market

Global Smartphone Market Forecast

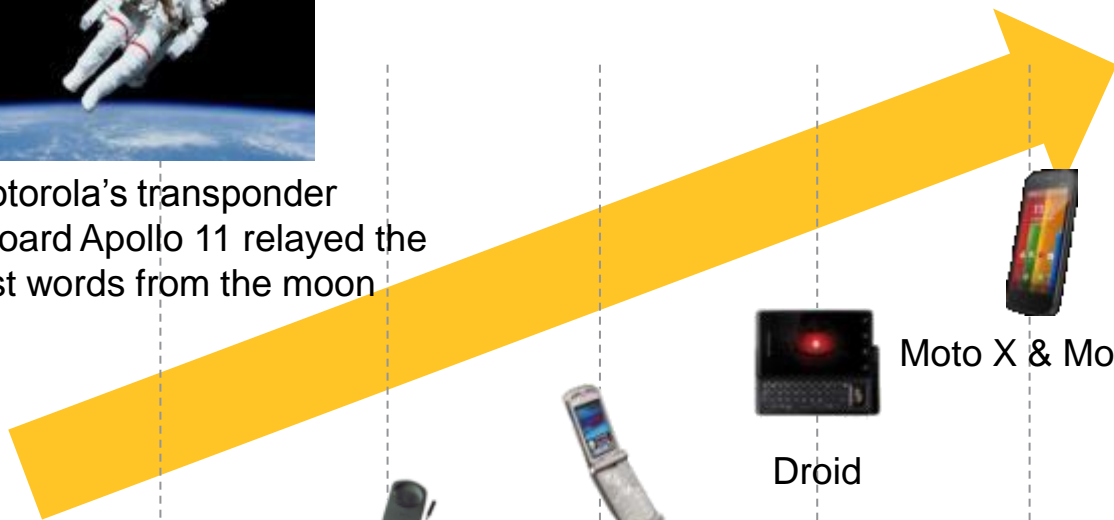


Motorola Brings a History of Visionary Technology Innovation

History of Visionary Innovation



Motorola's transponder aboard Apollo 11 relayed the first words from the moon



DynaTAC

1982



StarTAC

1996



RAZR

2004



Droid

2009



Moto X & Moto G

2013

Rich Product Portfolio

Premium



Moto X



Droid Ultra



Droid Mini



Droid Maxx

Value



Moto G



Moto Razer D1



Moto Razer D3

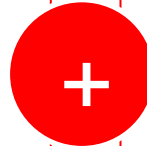
Companion products



Lenovo and Motorola have highly complementary capabilities

Motorola brings...

- Global smartphone brand; well established in mature markets
- IP and technical expertise – 2,500 engineers
- Software capability
- Complete product portfolio across all price points
- Carrier and retailer relationships

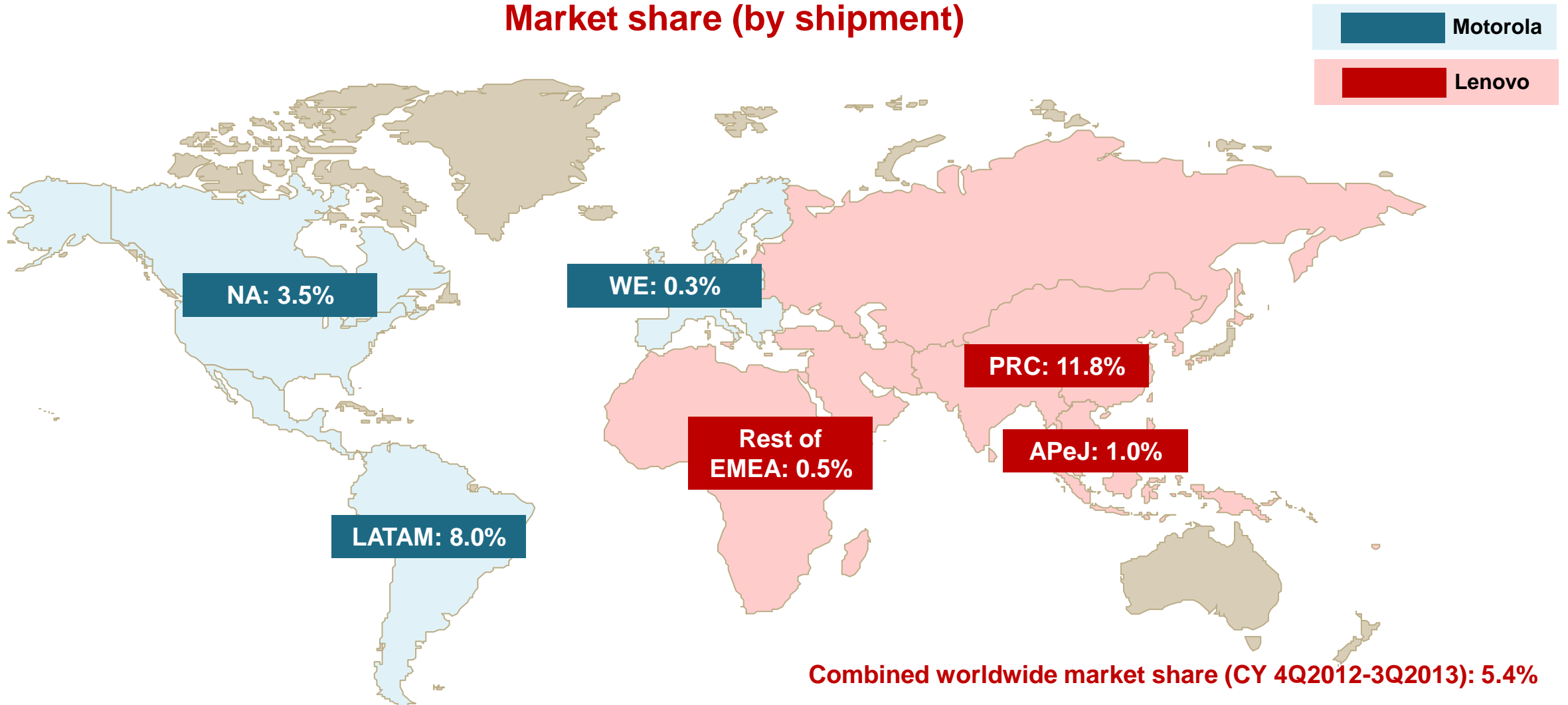


Lenovo brings...

- Established smartphone brand in China & Asia Pacific
- Strong R&D capabilities
- High value products at lower price points
- World class execution capability
- Strong supply chain management and operational efficiency

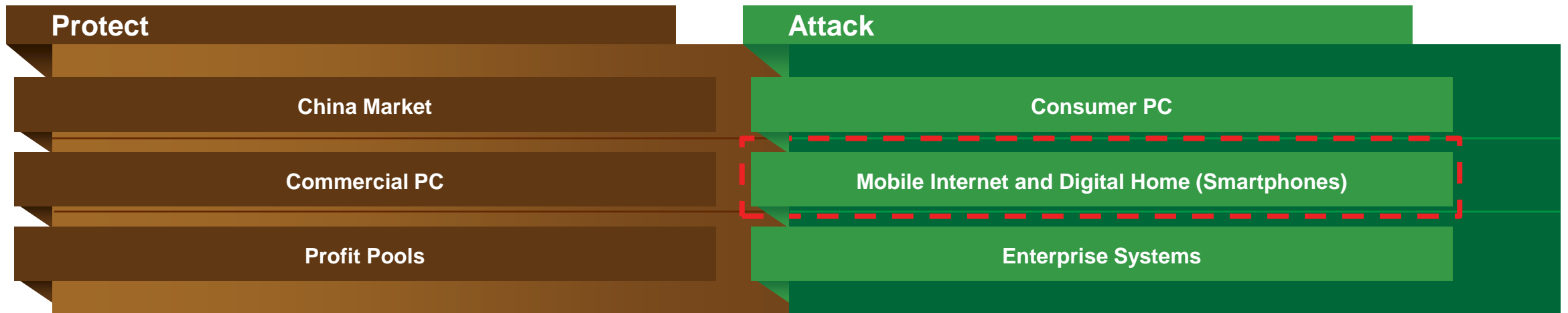
Immediate Global Footprint from Combining Geographical Strengths

Market share (by shipment)



A Great Leap toward Reaching Our Strategic Goals

- This acquisition is well aligned with Lenovo's "Protect and Attack" strategy
- Positions Lenovo to become a truly global smartphone player and to capture future market growth around the world, in mobile devices as well as the entire ecosystem



Innovation Leadership

Product Offerings & User Experience | Global Branding | Quality Focus | Business Model

Operational Effectiveness

Build Efficient Consumer Business Model | Improve E2E Speed | Focus on Customer Voice | LSS Focus

Global Culture

Meet Commitments / Take Ownership | Build a World Class Organization

THANK YOU GRAZIE **MERCI** DANKE **GRAZIAS** 謝謝 **СПАСИБО**
GRACIAS **OBRIGADO** ありがとう **DANK** TAKK **BEDANKT** DAKUJEM