



November 26, 2004

Dear Motorola Shareholder:

We are pleased to send you this Information Statement regarding the distribution of our remaining interest in Freescale Semiconductor, Inc. The Information Statement provides you with important information concerning:

- the U.S. federal income tax treatment of the Freescale Semiconductor shares you will receive,
- how we determined the number of shares you will receive,
- how fractional shares will be treated,
- a brief description of the background and business of Freescale Semiconductor, and
- how you can obtain additional information about these matters.

We believe that the distribution will benefit Motorola, Freescale Semiconductor and our shareholders. Thank you for your investment in Motorola.

Sincerely,

A handwritten signature in black ink that reads 'A Peter Lawson'.

A. Peter Lawson
Secretary
Motorola, Inc.

INFORMATION STATEMENT

Spin-off of Freescale Semiconductor, Inc. Through the Distribution by Motorola, Inc. of Freescale Semiconductor Class B Common Stock

We are sending you this Information Statement because we are spinning off our interest in Freescale Semiconductor. In this spin-off, holders of Motorola common stock will receive .110415 of a share of Freescale Semiconductor Class B common stock as a dividend on each outstanding share of Motorola common stock they own as of 5:00 p.m. Eastern time on November 26, 2004. This dividend will be payable on December 2, 2004.

We believe that the distribution generally will be tax-free to our shareholders for U.S. federal income tax purposes. See "U.S. Federal Income Tax Consequences" below.

You are urged to consult your own tax advisors to determine the particular tax consequences of the distribution to you, including the effect of any federal, state, local or foreign income and any other tax laws.

In the second quarter of 2004, we contributed our semiconductor business to Freescale Semiconductor. In July 2004, Freescale Semiconductor completed an initial public offering of 130,021,341 shares of its Class A common stock. On November 9, 2004, our Board of Directors approved the distribution to our shareholders of shares of Freescale Semiconductor Class B common stock held by us. Following this distribution, we will no longer own any shares of Freescale Semiconductor and Freescale Semiconductor will be a fully independent, publicly traded company.

No vote of Motorola shareholders is required in connection with the Freescale Semiconductor distribution. Therefore, you are not required to take any action. We are sending you this Information Statement, which contains additional information about the terms of the distribution, Freescale Semiconductor and Freescale Semiconductor Class B common stock, for your information only. If you would like more information, please call our transfer and disbursing agent, Mellon Investor Services, toll free at 1-800-704-4098. Shareholders outside the United States and Canada should call 201-329-8660.

Neither the Securities and Exchange Commission nor any state securities regulators have approved the Freescale Semiconductor Class B common stock to be issued to you pursuant to this distribution or determined if this Information Statement is accurate or adequate. Any representation to the contrary is a criminal offense.

The date of this Information Statement is November 26, 2004.

INFORMATION ABOUT THE DISTRIBUTION

The Distribution

On November 9, 2004, our Board of Directors approved the distribution of our interest in Freescale Semiconductor. To effect this distribution, our Board of Directors declared a dividend on Motorola common stock consisting of shares of Freescale Semiconductor Class B common stock owned by us. These shares represent approximately 91.2% of the total voting power of the outstanding Freescale Semiconductor common stock on November 26, 2004. On December 2, 2004, holders of Motorola common stock will receive .110415 of a share of Freescale Semiconductor Class B common stock as a dividend on each outstanding share of Motorola common stock they own as of 5:00 p.m. Eastern time on November 26, 2004, calculated as described below. You will not be required to pay any cash or other consideration for the shares of Freescale Semiconductor Class B common stock distributed to you or to surrender or exchange your shares of Motorola common stock to receive the dividend of Freescale Semiconductor Class B common stock. The distribution will not affect the number of, or the rights attaching to, shares of Motorola common stock.

The Number of Shares You Will Receive

For each share of Motorola common stock for which you are the record holder at 5:00 p.m. Eastern time on November 26, 2004, the record date, you will be entitled to receive that number of shares equal to the quotient obtained by dividing the total number of shares of Freescale Semiconductor Class B common stock to be distributed in the distribution by the total number of shares of Motorola common stock outstanding and restricted stock units and deferred stock units at 5:00 p.m. Eastern time on the record date. Thus, the following equation determines the number of shares of Freescale Semiconductor Class B common stock you will receive for each share of Motorola common stock you hold:

$$\frac{\text{Total number of shares of Freescale Semiconductor Class B common stock to be distributed}}{\text{Total number of shares of Motorola common stock outstanding and restricted stock units and deferred stock units as of 5:00 p.m. Eastern time on the record date}} = \frac{269,974,659}{2,445,082,568} = .110415$$

Based on the number of shares of Motorola common stock outstanding and restricted stock units and deferred stock units as of November 26, 2004, you will receive .110415 shares of Freescale Semiconductor Class B common stock for each share of Motorola common stock for which you are the record holder at 5:00 p.m. Eastern time on the record date. The distributed shares of Freescale Semiconductor Class B common stock will be fully paid and non-assessable and have no pre-emptive rights.

Trading Between the Record Date and Distribution Date

If you sell your shares of Motorola common stock prior to December 2, 2004, the distribution date, you will also be trading your right to the shares of Freescale Semiconductor Class B common stock that would have been distributed to you pursuant to the distribution. You are encouraged to consult with your financial advisors regarding the specific implications of selling Motorola common stock before the distribution date.

When and How You Will Receive the Dividend

We will pay the dividend on December 2, 2004 by releasing our shares of Freescale Semiconductor Class B common stock to be distributed in the distribution to Mellon Investor Services, our transfer and disbursing agent. On December 2, 2004, the transfer and disbursing agent will cause the shares of Freescale Semiconductor Class B common stock to which you are entitled to be registered in your name or in the "street name" of your bank or brokerage firm.

Registered Holders. If you are the registered holder of Motorola common stock and hold your Motorola common stock either in physical form or in book-entry form, the shares of Freescale Semiconductor Class B

common stock distributed to you will be registered in your name and you will become the record holder of that number of shares of Freescale Semiconductor Class B common stock.

“Street Name” Holders. Many Motorola shareholders have their Motorola common stock held in an account with a bank or brokerage firm. If this applies to you, that bank or brokerage firm is the registered holder that holds the shares on your behalf. The Freescale Semiconductor Class B common stock being distributed will be registered in the “street name” of your bank or broker, who in turn will then electronically credit your account for the shares of Freescale Semiconductor Class B common stock that you are entitled to receive in the distribution. We anticipate that this will take three to eight business days after the distribution. We encourage you to contact your bank or broker if you have any questions regarding the mechanics of having your shares of Freescale Semiconductor Class B common stock posted to your account.

Fractional Shares. If you are a registered holder of Motorola common stock, you will receive whole and fractional shares of Freescale Semiconductor Class B common stock in connection with the distribution unless the number of shares of Freescale Semiconductor Class B common stock that you would be entitled to receive is less than one. If you are a registered holder entitled to receive less than one share of Freescale Semiconductor Class B common stock, the transfer and disbursing agent will aggregate your fractional shares with the fractional shares of other such registered holders and sell them through a broker-dealer, that is unaffiliated with either us or Freescale Semiconductor, in the open market at the then prevailing prices on behalf of you and the other such holders. You will then receive a check in an amount equal to your pro rata share of the total net proceeds of that sale. If you hold your Motorola common stock through a bank or brokerage firm, you will receive whole and/or fractional shares of Freescale Semiconductor Class B common stock that you are entitled to receive based on the policies and practices of your bank or brokerage firm. It may, for example, be the policy and practice of your bank or brokerage firm to issue cash in lieu of fractional shares. We encourage you to contact your bank or broker if you have any questions regarding their policies and practices in respect of any fractional shares of Freescale Semiconductor Class B common stock you are entitled to receive in the distribution.

After the distribution, any holder of Freescale Semiconductor Class B common stock who becomes a registered holder of less than one share of Freescale Semiconductor Class B common stock (for example, either by selling all of such holder’s whole shares through Freescale Semiconductor’s transfer agent and registrar or by requesting that all of such holder’s whole shares be transferred to such holder’s bank or brokerage firm) will periodically become subject to a program which aggregates all such fractional shares held and sells them through a broker-dealer, that is unaffiliated with either us or Freescale Semiconductor, in the open market at the then prevailing prices on behalf of those holders. Such holders will then receive a check in an amount equal to their pro rata share of the total net proceeds of that sale.

Direct Registration System. Freescale Semiconductor Class B common stock will be issued as uncertificated shares registered in book-entry form through the direct registration system. No certificates representing your shares of Freescale Semiconductor Class B common stock will be mailed to you in the ordinary course. Under the direct registration system, instead of receiving stock certificates, you will receive a distribution statement reflecting your ownership interest in shares of Freescale Semiconductor Class B common stock. If at any time you want to receive a physical certificate evidencing your whole shares of Freescale Semiconductor Class B common stock, you may do so by contacting the Freescale Semiconductor transfer agent and registrar. No physical certificates will be issued for any of your fractional shares of Freescale Semiconductor Class B common stock. Such fractional shares must be maintained in book-entry form through the direct registration system. Additionally, you can sell your whole and fractional shares of Freescale Semiconductor Class B common stock through Freescale Semiconductor’s transfer agent and registrar or request that your whole shares of Freescale Semiconductor Class B common stock be transferred to your bank or brokerage firm. The Freescale Semiconductor transfer agent and registrar will begin mailing distribution statements reflecting your ownership of whole and fractional shares promptly after the distribution. When you receive your first account statement, you will receive information explaining the direct registration system and detailing the various options of this form of ownership. If you are entitled to receive less than one share of Freescale Semiconductor Class B common stock in the distribution, a check will be mailed to you shortly. We currently estimate that it will take about two weeks from the distribution for the transfer and disbursing agent to complete these mailings.

U.S. Federal Income Tax Consequences

The following is a summary of the material U.S. federal income tax consequences to us, Freescale Semiconductor and U.S. Holders (as defined below) of Motorola common stock of the distribution of the Freescale Semiconductor Class B common stock to holders of Motorola common stock. This summary is not a complete description of those consequences and, in particular, may not address U.S. federal income tax considerations that affect the treatment of a shareholder who acquired Motorola common stock as compensation or of a shareholder subject to special treatment under the Internal Revenue Code (for example, insurance companies, financial institutions, dealers in securities or tax-exempt organizations). Your individual circumstances may affect the tax consequences of the distribution of the Freescale Semiconductor Class B common stock to you. In addition, no information is provided herein with respect to tax consequences under applicable foreign, state, local or other laws, other than U.S. federal income tax laws. Further, this summary is based upon provisions of the Internal Revenue Code, applicable Treasury regulations thereunder, Internal Revenue Service rulings and judicial decisions in effect as of the date of this Information Statement. Future legislative, administrative or judicial changes or interpretations could affect the accuracy of the statements set forth herein, and could apply retroactively. **You are advised to consult your own tax advisor as to the specific tax consequences of the distribution of the Freescale Semiconductor Class B common stock to you.**

For purposes of this summary a “U.S. Holder” is a beneficial owner of Motorola common stock that is, for U.S. federal income tax purposes: (i) a citizen or resident of the United States; (ii) a corporation (or other entity treated as a corporation) created or organized in or under the laws of the United States or any state thereof (including the District of Columbia); (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust if (x) a court within the United States is able to exercise primary supervision over its administration and (y) one or more U.S. persons have the authority to control all of the substantial decisions of such trust. If a partnership holds Motorola common stock, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. A partner in a partnership holding Motorola common stock should consult its tax advisor.

Tax-Free Status of the Distribution. Assuming that Motorola common stock is a capital asset in the hands of a U.S. Holder on the distribution date, we believe that:

- Except for any cash received in lieu of a fractional share of Freescale Semiconductor Class B common stock, a U.S. Holder will not recognize any income, gain or loss as a result of the receipt of Freescale Semiconductor Class B common stock in the distribution.
- A U.S. Holder’s holding period for the Freescale Semiconductor Class B common stock received in the distribution will include the period for which that shareholder’s Motorola common stock was held.
- A U.S. Holder’s tax basis for Freescale Semiconductor Class B common stock received in the distribution will be determined by allocating to the Freescale Semiconductor Class B common stock, on the basis of the relative fair market values of Motorola common stock and Freescale Semiconductor Class B common stock at the time of the distribution, a portion of the shareholder’s basis in his or her Motorola common stock. The U.S. Holder’s basis in his or her Motorola common stock will be decreased by the portion allocated to the Freescale Semiconductor Class B common stock.
- The receipt of cash in lieu of a fractional share of Freescale Semiconductor Class B common stock will be treated as a sale of the fractional share of Freescale Semiconductor Class B common stock, and a U.S. Holder will recognize gain or loss equal to the difference between the amount of cash received and the shareholder’s basis in the fractional share of Freescale Semiconductor Class B common stock, as determined above. The gain or loss will generally be long-term capital gain or loss if the holding period for the fractional share of Freescale Semiconductor Class B common stock, as determined above, is more than one year.
- Neither we nor Freescale Semiconductor will recognize gain or loss as a result of the distribution of the Freescale Semiconductor Class B common stock to holders of Motorola common stock.

We have received an opinion from outside legal counsel to the effect that the distribution generally will be tax-free to us and Motorola shareholders for U.S. federal income tax purposes. However, such opinion is not binding on the Internal Revenue Service. The opinion is subject to qualifications and assumptions and is based on certain representations made by us and Freescale Semiconductor. If any of the assumptions or representations is untrue for any reason, the conclusions in the opinion could be rendered inaccurate. We have not applied for a private letter ruling from the U.S. Internal Revenue Service stating that the distribution of Freescale Semiconductor Class B common stock to Motorola common shareholders will be tax free for us or the holders of Motorola common stock for U.S. federal income tax purposes, and there can be no assurances that the Internal Revenue Service will not assert that the distribution is taxable. If the distribution was held to be taxable, the above consequences would not apply and both we and Motorola common shareholders could be subject to tax.

Indemnification. Under the tax sharing agreement, Freescale Semiconductor has agreed to indemnify us and our affiliates against any and all tax-related liabilities incurred by us relating to the contribution by us of assets and liabilities to Freescale Semiconductor (as described below under the Section “Background of the Separation of Freescale Semiconductor from Motorola”) or the distribution to the extent caused by an acquisition of Freescale Semiconductor assets or stock, or other actions by Freescale Semiconductor. These liabilities include the substantial tax-related liability (calculated without regard to any net operating loss or other tax attribute of us) that would result if the contribution and the distribution failed to qualify as a tax-free transaction. This indemnification applies even if we have permitted Freescale Semiconductor to take an action that would otherwise have been prohibited under the covenants of the tax sharing agreement.

Information Reporting. Current Treasury regulations require each Motorola shareholder who receives Freescale Semiconductor Class B common stock pursuant to the distribution to attach to his or her U.S. Federal income tax return for the year in which the distribution occurs a detailed statement setting forth such data as may be appropriate in order to show the applicability to the distribution of Section 355 of the Internal Revenue Code of 1986, as amended. We will provide appropriate information to each holder of record of Motorola common stock as of the record date to meet this requirement.

INFORMATION ABOUT FREESCALE SEMICONDUCTOR

Overview of Freescale Semiconductor

Freescale Semiconductor is a leading global semiconductor company focused on providing embedded processing and connectivity products to large, high-growth markets. Freescale Semiconductor also offers a broad portfolio of complementary devices that provide connectivity between products, across networks and to real-world signals, such as sound, vibration and pressure. These complementary products include sensors, radio frequency semiconductors, power management and other analog and mixed-signal integrated circuits. Through its embedded processors and complementary products Freescale Semiconductor is able to offer customers complex combinations of semiconductors and software, which are referred to as “platform-level products.”

Freescale Semiconductor focuses on three large, global industries in which both embedded processors and platform-level products play an important role: automotive, networking and wireless communications. Accordingly, Freescale Semiconductor operates through three primary business groups that are arranged around the industries that it currently targets: Transportation and Standard Products Group, Networking and Computing Systems Group and Wireless and Mobile Solutions Group.

Freescale Semiconductor’s global customer base is comprised of over 10,000 end customers, including over 100 leading original equipment manufacturers that it serves through a direct sales force, as well as several thousand other end customers that Freescale Semiconductor reaches through a network of distributors.

Freescale Semiconductor’s principal products for 2003, categorized by business group as described above, include the following:

Transportation and Standard Products Group

Principal Products

- Microcontrollers (8-bit, 16-bit, 32-bit)
- Embedded microprocessors
- Analog and mixed-signal integrated circuits (such as switches, power management devices, motor control devices)
- Sensors

Key Applications

- Automotive
- Consumer devices
- Industrial
- Computer peripherals

Networking and Computing Systems Group

Principal Products

- Communications processors
- Host computing processors
- Digital signal processors
- Radio frequency components
- Timing and interconnect devices
- Network processors
- Network multimedia devices

Key Applications

- Wireless infrastructure
- Enterprise switching and routing
- Network access and aggregation
- Computing
- WLAN gateways

Wireless and Mobile Solutions Group

Principal Products

- Platforms for cellular handsets and other products
- Baseband components
- Radio frequency components
- Applications processors

Key Applications

- Cellular handsets
- Personal digital assistants
- Global positioning systems
- Mobile gaming devices
- Ultra wideband connectivity
- Machine-to-machine communications

Background of the Separation of Freescale Semiconductor from Motorola

On October 6, 2003, we announced that we intended to separate our semiconductor operations into a separate company, and that we were considering an initial public offering of a portion of those semiconductor operations followed by a distribution of our shares in the publicly traded semiconductor company to our shareholders. Freescale Semiconductor was incorporated on December 3, 2003 as a wholly owned subsidiary of us comprised of the operations, assets and liabilities that were previously our semiconductor products segment. On April 4, 2004, Freescale and we entered into a Master Separation and Distribution Agreement, providing for the transfer of the assets and liabilities of our semiconductor products segment to Freescale Semiconductor, the initial public offering and the distribution. In May 2004, we completed the transfer of the assets and liabilities of our

semiconductor products segment to Freescale Semiconductor. In July 2004, Freescale Semiconductor sold 130,021,341 shares of its Class A common stock in an initial public offering. After the completion of the initial public offering, we owned approximately 67.5% of the outstanding common stock of Freescale Semiconductor and approximately 91.2% of the total voting power of Freescale Semiconductor's common stock. On November 9, 2004, after consultation with financial and other advisors, our Board of Directors approved the distribution to Motorola common shareholders of the outstanding shares of Freescale Semiconductor common stock held by us. On November 9, 2004, our Board of Directors declared a dividend on Motorola common stock consisting of shares of Freescale Semiconductor Class B common stock owned by us. After the distribution, we will not own any shares of Freescale Semiconductor common stock and Freescale Semiconductor will be a fully independent, publicly traded company.

INFORMATION ABOUT FREESCALE SEMICONDUCTOR COMMON STOCK

Under Freescale Semiconductor's Amended and Restated Certificate of Incorporation, the authorized capital stock of the company is 1,500,000,000 shares of Class A common stock, \$0.01 par value, 1,000,000,000 shares of Class B common stock, \$0.01 par value, and 20,000,000 shares of undesignated preferred stock, \$0.01 par value. The holders of Freescale Semiconductor Class A common stock and Freescale Semiconductor Class B common stock generally have identical rights, except that holders of Freescale Semiconductor Class A common stock are entitled to one vote per share while holders of Freescale Semiconductor Class B common stock are entitled to five votes per share on all matters to be voted on by stockholders. However, for a more complete description of Freescale Semiconductor Class A and Class B common stock, you should review Freescale Semiconductor's Amended and Restated Certificate of Incorporation and By-laws. See "Where You Can Find Additional Information" for instructions on how to obtain these documents.

Freescale Semiconductor Class A common stock is currently listed on the New York Stock Exchange under the symbol "FSL." Freescale Semiconductor Class B common stock is authorized for listing on the New York Stock Exchange under the symbol "FSL.B."

Mellon Investor Services is also the transfer agent and registrar for Freescale Semiconductor Class B common stock. You may contact the transfer agent and registrar at the address set forth below. You can also visit Mellon Investor Services on the internet at www.melloninvestor.com. All correspondence should be sent to the following address:

Regular mail:

Mellon Investor Services
P.O. Box 3315
South Hackensack, NJ 07606-1915

Registered or Overnight Mail:

Mellon Investor Services
85 Challenger Road, 2nd Floor
Ridgefield Park, NJ 07660

WHERE YOU CAN FIND ADDITIONAL INFORMATION

Freescale Semiconductor and we are each subject to the informational reporting requirements of the Securities Exchange Act of 1934, as amended, and accordingly, each company files registration statements, reports, proxy statements and other information with the Securities and Exchange Commission, or SEC, including financial statements. Freescale Semiconductor has been subject to the Securities Exchange Act reporting requirements for at least 90 days and is current in its reporting. If you would like more information about Freescale Semiconductor, we urge you to read Freescale Semiconductor's reports filed with the SEC.

You may read and obtain copies (at prescribed rates) of Freescale Semiconductor's and our reports at the Public Reference Section of the SEC at 450 Fifth Street, N.W., Washington, D.C. 20549. You may also obtain these reports at the SEC's website at <http://www.sec.gov>. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. You may also inspect these reports at the New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005.

Freescale Semiconductor and Motorola each maintain a website that offers additional information about each company.

- Visit Freescale Semiconductor's website at <http://www.freescale.com>
- Visit our website at <http://www.motorola.com>