



**Distribution of Freescale Semiconductor, Inc.
Motorola Shareholder Tax Basis Information**

If you did not receive the Distribution (as defined below) of Freescale Class B Common Stock on December 2, 2004, you may disregard this notice. Additionally, this notice does not apply to shares of Motorola Common Stock sold, exchanged or otherwise disposed of prior to the time of the Distribution.

On December 2, 2004, Motorola, Inc., a Delaware corporation (“Motorola”), distributed (the “Distribution”) outstanding shares of Class B Common Stock of Freescale Semiconductor, Inc., a Delaware corporation and subsidiary of Motorola (“Freescale”), to the holders of record of Motorola Common Stock that were issued and outstanding as of 5:00 p.m. Eastern time on November 26, 2004 (each, a “Motorola Shareholder”). Motorola Shareholders who were entitled to receive less than one share of Freescale Class B Common Stock will receive cash in lieu of any fractional shares of Freescale Class B Common Stock resulting from the Distribution.

Motorola Shareholders will be required to allocate the aggregate tax basis in their Motorola Common Stock among the shares of Freescale Class B Common Stock received in the Distribution (including any fractional shares of Freescale Class B Common Stock received) and their shares of Motorola Common Stock. Motorola Shareholders who were entitled to receive less than one share of Freescale Class B Common Stock (and who will receive cash in lieu of any such fractional shares of Freescale Class B Common Stock) will also be required to allocate a portion of their aggregate tax basis in their Motorola Common stock among the fractional shares of Freescale Class B Common Stock for which cash will be received and their shares of Motorola Common Stock.

A Motorola Shareholder’s aggregate tax basis in his or her shares of Motorola Common Stock prior to the Distribution should be allocated in proportion to the fair market value of the Freescale Class B Common Stock received (including any fractional shares of Freescale Class B Common Stock received) and the Motorola Common Stock in respect of which such Freescale Class B Common Stock was received. Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of the facts. Thus, one possible approach to determining the fair market value of the Motorola Common Stock and the Freescale Class B Common Stock is to utilize the New York Stock Exchange Only adjusted closing price on the date of the Distribution for both Motorola Common Stock, which was \$17.59 per share, and for Freescale Class B Common Stock traded in the “when issued” trading market, which was \$18.69 per share. Based on such values, 89.5% of a Motorola shareholder’s aggregate tax basis in his or her shares of Motorola Common Stock prior to the Distribution should be allocated to such shareholder’s shares of Motorola Common Stock and 10.5% should be allocated to such shareholder’s shares of Freescale Class B Common Stock (including any fractional shares of Freescale Class B Common Stock).

The following is an example of how the basis allocation would be so applied:

Assumptions:

| | |
|---|----------|
| Shares of Motorola Common Stock owned | 1,000 |
| Motorola Shareholder’s aggregate tax basis (@\$15 per share) (A) | \$15,000 |
| Shares of Freescale Class B Common Stock received in the Distribution (including any fractional shares received) (1,000 shares of Motorola common stock x .110415 distribution ratio) | 110.415 |

Tax Basis Allocation:

| | # Shares Owned | NYSE Only Closing Price (12/2/2004) | Fair Market Value of Shares Owned (12/2/2004) | Percentage of Total Fair Market Value (12/2/2004) (B) | Allocated Tax Basis = (A) x (B) |
|--------------------------------|----------------|-------------------------------------|---|---|--|
| Motorola Common Stock | 1,000 | \$17.59 | \$17,590.00 | 89.5% | \$13,425 = (89.5% of \$15,000) |
| Freescale Class B Common Stock | 110.415 | \$18.69 | \$2,063.66 | 10.5% | \$1,575 = (10.5% of \$15,000) |
| Totals | | | \$19,653.66 | 100.0% | \$15,000 |

Motorola Shareholders who received shares of Freescale Class B Common Stock in the Distribution (including any fractional shares of Freescale Class B Common Stock) are also required to include a statement related to the Distribution in their U.S. Federal income tax returns for the year in which the Distribution occurs. This statement, "INFORMATION STATEMENT PURSUANT TO TREASURY REGULATIONS SECTION 1.355-5(b) BY A SHAREHOLDER THAT RECEIVED A DISTRIBUTION OF STOCK IN FREESCALE SEMICONDUCTOR, INC. (A CONTROLLED CORPORATION)", is attached to this notice for your convenience.

The information in this document does not constitute tax advice. It does not purport to be complete or to describe the consequences that apply to particular categories of shareholders (*e.g.*, it does not address shareholders who did not hold their shares of Motorola Common Stock continuously from 5:00 PM Eastern time on November 26, 2004 until the time of the Distribution, who sold shares of Freescale Class B Common Stock in the "when issued" trading market or who acquired blocks of Motorola Common Stock at different times and prices). Motorola Shareholders are encouraged to consult with their tax advisors for questions on their own specific tax position.