UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 27, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________________ to __________________

Commission File Number: 000-19406

Zebra Technologies Corporation

(Exact name of registrant as specified in its charter)

Delaware	**36-2675536**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3 Overlook Point, Lincolnshire, IL 60069
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(847) 634-6700**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Class A Common Stock, par value $.01 per share	ZBRA	The NASDAQ Stock Market, LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 21, 2025, there were 50,660,242 shares of Class A Common Stock, $.01 par value, outstanding.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
QUARTER ENDED SEPTEMBER 27, 2025
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PART I - FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In millions, except share data)

	September 27, 2025	December 31, 2024
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 1,053	$ 901
Accounts receivable, net of allowances for doubtful accounts of $1 each as of September 27, 2025 and December 31, 2024	655	692
Inventories, net	663	693
Income tax receivable	106	20
Prepaid expenses and other current assets	99	134
Total Current assets	2,576	2,440
Property, plant and equipment, net	327	305
Right-of-use lease assets	165	167
Goodwill	3,931	3,891
Other intangibles, net	376	422
Deferred income taxes	475	512
Other long-term assets	217	231
Total Assets	$ 8,067	$ 7,968
Liabilities and Stockholders’ Equity		
Current liabilities:		
Current portion of long-term debt	$ 66	$ 79
Accounts payable	533	633
Accrued liabilities	497	503
Deferred revenue	456	453
Income taxes payable	51	36
Total Current liabilities	1,603	1,704
Long-term debt	2,107	2,092
Long-term lease liabilities	151	155
Deferred income taxes	65	57
Long-term deferred revenue	318	304
Other long-term liabilities	76	70
Total Liabilities	4,320	4,382
Stockholders’ Equity:		
Preferred stock, $.01 par value; authorized 10,000,000 shares; none issued	—	—
Class A common stock, $.01 par value; authorized 150,000,000 shares; issued 72,151,857 shares	1	1
Additional paid-in capital	781	669
Treasury stock at cost, 21,414,382 and 20,645,798 shares as of September 27, 2025 and December 31, 2024, respectively	(2,181)	(1,900)
Retained earnings	5,209	4,860
Accumulated other comprehensive loss	(63)	(44)
Total Stockholders’ Equity	3,747	3,586
Total Liabilities and Stockholders’ Equity	$ 8,067	$ 7,968

See accompanying Notes to Consolidated Financial Statements.

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ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except share data)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 27, 2025	**September 28, 2024**	**September 27, 2025**	**September 28, 2024**
Net sales:				
Tangible products	$ 1,081	$ 1,019	$ 3,198	$ 2,931
Services and software	239	236	723	716
Total Net sales	1,320	1,255	3,921	3,647
Cost of sales:				
Tangible products	557	526	1,652	1,539
Services and software	129	116	374	343
Total Cost of sales	686	642	2,026	1,882
Gross profit	634	613	1,895	1,765
Operating expenses:				
Selling and marketing	159	151	478	449
Research and development	146	141	441	425
General and administrative	111	96	324	274
Amortization of intangible assets	25	29	74	80
Acquisition and integration costs	10	1	17	3
Exit and restructuring costs	—	4	—	17
Total Operating expenses	451	422	1,334	1,248
Operating income	183	191	561	517
Other income (loss), net:				
Foreign exchange gain (loss)	1	(9)	(15)	(6)
Interest expense, net	(23)	(31)	(71)	(71)
Other expense, net	(2)	(2)	(13)	(13)
Total Other expense, net	(24)	(42)	(99)	(90)
Income before income tax	159	149	462	427
Income tax expense	58	12	113	62
Net income	$ 101	$ 137	$ 349	$ 365
Basic earnings per share	$ 1.98	$ 2.65	$ 6.83	$ 7.09
Diluted earnings per share	$ 1.97	$ 2.64	$ 6.78	$ 7.04

See accompanying Notes to Consolidated Financial Statements.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Net income	$ 101	$ 137	$ 349	$ 365
Other comprehensive income, net of tax:				
Changes in unrealized gains (losses) on sales hedging	18	(16)	(43)	(6)
Foreign currency translation adjustment	(3)	9	24	1
Comprehensive income	$ 116	$ 130	$ 330	$ 360

See accompanying Notes to Consolidated Financial Statements.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In millions, except share data)
(Unaudited)

	Class A Common Stock Shares	Class A Common Stock Value	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total
Balance at December 31, 2024	51,506,059	$ 1	$ 669	$ (1,900)	$ 4,860	$ (44)	$ 3,586
Net share issuances and tax withholding payments related to share-based compensation plans	6,550	—	(1)	—	—	—	(1)
Share-based compensation	—	—	51	—	—	—	51
Repurchase of common stock	(374,358)	—	—	(125)	—	—	(125)
Net income	—	—	—	—	136	—	136
Changes in unrealized gains and losses on sales hedging (net of income taxes)	—	—	—	—	—	(28)	(28)
Foreign currency translation adjustment	—	—	—	—	—	7	7
Balance at March 29, 2025	51,138,251	$ 1	$ 719	$ (2,025)	$ 4,996	$ (65)	$ 3,626
Net share issuances and tax withholding payments related to share-based compensation plans	172,677	—	(18)	3	—	—	(15)
Share-based compensation	—	—	32	—	—	—	32
Repurchase of common stock	(474,667)	—	—	(125)	—	—	(125)
Net income	—	—	—	—	112	—	112
Changes in unrealized gains and losses on sales hedging (net of income taxes)	—	—	—	—	—	(33)	(33)
Foreign currency translation adjustment	—	—	—	—	—	20	20
Balance at June 28, 2025	50,836,261	$ 1	$ 733	$ (2,147)	$ 5,108	$ (78)	$ 3,617
Net share issuances and tax withholding payments related to share-based compensation plans	13,078	—	1	—	—	—	1
Share-based compensation	—	—	47	—	—	—	47
Repurchase of common stock	(111,864)	—	—	(34)	—	—	(34)
Net income	—	—	—	—	101	—	101
Changes in unrealized gains and losses on sales hedging (net of income taxes)	—	—	—	—	—	18	18
Foreign currency translation adjustment	—	—	—	—	—	(3)	(3)
Balance at September 27, 2025	50,737,475	$ 1	$ 781	$ (2,181)	$ 5,209	$ (63)	$ 3,747

	Class A Common Stock Shares	Class A Common Stock Value	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total
Balance at December 31, 2023	51,378,862	$ 1	$ 615	$ (1,858)	$ 4,332	$ (54)	$ 3,036
Net share issuances and tax withholding payments related to share-based compensation plans	21,106	—	(3)	—	—	—	(3)
Share-based compensation	—	—	17	—	—	—	17
Net income	—	—	—	—	115	—	115
Changes in unrealized gains and losses on sales hedging (net of income taxes)	—	—	—	—	—	9	9
Foreign currency translation adjustment	—	—	—	—	—	(5)	(5)
Balance at March 30, 2024	51,399,968	$ 1	$ 629	$ (1,858)	$ 4,447	$ (50)	$ 3,169
Net share issuances and tax withholding payments related to share-based compensation plans	170,023	—	(27)	3	—	—	(24)
Share-based compensation	—	—	31	—	—	—	31
Net income	—	—	—	—	113	—	113
Changes in unrealized gains and losses on sales hedging (net of income taxes)	—	—	—	—	—	1	1
Foreign currency translation adjustment	—	—	—	—	—	(3)	(3)
Balance at June 29, 2024	51,569,991	$ 1	$ 633	$ (1,855)	$ 4,560	$ (52)	$ 3,287
Net share issuances and tax withholding payments related to share-based compensation plans	22,369	—	—	—	—	—	—
Share-based compensation	—	—	20	—	—	—	20
Repurchase of common stock	(50,304)	—	—	(16)	—	—	(16)
Net loss	—	—	—	—	137	—	137
Changes in unrealized gains and losses on sales hedging (net of income taxes)	—	—	—	—	—	(16)	(16)
Foreign currency translation adjustment	—	—	—	—	—	9	9
Balance at September 28, 2024	51,542,056	$ 1	$ 653	$ (1,871)	$ 4,697	$ (59)	$ 3,421

Certain prior period amounts have been reclassified to conform with the current period presentation.

See accompanying Notes to Consolidated Financial Statements.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Nine Months Ended	
	September 27, 2025	**September 28, 2024**
Cash flows from operating activities:		
Net income	$ 349	$ 365
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	126	130
Share-based compensation	130	68
Deferred income taxes	61	(62)
Unrealized gain on forward interest rate swaps	—	(31)
Other, net	13	12
Changes in operating assets and liabilities:		
Accounts receivable, net	57	(120)
Inventories, net	30	161
Other assets	16	5
Accounts payable	(115)	79
Accrued liabilities	(49)	68
Deferred revenue	16	(34)
Income taxes	(71)	25
Settlement liability	—	(45)
Cash receipts on forward interest rate swaps	—	86
Other operating activities	(3)	—
Net cash provided by operating activities	560	707
Cash flows from investing activities:		
Acquisition of businesses	(62)	—
Purchases of property, plant and equipment	(56)	(41)
Proceeds from sale of short-term investments	—	2
Proceeds from sale of long-term investments	1	—
Purchases of long-term investments	(4)	(3)
Net cash used in investing activities	(121)	(42)
Cash flows from financing activities:		
Payment of debt issuance costs, extinguishment costs and discounts	—	(9)
Payments of debt	—	(694)
Proceeds from issuance of debt	—	651
Payments for repurchases of common stock	(284)	(16)
Net payments related to share-based compensation plans	(15)	(27)
Change in unremitted cash collections from servicing factored receivables	9	(35)
Other financing activities	4	3
Net cash used in financing activities	(286)	(127)
Effect of exchange rate changes on cash and cash equivalents	(1)	—
Net increase in cash and cash equivalents	152	538
Cash and cash equivalents at beginning of period	901	138
Cash and cash equivalents at end of period	$ 1,053	$ 676
Supplemental disclosures of cash flow information:		
Income taxes paid	$ 124	$ 90
Interest paid, net of forward interest rate swaps	$ 79	$ 3

See accompanying Notes to Consolidated Financial Statements.

ZEBRA TECHNOLOGIES CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 Description of Business and Basis of Presentation

Zebra Technologies Corporation and its subsidiaries (“Zebra” or the “Company”) is a global leader providing innovative Enterprise Asset Intelligence (“EAI”) products, services, and software solutions (“offerings”) in the automatic identification and data capture industry. We design, manufacture, and sell a broad range of offerings, including cloud-based software subscriptions, that capture and move data. We also provide a full range of services, including maintenance, technical support, repair, managed and professional services. End-users of our offerings include those in retail and e-commerce, manufacturing, transportation and logistics, healthcare, public sector, and other industries. We provide our offerings globally through a direct sales force and an extensive network of channel partners.

Management prepared these unaudited interim consolidated financial statements according to the rules and regulations of the Securities and Exchange Commission for interim financial information and notes. As permitted under Article 10 of Regulation S-X and the instructions of Form 10-Q, these consolidated financial statements do not include all the information and notes required by United States Generally Accepted Accounting Principles (“GAAP”) for complete financial statements, although management believes that the disclosures made are adequate to make the information not misleading. These interim financial statements should be read in conjunction with the audited consolidated financial statements and notes included in the Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

In the opinion of the Company, these interim financial statements include all adjustments (of a normal, recurring nature) necessary to fairly present its Consolidated Balance Sheet as of September 27, 2025, the Consolidated Statements of Operations, Comprehensive Income and Stockholders’ Equity for the three and nine months ended September 27, 2025 and September 28, 2024, and the Consolidated Statements of Cash Flows for the nine months ended September 27, 2025 and September 28, 2024. These results, however, are not necessarily indicative of the results expected for the full fiscal year ending December 31, 2025.

Note 2 Significant Accounting Policies

For a discussion of our significant accounting policies, see Note 2, *Significant Accounting Policies* within Part II, Item 8 “Financial Statements and Supplementary Data” in the Annual Report on Form 10-K for the year ended December 31, 2024. There have been no changes to our significant accounting policies since our Annual Report on Form 10-K for the year ended December 31, 2024.

Note 3 Revenues

The Company recognizes revenue to depict the transfer of goods, services, or software solutions to a customer at an amount that reflects the consideration which it expects to receive.

Revenues for tangible products are generally recognized upon shipment, whereas revenues for services are generally recognized over time by using an output or time-based method, assuming all other criteria for revenue recognition have been met. Revenues for software are recognized either upon delivery or over time using a time-based method, depending on how control is transferred to the customer. In cases where a bundle of products, services, and/or software are delivered to the customer, judgment is required to select the method of progress which best reflects the transfer of control.

Disaggregation of Revenue
The following table presents our Net sales disaggregated by product category for each of our segments (in millions):

	Three Months Ended					
	September 27, 2025			September 28, 2024		
Segment	**Tangible Products**	**Services and Software**	**Total**	**Tangible Products**	**Services and Software**	**Total**
AIT	$ 424	$ 31	$ 455	$ 382	$ 28	$ 410
EVM	657	208	865	637	208	845
Total	$ 1,081	$ 239	$ 1,320	$ 1,019	$ 236	$ 1,255

	Nine Months Ended					
	September 27, 2025			September 28, 2024		
Segment	**Tangible Products**	**Services and Software**	**Total**	**Tangible Products**	**Services and Software**	**Total**
AIT	$ 1,244	$ 91	$ 1,335	$ 1,115	$ 84	$ 1,199
EVM	1,954	632	2,586	1,816	632	2,448
Total	$ 3,198	$ 723	$ 3,921	$ 2,931	$ 716	$ 3,647

In addition, refer to Note 16, *Segment Information & Geographic Data* for Net sales to customers by geographic region.

Performance Obligations
The Company's remaining performance obligations relate to services and software solutions. The aggregated transaction price allocated to remaining performance obligations for arrangements with an original term exceeding one year was $1.16 billion and $1.19 billion, inclusive of deferred revenue, as of September 27, 2025 and December 31, 2024, respectively. On average, remaining performance obligations as of September 27, 2025 and December 31, 2024 are expected to be recognized over a period of approximately two years.

Contract Balances
Progress on satisfying performance obligations under contracts with customers related to billed revenues is reflected on the Consolidated Balance Sheets in Accounts receivable, net. Progress on satisfying performance obligations under contracts with customers related to unbilled revenues ("contract assets") is reflected on the Consolidated Balance Sheets as Prepaid expenses and other current assets for revenues expected to be billed within the next twelve months, and Other long-term assets for revenues expected to be billed thereafter. The total contract asset balances were $9 million and $11 million as of September 27, 2025 and December 31, 2024, respectively. These contract assets result from timing differences between billing and satisfying performance obligations, inclusive of any impacts from the allocation of the transaction price among performance obligations for contracts that include multiple performance obligations. Contract assets are evaluated for impairment, and no impairment losses have been recognized during the three and nine months ended September 27, 2025 and September 28, 2024, respectively.

Deferred revenue on the Consolidated Balance Sheets consists of payments and billings in advance of our performance. The combined short-term and long-term deferred revenue balances were $774 million and $757 million as of September 27, 2025 and December 31, 2024, respectively. During the three and nine months ended September 27, 2025, the Company recognized $101 million and $359 million in revenue, which was previously included in the beginning balance of deferred revenue as of December 31, 2024. During the three and nine months ended September 28, 2024, the Company recognized $107 million and $374 million in revenue, which was previously included in the beginning balance of deferred revenue as of December 31, 2023.

Note 4 Inventories

The categories of Inventories, net are as follows (in millions):

	September 27, 2025	December 31, 2024
Raw materials [(1)]	$ 224	$ 248
Work in process	2	4
Finished goods	437	441
Total Inventories, net	$ 663	$ 693

(1) Raw material inventories primarily consist of product components as well as supplies used in repair operations.

Note 5 Business Acquisitions

Photoneo
On February 28, 2025, the Company acquired Photoneo, a leading developer and manufacturer of 3D machine vision offerings. The Company's cash purchase consideration of $62 million was primarily allocated to technology-related intangible assets of $17 million, customer relationship assets of $6 million, and goodwill of $34 million. The technology-related intangible assets and customer relationship assets both have estimated useful lives of 7 years. The Company finalized the purchase price allocation in the third quarter with no significant measurement period adjustments recorded. The goodwill, which will be deductible for tax purposes, has been allocated to the EVM segment and principally relates to the expansion of our machine vision offerings across several industries.

Note 6 Investments

A rollforward of the Company's long-term investments is as follows (in millions):

	Nine Months Ended	
	September 27, 2025	September 28, 2024
Balance at the beginning of the period	$ 110	$ 113
Impairment losses	(11)	(6)
Purchases of long-term investments	4	3
Proceeds from sale of long-term investments	(1)	—
Balance at the end of the period	$ 102	$ 110

The Company recognized impairment losses of $1 million for the three months ended September 27, 2025 and no impairment losses for the three months ended September 28, 2024.

The carrying value of the Company's long-term investments are included in Other long-term assets on the Consolidated Balance Sheets. Net gains and losses are included within Other expense, net on the Consolidated Statements of Operations.

Note 7 Fair Value Measurements

Financial assets and liabilities are measured using inputs from three levels of the fair value hierarchy in accordance with Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements*. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 established a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into the following three broad levels:

- Level 1: Quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs (e.g. U.S. Treasuries and money market funds).
- Level 2: Observable prices that are based on inputs not quoted in active markets but corroborated by market data.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs. In addition, the Company considers counterparty credit risk in the assessment of fair value.

The Company's financial assets and liabilities carried at fair value as of September 27, 2025, are classified below (in millions):

	Level 1	Level 2	Level 3	Total
Assets:				
Investments related to the deferred compensation plan	$ 46	$ —	$ —	$ 46
Total Assets at fair value	$ 46	$ —	$ —	$ 46
Liabilities:				
Foreign exchange contracts [1]	$ 1	$ 27	$ —	$ 28
Liabilities related to the deferred compensation plan	46	—	—	46
Total Liabilities at fair value	$ 47	$ 27	$ —	$ 74

The Company's financial assets and liabilities carried at fair value as of December 31, 2024, are classified below (in millions):

	Level 1	Level 2	Level 3	Total
Assets:				
Foreign exchange contracts [1]	$ 1	$ 30	$ —	$ 31
Investments related to the deferred compensation plan	41	—	—	41
Total Assets at fair value	$ 42	$ 30	$ —	$ 72
Liabilities:				
Liabilities related to the deferred compensation plan	$ 41	$ —	$ —	$ 41
Total Liabilities at fair value	$ 41	$ —	$ —	$ 41

(1) The fair value of the foreign exchange contracts is calculated as follows:
- Fair value of forward contracts associated with forecasted sales hedges is calculated using the period-end exchange rate adjusted for current forward points (Level 2).
- Fair value of hedges against net assets denominated in foreign currencies is calculated at the period-end exchange rate adjusted for current forward points unless the hedge has matured but not settled at period-end (Level 2). If this is the case, the fair value is calculated at the rate at which the hedge is being settled (Level 1).

Note 8 Derivative Instruments

In the normal course of business, the Company is exposed to global market risks, including the effects of changes in foreign currency exchange rates and interest rates. The Company commonly uses derivative instruments to manage its exposure to such risks and may elect to designate certain derivatives as hedging instruments under ASC Topic 815, *Derivatives and Hedging* ("ASC 815"). The Company formally documents all relationships between designated hedging instruments and hedged items as well as its risk management objectives and strategies for undertaking hedge transactions. The Company does not hold or issue derivatives for trading or speculative purposes.

In accordance with ASC 815, the Company recognizes derivative instruments as either assets or liabilities on the Consolidated Balance Sheets and measures them at fair value. The following table presents the fair value of its derivative instruments (in millions):

	Asset (Liability)		
		Fair Values as of	
	Balance Sheets Classification	September 27, 2025	December 31, 2024
Derivative instruments designated as hedges:			
Foreign exchange contracts	Prepaid expenses and other current assets	$ —	$ 30
Foreign exchange contracts	Accrued liabilities	(27)	—
Total derivative instruments designated as hedges		$ (27)	$ 30
Derivative instruments not designated as hedges:			
Foreign exchange contracts	Prepaid expenses and other current assets	$ —	$ 1
Foreign exchange contracts	Accrued liabilities	(1)	—
Total derivative instruments not designated as hedges		$ (1)	$ 1
Total net derivative (liability) asset		$ (28)	$ 31

The following table presents the net (losses) gains from changes in fair values of derivatives that are not designated as hedges (in millions):

	(Losses) Gains Recognized in Income				
		Three Months Ended		Nine Months Ended	
	Statements of Operations Classification	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Derivative instruments not designated as hedges:					
Foreign exchange contracts	Foreign exchange gain (loss)	$ (1)	$ (7)	$ (24)	$ (5)
Forward interest rate swaps	Interest expense, net	—	—	—	31
Total net (loss) gain recognized in income		$ (1)	$ (7)	$ (24)	$ 26

Activities related to derivative instruments are reflected within Net cash provided by operating activities on the Consolidated Statements of Cash Flows.

Interest Rate Risk Management

The Company is exposed to market risk associated with interest rate payments on its borrowings under a term loan ("Term Loan A"), Revolving Credit Facility, and Receivables Financing Facilities, which bear interest at variable rates plus applicable margins. The Company manages its exposure to changes in interest rates by issuing both fixed and variable rate borrowings as well as periodically utilizing interest rate swaps to economically hedge interest rate exposure based on current and projected market conditions. The Company had no active interest rate swap agreements during the nine months ended September 27, 2025.

Credit and Market Risk Management

Financial instruments, including derivatives, expose the Company to counterparty credit risk of nonperformance and to market risk related to currency exchange rate and interest rate fluctuations. The Company manages its exposure to counterparty credit risk by establishing minimum credit standards, diversifying its counterparties, and monitoring its concentrations of credit. The Company's counterparties are commercial banks with expertise in derivative financial instruments. The Company evaluates the impact of market risk on the fair value and cash flows of its derivative and other financial instruments by considering reasonably possible changes in interest rates and currency exchange rates. The Company continually monitors the creditworthiness of the customers to which it grants credit terms in the normal course of business. The terms and conditions of the Company's credit policies are designed to mitigate concentrations of credit risk.

The Company's master netting and other similar arrangements with the respective counterparties allow for net settlement under certain conditions, which are designed to reduce credit risk by permitting net settlement with the same counterparty. We present the assets and liabilities of our derivative financial instruments, for which we have net settlement agreements in place, on a net basis on the Consolidated Balance Sheets. If the derivative financial instruments had been presented gross on the Consolidated Balance Sheets, the asset and liability positions would not have been significantly different as of September 27, 2025 or December 31, 2024.

Foreign Currency Exchange Risk Management

The Company conducts business on a multinational basis in a variety of foreign currencies. Exposure to market risk for changes in foreign currency exchange rates arises primarily from Euro-denominated external revenues, cross-border financing activities between subsidiaries, and foreign currency denominated monetary assets and liabilities. The Company manages its objective of preserving the economic value of non-functional currency denominated cash flows by initially hedging transaction exposures with natural offsets and, once these opportunities have been exhausted, through foreign exchange forward and option contracts, as deemed appropriate.

The Company manages the exchange rate risk of anticipated Euro-denominated sales using forward contracts, which typically mature within twelve months of execution. The Company designates these derivative contracts as cash flow hedges. Unrealized gains and losses on these contracts are deferred in Accumulated other comprehensive income (loss) ("AOCI") on the Consolidated Balance Sheets until the contract is settled and the hedged sale is realized. The realized gain or loss is then recorded as an adjustment to Net sales on the Consolidated Statements of Operations. Realized amounts reclassified to Net sales were $20 million and $2 million of losses for the three months ended September 27, 2025 and September 28, 2024, respectively. Realized amounts reclassified to Net sales were $24 million of losses and $4 million of gains for the nine months ended September 27, 2025 and September 28, 2024, respectively. As of September 27, 2025 and December 31, 2024, the notional amounts of the Company's foreign exchange cash flow hedges were €591 million and €592 million, respectively. The Company has reviewed its cash flow hedges for effectiveness and determined that they are highly effective.

The Company uses forward contracts, which are not designated as hedging instruments, to manage its exposures related to net assets denominated in foreign currencies. These forward contracts typically mature within one month after execution. Monetary gains and losses on these forward contracts are recorded in income and are generally offset by the transaction gains and losses related to their net asset positions. The notional values and the net fair values of these outstanding contracts were as follows (in millions):

	September 27, 2025		December 31, 2024	
Notional balance of outstanding contracts:				
British Pound/U.S. Dollar	£	3	£	5
Euro/U.S. Dollar	€	85	€	146
Euro/Czech Koruna	€	13	€	16
Japanese Yen/U.S. Dollar	¥	439	¥	360
Singapore Dollar/U.S. Dollar	S$	11	S$	23
Mexican Peso/U.S. Dollar	Mex$	254	Mex$	142
Polish Zloty/U.S. Dollar	zł	55	zł	53
Net fair value of (liabilities) assets of outstanding contracts	$	(1)	$	1

Note 9 Long-Term Debt

The following table shows the carrying value of the Company’s debt (in millions):

	September 27, 2025	December 31, 2024
Term Loan A	$ 1,575	$ 1,575
Senior Notes	500	500
Receivables Financing Facility	108	108
Total debt	$ 2,183	$ 2,183
Less: Debt issuance costs	(8)	(9)
Less: Unamortized discounts	(2)	(3)
Less: Current portion of debt	(66)	(79)
Total long-term debt	$ 2,107	$ 2,092

As of September 27, 2025, the future maturities of debt are as follows (in millions):

2025 (3 months remaining)	$ —
2026	88
2027	1,595
2028	—
2029	—
Thereafter	500
Total future maturities of debt	$ 2,183

All borrowings as of September 27, 2025 were denominated in U.S. Dollars.

The estimated fair value of the Company’s debt approximated $2.2 billion as of both September 27, 2025 and December 31, 2024. These fair value amounts, developed based on inputs classified as Level 2 within the fair value hierarchy, represent the estimated value at which the Company’s lenders could trade its debt within the financial markets and do not represent the settlement value of these liabilities to the Company. The fair value of debt will continue to vary each period based on a number of factors, including fluctuations in market interest rates as well as changes to the Company’s credit ratings.

Term Loan A
The principal on Term Loan A is due in quarterly installments, with the next quarterly installment due in the first quarter of 2026 and the majority due upon maturity on May 25, 2027. The Company has made and may make prepayments in whole or in part, without premium or penalty, and would be required to prepay certain outstanding amounts in the event of certain circumstances or transactions. As of September 27, 2025, the Term Loan A interest rate was 5.42%. Interest payments are made monthly and are subject to variable rates plus an applicable margin.

Senior Notes
In the second quarter of 2024, the Company completed a private offering of $500 million senior unsecured notes (the “Senior Notes”) with a 6.5% fixed interest rate. The Senior Notes mature on June 1, 2032, and interest is payable semi-annually in arrears in June and December of each year. The Company has the option to or could be required to prepay certain outstanding amounts in the event of certain circumstances or transactions.

The Senior Notes are fully and unconditionally guaranteed on a senior unsecured basis by certain of Zebra’s existing and future subsidiaries. The Senior Notes contain covenants that, among other things, limit the ability of Zebra to: (i) grant or incur liens; (ii) have its subsidiaries guarantee debt without becoming guarantors; and (iii) merge or consolidate with another company or sell all or substantially all of its assets.

Revolving Credit Facility
The Company has a Revolving Credit Facility that is available for working capital and other general business purposes, including letters of credit. As of September 27, 2025, the Company had letters of credit totaling $10 million, which reduced funds available for borrowings under the Revolving Credit Facility from $1,500 million to $1,490 million. As of September 27, 2025 and December 31, 2024, there were no borrowings under the Revolving Credit Facility. Upon borrowing, interest payments are made monthly and are subject to variable rates plus an applicable margin. The Revolving Credit Facility matures on May 25, 2027.

Receivables Financing Facility

As of September 27, 2025, the Company has a Receivables Financing Facility with a borrowing limit of up to $180 million. As collateral, the Company pledges perfected first-priority security interests in its U.S. domestically originated accounts receivable. The Company has accounted for transactions under this facility as secured borrowings. The receivables financing facility matures on March 19, 2027.

As of September 27, 2025, the Company's Consolidated Balance Sheets included $715 million of gross receivables that were pledged under the facility. As of September 27, 2025, $108 million had been borrowed and was classified as non-current. Borrowings under the facility bear interest at a variable rate plus an applicable margin. As of September 27, 2025, the facility had an average interest rate of 5.21%. Interest is paid monthly on these borrowings.

The Company's borrowings described above include terms and conditions that limit the incurrence of additional borrowings and require that certain financial ratios be maintained at designated levels.

As of September 27, 2025, the Company was in compliance with all debt covenants.

Note 10 Leases

During the nine months ended September 27, 2025, the Company recorded $20 million of right-of-use ("ROU") assets obtained in exchange for lease obligations primarily related to extensions of existing leases and the commencement of new warehouse and office facility leases.

Future minimum lease payments under non-cancellable leases as of September 27, 2025 were as follows (in millions):

2025 (3 months remaining)	$	12
2026		46
2027		38
2028		35
2029		29
Thereafter		66
Total future minimum lease payments	$	226
Less: Interest		(39)
Present value of lease liabilities	$	187

Reported as of September 27, 2025:		
Current portion of lease liabilities	$	36
Long-term lease liabilities		151
Present value of lease liabilities	$	187

The current portion of lease liabilities is included within Accrued liabilities on the Consolidated Balance Sheets.

Note 11 Accrued Liabilities, Commitments and Contingencies

Accrued Liabilities
The components of Accrued liabilities are as follows (in millions):

	September 27, 2025	December 31, 2024
Incentive compensation	$ 116	$ 174
Payroll and benefits	71	76
Unremitted cash collections due to banks on factored accounts receivable	60	51
Customer rebates	54	56
Current portion of lease liabilities	36	36
Warranty	30	26
Foreign exchange contracts	28	—
Freight and duty	23	12
Other	79	72
Accrued liabilities	$ 497	$ 503

Warranties
The following table is a summary of the Company’s warranty obligations (in millions):

	Nine Months Ended	
	September 27, 2025	September 28, 2024
Balance at the beginning of the period	$ 26	$ 27
Warranty expense	29	19
Warranties fulfilled	(25)	(20)
Balance at the end of the period	$ 30	$ 26

Contingencies
The Company is subject to a variety of investigations, claims, suits, and other legal proceedings that arise from time to time in the ordinary course of business, including but not limited to, intellectual property, employment, tort, and breach of contract matters. The Company currently believes that the outcomes of such proceedings, individually and in the aggregate, will not have a material adverse impact on its business, cash flows, financial position, or results of operations. Any legal proceedings are subject to inherent uncertainties, and the Company’s view of these matters and their potential effects may change in the future. The Company records a liability for contingencies when a loss is deemed to be probable and the loss can be reasonably estimated.

Note 12 Income Taxes

The Company’s effective tax rate for the three and nine months ended September 27, 2025 was 36.5% and 24.5%, respectively, compared to 8.1% and 14.5% for the three and nine months ended September 28, 2024. In the current period, the variance from the 21% federal statutory rate was primarily attributable to taxes related to foreign earnings subject to U.S. taxation as a result of recently enacted U.S. tax legislation and U.S. state income taxes, partly offset by the generation of U.S. tax credits and the release of Canadian valuation allowance reserves. In the prior period, the variance from the 21% federal statutory rate was primarily attributable to the generation of U.S. tax credits and the tax benefit related to foreign earnings subject to U.S. taxation, partly offset by U.S. state income taxes.

Note 13 Earnings Per Share

Basic net earnings per share is calculated by dividing net income by the weighted average number of common shares outstanding for the period. Diluted earnings per share is computed by dividing net income by the weighted average number of diluted common shares outstanding. Diluted common shares outstanding is computed using the Treasury Stock method and, in periods of income, reflects the additional shares that would be outstanding if dilutive share-based compensation awards were converted into common shares during the period.

Earnings per share (in millions, except share data):

	Three Months Ended		Nine Months Ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Basic:				
Net income	$ 101	$ 137	$ 349	$ 365
Weighted-average shares outstanding	50,800,552	51,567,216	51,044,563	51,480,812
Basic earnings per share	$ 1.98	$ 2.65	$ 6.83	$ 7.09
Diluted:				
Net income	$ 101	$ 137	$ 349	$ 365
Weighted-average shares outstanding	50,800,552	51,567,216	51,044,563	51,480,812
Dilutive shares	370,567	350,839	384,969	364,760
Diluted weighted-average shares outstanding	51,171,119	51,918,055	51,429,532	51,845,572
Diluted earnings per share	$ 1.97	$ 2.64	$ 6.78	$ 7.04

Anti-dilutive share-based compensation awards are excluded from diluted earnings per share calculations. There were 1,473 and 84,605 shares that were anti-dilutive for the three and nine months ended September 27, 2025, respectively. There were 1,621 and 61,240 shares that were anti-dilutive for the three and nine months ended September 28, 2024, respectively.

Note 14 Accumulated Other Comprehensive (Loss) Income

Stockholders’ equity includes certain items classified as AOCI, including:

- **Unrealized gain (loss) on sales hedging** which relates to derivative instruments used to hedge the exposure related to currency exchange rates for forecasted Euro sales. These hedges are designated as cash flow hedges, and the Company defers income statement recognition of gains and losses until the hedged transaction occurs. See Note 8, *Derivative Instruments* for more details.

- **Foreign currency translation adjustments** which relates to the Company’s non-U.S. subsidiary companies that have designated a functional currency other than the U.S. Dollar. The Company translates the subsidiary functional currency financial statements to U.S. Dollars using a combination of historical, period-end, and average foreign exchange rates. This combination of rates creates the foreign currency translation adjustment component of AOCI.

The changes in each component of AOCI during the nine months ended September 27, 2025 and September 28, 2024 were as follows (in millions):

	Unrealized gain (loss) on sales hedging	Foreign currency translation adjustments	Total
Balance at December 31, 2023	$ (5)	$ (49)	$ (54)
Other comprehensive income (loss) before reclassifications	(3)	1	(2)
Amounts reclassified from AOCI(1)	(4)	—	(4)
Tax effect	1	—	1
Other comprehensive income (loss), net of tax	(6)	1	(5)
Balance at September 28, 2024	$ (11)	$ (48)	$ (59)
Balance at December 31, 2024	$ 22	$ (66)	$ (44)
Other comprehensive income (loss) before reclassifications	(81)	24	(57)
Amounts reclassified from AOCI(1)	24	—	24
Tax effect	14	—	14
Other comprehensive income (loss), net of tax	(43)	24	(19)
Balance at September 27, 2025	$ (21)	$ (42)	$ (63)

(1) See Note 8, *Derivative Instruments* regarding the timing of reclassifications to operating results.

Note 15 Accounts Receivable Factoring

The Company has a Receivables Factoring arrangement, pursuant to which certain receivables originated from the EMEA and Asia-Pacific regions up to a maximum of €150 million are sold to a bank without recourse in exchange for cash. Such transfers are accounted for as sales and the related receivables are removed from the Company's balance sheet. The Company does not maintain any beneficial interest in the receivables sold. The Company services the receivables on behalf of the bank, but otherwise maintains no significant continuing involvement with respect to the receivables. Sale proceeds that are representative of the fair value of factored receivables, less a factoring fee, are reflected in Cash flows from operating activities on the Consolidated Statements of Cash Flows, while sale proceeds in excess of the fair value of factored receivables are reflected in Cash flows from financing activities on the Consolidated Statements of Cash Flows.

During the nine months ended September 27, 2025 and September 28, 2024, the Company received cash proceeds of $374 million and $816 million, respectively, from the sales of accounts receivables under its factoring arrangement. As of both September 27, 2025 and December 31, 2024, there were a total of $28 million of uncollected receivables that had been sold and removed from the Company's Consolidated Balance Sheets.

As servicer of sold receivables, the Company had $60 million and $51 million of obligations that were not yet remitted to the bank as of September 27, 2025 and December 31, 2024, respectively. These obligations are included within Accrued liabilities on the Consolidated Balance Sheets, with changes in such obligations reflected within Cash flows from financing activities on the Consolidated Statements of Cash Flows.

Note 16 Segment Information & Geographic Data

The Company's operations consist of two reportable segments that provide complementary offerings to our customers: Asset Intelligence & Tracking ("AIT"), which includes barcode and card printing, RFID and RTLS offerings, supplies, and services; and Enterprise Visibility & Mobility ("EVM"), which includes mobile computing, data capture, fixed industrial scanning and machine vision, services, and workflow optimization solutions. The reportable segments have been identified based on the financial data utilized by the Company's Chief Executive Officer (the chief operating decision maker or "CODM") to assess segment performance and allocate resources among the Company's segments. The CODM reviews adjusted operating income to assess segment profitability primarily during the Company's annual budget and forecasting process. The CODM assesses the profitability of each segment relative to its long-term growth objectives in evaluating resource allocation priorities. Segment assets are not reviewed by the Company's CODM and therefore are not disclosed below.

Financial information by segment is presented as follows (in millions):

	Three Months Ended		Nine Months Ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
Net sales:				
AIT	$ 455	$ 410	$ 1,335	$ 1,199
EVM	865	845	2,586	2,448
Total Net sales	$ 1,320	$ 1,255	$ 3,921	$ 3,647
Cost of sales:				
AIT	$ 225	$ 211	$ 666	$ 629
EVM	461	431	1,360	1,253
Operating expenses:				
AIT (1)	$ 127	$ 116	$ 383	$ 338
EVM (1)	289	272	860	810
Operating income:				
AIT (2)	$ 103	$ 83	$ 286	$ 232
EVM (2)	115	142	366	385
Total segment operating income	218	225	652	617
Corporate (3)	(35)	(34)	(91)	(100)
Total Operating income	$ 183	$ 191	$ 561	$ 517

(1) AIT and EVM segment operating expenses include Selling and marketing, Research and development, and General and administrative expenses, excluding the amounts classified within Corporate.

(2) AIT and EVM segment operating income includes depreciation and share-based compensation expense. The depreciation and share-based compensation expense amounts are proportionate to each segment's Net sales.

(3) To the extent applicable, amounts included in Corporate consist of Amortization of intangible assets, Acquisition and integration costs, Exit and restructuring costs, as well as certain other non-recurring costs (impairment of goodwill and other intangibles, and business acquisition purchase accounting adjustments).

Information regarding the Company's operations by geographic area is contained in the following tables. Net sales amounts are attributed to geographic area based on customer location.

Net sales by region were as follows (in millions):

	Three Months Ended		Nine Months Ended	
	September 27, 2025	September 28, 2024	September 27, 2025	September 28, 2024
North America	$ 666	$ 628	$ 1,969	$ 1,839
EMEA	394	405	1,252	1,204
Asia-Pacific	163	132	429	362
Latin America	97	90	271	242
Total Net sales	$ 1,320	$ 1,255	$ 3,921	$ 3,647

Note 17 Subsequent Events

Segments
Effective with the fourth quarter, the Company's reportable segments will be changed to Connected Frontline ("CF") and Asset Visibility & Automation ("AVA"). The CF segment will consist of our mobile computing products, and related services and software-based offerings that were formerly part of our EVM segment. The AVA segment will consist of our barcode and card printing products and related supplies and sensors, RFID and RTLS offerings, and related services that collectively represented our former AIT segment, as well as our data capture, machine vision, and robotics automation offerings and related services that were formerly part of our EVM segment. This change aligns with how we are operating our business to advance our strategy and the level of detailed financial information reviewed by our chief operating decision-maker going forward. Our CF and AVA results will also exclude share-based compensation expense from the measurement of segment operating income. These changes will not have an impact on our Consolidated Financial Statements.

Elo
On September 30, 2025, the Company acquired Elo Holdings, Inc., the sole stockholder of Elo Touch Solutions, Inc. (collectively, "Elo"), an innovator of solutions that engage customers, enhance self-service, and accelerate automation across a wide range of end markets. Through its acquisition of Elo, the Company expanded its portfolio of self-service and consumer-facing workflow offerings.

The acquisition will be accounted for in the fourth quarter under the acquisition method of accounting for business combinations. The Company's purchase consideration, which remains subject to standard net working capital adjustments, was approximately $1.3 billion and was comprised of cash paid, net of Elo's cash on hand.

As part of this business combination, we expect to recognize goodwill that will be non-deductible for tax purposes. The Elo business will be part of the CF segment.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

We are a global leader in the Automatic Identification and Data Capture ("AIDC") industry. The AIDC market consists of mobile computing, data capture, radio frequency identification devices ("RFID"), barcode printing, and other workflow automation offerings. The Company's offerings are proven to help our customers and end-users digitize and automate their workflows to achieve their critical business objectives, including improved productivity and operational efficiency, optimized regulatory compliance, and better customer experiences.

We design, manufacture, and sell a broad range of AIDC offerings, including: mobile computers, barcode scanners and imagers, RFID readers, specialty printers for barcode labeling and personal identification, real-time location systems ("RTLS"), related accessories and supplies, such as labels and other consumables, and related software applications. We also provide machine vision and robotics automation solutions; a full range of services, including maintenance, technical support, repair, managed and professional services; as well as cloud-based software subscriptions. End-users of our offerings include those in retail and e-commerce, manufacturing, transportation and logistics, healthcare, public sector, and other industries within North America; Europe, Middle East, and Africa ("EMEA"); Asia Pacific; and Latin America.

We continue to advance our Enterprise Asset Intelligence ("EAI") vision: every asset and front-line worker visible, connected, and fully optimized. Through continual innovation, we have expanded beyond the traditional AIDC market to transform activities such as factory production, packages moving through a supply chain, retail shopping, the hospital patient journey and first responders addressing public safety and emergency situations. Data from enterprise assets, including status, condition, location, utilization, and preferences, is analyzed in the cloud to provide prioritized actionable insights. As a result, our offerings enable enterprises to "sense, analyze, and act" more effectively to optimize their activities.

The Company's operations consist of two reportable segments that provide complementary offerings to our customers: Asset Intelligence & Tracking ("AIT") and Enterprise Visibility & Mobility ("EVM").

- The AIT segment is an industry leader in barcode printing and asset tracking technologies. Its major product lines include barcode and card printers, RFID and RTLS offerings, and supplies, including temperature-monitoring labels, and services.

- The EVM segment is an industry leader in automatic information and data capture offerings. Its major product lines include mobile computing, data capture, fixed industrial scanning and machine vision, services, and workflow optimization solutions. Our workflow optimization solutions include cloud-based software subscriptions, retail solutions, and robotic automation solutions.

We are a market leader in our core businesses, which are generally considered to be comprised of our mobile computing and data capture offerings, printing and supplies offerings, as well as support and repair services. We continue to focus on growth opportunities within adjacent and expansion markets by scaling and integrating our recent business acquisitions.

Third Quarter 2025 Financial Summary and Other Recent Developments

- Net sales were $1,320 million in the current quarter compared to $1,255 million in the prior year third quarter.
- Operating income was $183 million in the current quarter compared to $191 million in the prior year third quarter.
- Net income was $101 million, or $1.97 per diluted share in the current quarter, compared to net income of $137 million, or $2.64 per diluted share in the prior year third quarter.
- We repurchased $284 million of common shares year to date, including $34 million in the third quarter.

Both of our segments benefited from growth in demand across most of our primary end markets. We continued to mitigate the negative impacts of tariffs through product sourcing diversification, the impacts of targeted list price increases, and product portfolio optimization efforts.

Subsequent events:

On September 30, 2025, the Company acquired Elo Touch Solutions, Inc. ("Elo") for approximately $1.3 billion in cash. Elo is an innovator of solutions that engage customers, enhance self-service, and accelerate automation across a wide range of end markets. The Elo acquisition expands our portfolio of self-service and consumer-facing workflow offerings. The operating results of Elo will be included in our newly established Connected Frontline segment beginning in the fourth quarter. The Elo acquisition was funded with cash on hand and borrowings from our existing credit facilities.

Effective with the fourth quarter, the Company's reportable segments will be changed to Connected Frontline and Asset Visibility & Automation to align with how we operate our business to advance our strategy.

See Note 17, *Subsequent Events* in the Notes to Consolidated Financial Statements included in this report for additional information.

Results of Operations

Consolidated Results of Operations
(amounts in millions, except percentages)

	Three Months Ended				Nine Months Ended			
	September 27, 2025	September 28, 2024	$ Change	% Change	September 27, 2025	September 28, 2024	$ Change	% Change
Net sales:								
Tangible products	$ 1,081	$ 1,019	$ 62	6.1 %	$ 3,198	$ 2,931	$ 267	9.1 %
Services and software	239	236	3	1.3 %	723	716	7	1.0 %
Total Net sales	1,320	1,255	65	5.2 %	3,921	3,647	274	7.5 %
Gross profit	634	613	21	3.4 %	1,895	1,765	130	7.4 %
Gross margin	*48.0 %*	*48.8 %*		*(80) bps*	*48.3 %*	*48.4 %*		*(10) bps*
Operating expenses	451	422	29	6.9 %	1,334	1,248	86	6.9 %
Operating income	$ 183	$ 191	$ (8)	(4.2)%	$ 561	$ 517	$ 44	8.5 %

Net sales to customers by geographic region were as follows (amounts in millions, except percentages):

	Three Months Ended				Nine Months Ended			
	September 27, 2025	September 28, 2024	$ Change	% Change	September 27, 2025	September 28, 2024	$ Change	% Change
North America	$ 666	$ 628	$ 38	6.1 %	$ 1,969	$ 1,839	$ 130	7.1 %
EMEA	394	405	(11)	(2.7)%	1,252	1,204	48	4.0 %
Asia-Pacific	163	132	31	23.5 %	429	362	67	18.5 %
Latin America	97	90	7	7.8 %	271	242	29	12.0 %
Total Net sales	$ 1,320	$ 1,255	$ 65	5.2 %	$ 3,921	$ 3,647	$ 274	7.5 %

Operating expenses are summarized below (amounts in millions, except percentages):

	Three Months Ended				Nine Months Ended			
	September 27,	September 28,	As a % of Net sales		September 27,	September 28,	As a % of Net sales	
	2025	2024	2025	2024	2025	2024	2025	2024
Selling and marketing	$ 159	$ 151	12.0 %	12.0 %	$ 478	$ 449	12.2 %	12.3 %
Research and development	146	141	11.1 %	11.2 %	441	425	11.2 %	11.7 %
General and administrative	111	96	8.4 %	7.6 %	324	274	8.3 %	7.5 %
Amortization of intangible assets	25	29	NM	NM	74	80	NM	NM
Acquisition and integration costs	10	1	NM	NM	17	3	NM	NM
Exit and restructuring costs	—	4	NM	NM	—	17	NM	NM
Total Operating expenses	$ 451	$ 422	34.2 %	33.6 %	$ 1,334	$ 1,248	34.0 %	34.2 %

Consolidated Organic Net sales growth:

	Three Months Ended September 27, 2025	Nine Months Ended September 27, 2025
Reported GAAP Consolidated Net sales growth	5.2 %	7.5 %
Adjustments:		
Impact of foreign currency translations (1)	(0.2)%	0.3 %
Impact of acquisitions (2)	(0.2)%	(0.2)%
Consolidated Organic Net sales growth (3)	4.8 %	7.6 %

(1) Operating results reported in U.S. Dollars are affected by foreign currency exchange rate fluctuations. Foreign currency translation impact represents the difference in results that are attributable to fluctuations in the currency exchange rates used to convert the results for businesses where the functional currency is not the U.S. Dollar. This impact is calculated by translating the current period results at the currency exchange rates used in the comparable prior year period as well as removing realized cash flow hedge gains and losses from both the current and prior year periods.

(2) For purposes of computing Organic Net sales growth, amounts directly attributable to business acquisitions are excluded for twelve months following their respective acquisitions.

(3) Consolidated Organic Net sales growth is a non-GAAP financial measure. See the *Non-GAAP Measures* section at the end of this item.

Third quarter 2025 compared to third quarter 2024

Total Net sales increased by $65 million or 5.2% compared to the prior year quarter, reflecting growth in both of our segments. Our overall sales growth reflects improved demand in the North America, Asia-Pacific, and Latin America regions. Excluding the effects of currency changes and acquisitions, Consolidated Organic Net sales increased by 4.8%.

Gross margin decreased to 48.0% for the current quarter compared to 48.8% for the prior year, primarily due to unfavorable impacts of tariffs, net of mitigating actions, along with lower services and software margins. As compared to the prior year quarter, Gross margin improved in our AIT segment and declined in our EVM segment.

Operating expenses for the quarters ended September 27, 2025 and September 28, 2024 were $451 million and $422 million, or 34.2% and 33.6% of Net sales, respectively. Current quarter Operating expenses increased compared to the prior year quarter primarily due to higher share-based compensation expense related to improved expected attainment associated with performance-based share-based compensation awards.

Operating income was $183 million for the current quarter compared to $191 million in the prior year quarter. The decrease was due to higher Operating expenses, partly offset by higher Gross profit.

Total other expense, net decreased primarily due to foreign exchange losses in the prior year quarter and lower net interest costs associated with the company's borrowings driven by rate favorability in the current year quarter.

The Company's effective tax rates for the three months ended September 27, 2025 and September 28, 2024 were 36.5% and 8.1%, respectively. The increase in the effective tax rate was primarily due to increased taxes related to foreign earnings subject to U.S. taxation as a result of recently enacted U.S. tax legislation and U.S. state income taxes, partly offset by the release of certain Canadian valuation allowance reserves.

Net income and diluted earnings per share each decreased in the current quarter due to a higher income tax provision and lower Operating income, partly offset by lower Total other expense, net.

Year to date 2025 compared to Year to date 2024

Total Net sales increased by $274 million or 7.5% compared to the prior year period, reflecting growth in both of our segments associated with improved demand trends that began in the middle of 2024. Excluding the effects of currency changes and acquisitions, Consolidated Organic Net sales increased by 7.6%.

Gross margin slightly decreased to 48.3% compared to 48.4% for the prior year period, primarily due to unfavorable impacts of tariffs, net of mitigating actions, along with lower services and software margins, largely offset by volume leverage and favorable business mix. As compared to the prior year period, Gross margin improved in our AIT segment and declined in our EVM segment.

Operating expenses for the nine months ended September 27, 2025 and September 28, 2024 were $1,334 million and $1,248 million, or 34.0% and 34.2% of Net sales, respectively. Current year Operating expenses increased compared to the prior year period primarily due to higher employee and employee-related costs, including higher incentive compensation, part of which related to changes in share-based compensation eligibility provisions in the first quarter. These increases were partly offset by lower Exit and restructuring costs.

Operating income was $561 million for the current year period compared to $517 million in the prior year period. The increase was due to higher Gross profit, partially offset by higher Operating expenses.

Total other expense, net increased primarily due to non-recurring interest rate swap gains in the prior year and higher foreign exchange transaction losses in the current year, partly offset by lower net interest costs associated with the Company's borrowings driven by rate favorability and higher interest income on cash equivalents in the current year.

The Company's effective tax rates for the nine months ended September 27, 2025 and September 28, 2024 were 24.5% and 14.5%, respectively. The increase in the effective tax rate was primarily due to increased taxes related to foreign earnings subject to U.S. taxation as a result of recently enacted U.S. tax legislation and U.S. state income taxes, partly offset by the release of certain Canadian valuation allowance reserves.

Net income and diluted earnings per share each decreased compared to the prior year period due to a higher income tax provision, lower Operating income, and higher Total other expense, net in the current year.

Results of Operations by Segment

The following commentary should be read in conjunction with the financial results of each reportable business segment as detailed in Note 16, *Segment Information & Geographic Data* in the Notes to Consolidated Financial Statements. To the extent applicable, segment operating income excludes business acquisition purchase accounting adjustments, amortization of intangible assets, acquisition and integration costs, impairment of goodwill and other intangibles, exit and restructuring costs, as well as certain other non-recurring costs.

Asset Intelligence & Tracking Segment ("AIT")
(amounts in millions, except percentages)

	Three Months Ended				Nine Months Ended			
	September 27, 2025	September 28, 2024	$ Change	% Change	September 27, 2025	September 28, 2024	$ Change	% Change
Net sales:								
Tangible products	$ 424	$ 382	$ 42	11.0 %	$ 1,244	$ 1,115	$ 129	11.6 %
Services and software	31	28	3	10.7 %	91	84	7	8.3 %
Total Net sales	455	410	45	11.0 %	1,335	1,199	136	11.3 %
Gross profit	230	199	31	15.6 %	669	570	99	17.4 %
Gross margin	*50.5 %*	*48.5 %*		*200 bps*	*50.1 %*	*47.5 %*		*260 bps*
Operating expenses	127	116	11	9.5 %	383	338	45	13.3 %
Operating income	$ 103	$ 83	$ 20	24.1 %	$ 286	$ 232	$ 54	23.3 %

AIT Organic Net sales growth:

	Three Months Ended September 27, 2025	Nine Months Ended September 27, 2025
AIT Reported GAAP Net sales growth	11.0 %	11.3 %
Adjustments:		
Impact of foreign currency translations (1)	(0.4)%	0.3 %
AIT Organic Net sales growth (2)	10.6 %	11.6 %

(1) Operating results reported in U.S. Dollars are affected by foreign currency exchange rate fluctuations. Foreign currency translation impact represents the difference in results that are attributable to fluctuations in the currency exchange rates used to convert the results for businesses where the functional currency is not the U.S. Dollar. This impact is calculated by translating the current period results at the currency exchange rates used in the comparable prior year period as well as removing realized cash flow hedge gains and losses from both the current and prior year periods.

(2) AIT Organic Net sales growth is a non-GAAP financial measure. See the *Non-GAAP Measures* section at the end of this item.

Third quarter 2025 compared to third quarter 2024

Total Net sales for AIT increased $45 million or 11.0% compared to the prior year quarter, primarily due to higher sales of printing products. Excluding the impact of foreign currency changes, AIT Organic Net sales increased by 10.6%.

Gross margin increased to 50.5% in the current quarter compared to 48.5% for the prior year quarter, primarily due to favorable business mix and volume leverage.

Operating income increased 24.1% in the current quarter compared to the prior year quarter due to higher Gross profit, partly offset by higher Operating expenses.

Year to date 2025 compared to Year to date 2024

Total Net sales for AIT increased $136 million or 11.3% compared to the prior year period, primarily due to higher sales of printing and RFID products. Excluding the impact of foreign currency changes, AIT Organic Net sales increased by 11.6%.

Gross margin increased to 50.1% in the current year period compared to 47.5% for the prior year period, primarily due to favorable business mix and volume leverage along with lower inventory related charges.

Operating income increased 23.3% in the current year period compared to the prior year period due to higher Gross profit, partly offset by higher Operating expenses.

Enterprise Visibility & Mobility Segment ("EVM")
(amounts in millions, except percentages)

	Three Months Ended				Nine Months Ended			
	September 27, 2025	September 28, 2024	$ Change	% Change	September 27, 2025	September 28, 2024	$ Change	% Change
Net sales:								
Tangible products	$ 657	$ 637	$ 20	3.1 %	$ 1,954	$ 1,816	$ 138	7.6 %
Services and software	208	208	—	— %	632	632	—	— %
Total Net sales	865	845	20	2.4 %	2,586	2,448	138	5.6 %
Gross profit	404	414	(10)	(2.4)%	1,226	1,195	31	2.6 %
Gross margin	*46.7 %*	*49.0 %*		*(230) bps*	*47.4 %*	*48.8 %*		*(140) bps*
Operating expenses	289	272	17	6.3 %	860	810	50	6.2 %
Operating income	$ 115	$ 142	$ (27)	(19.0)%	$ 366	$ 385	$ (19)	(4.9)%

EVM Organic Net sales growth:

	Three Months Ended September 27, 2025	Nine Months Ended September 27, 2025
EVM Reported GAAP Net sales growth	2.4 %	5.6 %
Adjustments:		
Impact of foreign currency translations (1)	(0.1)%	0.3 %
Impact of acquisitions (2)	(0.3)%	(0.3)%
EVM Organic Net sales growth (3)	2.0 %	5.6 %

(1) Operating results reported in U.S. Dollars are affected by foreign currency exchange rate fluctuations. Foreign currency translation impact represents the difference in results that are attributable to fluctuations in the currency exchange rates used to convert the results for businesses where the functional currency is not the U.S. Dollar. This impact is calculated by translating the current period results at the currency exchange rates used in the comparable prior year period as well as removing realized cash flow hedge gains and losses from both the current and prior year periods.

(2) For purposes of computing EVM Organic Net sales growth, amounts directly attributable to business acquisitions are excluded for twelve months following their respective acquisitions.

(3) EVM Organic Net sales growth is a non-GAAP financial measure. See the *Non-GAAP Measures* section at the end of this item.

Third quarter 2025 compared to third quarter 2024

Total Net sales for EVM increased $20 million or 2.4% compared to the prior year quarter, primarily due to higher sales of mobile computing products, partly offset by lower data capture products. Excluding the impacts of foreign currency changes and acquisitions, EVM Organic Net sales increased by 2.0%.

Gross margin decreased to 46.7% in the current quarter compared to 49.0% for the prior year quarter, primarily due to unfavorable impacts of tariffs, net of mitigating actions, along with lower services and software margins.

Operating income for the current year period decreased by 19.0% compared to the prior year quarter due to higher Operating expenses and lower Gross profit.

Year to date 2025 compared to Year to date 2024

Total Net sales for EVM increased $138 million or 5.6% compared to the prior year period, primarily due to higher sales of mobile computing and data capture products. Excluding the impacts of foreign currency changes and acquisitions, EVM Organic Net sales increased by 5.6%.

Gross margin decreased to 47.4% in the current year period compared to 48.8% for the prior year period, primarily due to unfavorable impacts of tariffs, net of mitigating actions, along with lower services and software margins.

Operating income for the current year decreased by 4.9% compared to the prior year period due to higher Operating expenses, partly offset by higher Gross profit.

Liquidity and Capital Resources

The primary factors that influence our liquidity include the amount and timing of cash collections from our customers, cash payments to our suppliers, capital expenditures, acquisitions, and share repurchases. Management believes that our existing capital resources, inclusive of available borrowing capacity on debt and other financing facilities and funds generated from operations, are sufficient to meet anticipated capital requirements and service our indebtedness. The following table summarizes our cash flow activities for the periods indicated (in millions):

	Nine Months Ended		
Cash flow provided by (used in):	**September 27, 2025**	**September 28, 2024**	**$ Change**
Operating activities	$ 560	$ 707	$ (147)
Investing activities	(121)	(42)	(79)
Financing activities	(286)	(127)	(159)
Effect of exchange rates on cash balances	(1)	—	(1)
Net change in cash and cash equivalents, including restricted cash	$ 152	$ 538	$ (386)

The change in our cash and cash equivalents balance during the nine months ended September 27, 2025 compared to the prior year was primarily due to the following:

- $147 million decrease in net operating cash inflows primarily due to larger reductions in inventory in the prior year, higher employee incentive compensation payments in the current year, and cash receipts from the settlements of terminated interest rate swap agreements in the prior year. These items were partly offset by favorable timing of customer collections.

- $79 million increase in net investing cash outflows primarily due to cash payments for the acquisition of Photoneo and higher capital expenditures.

- $159 million increase in net financing cash outflows primarily due to higher share repurchases in the current year, partially offset by net debt repayments in the prior year as well as the timing of transactions associated with servicing factored receivables.

Company Debt

The following table shows the carrying value of the Company's debt (in millions):

	September 27, 2025	December 31, 2024
Term Loan A	$ 1,575	$ 1,575
Senior Notes	500	500
Receivables Financing Facility	108	108
Total debt	$ 2,183	$ 2,183
Less: Debt issuance costs	(8)	(9)
Less: Unamortized discounts	(2)	(3)
Less: Current portion of debt	(66)	(79)
Total long-term debt	$ 2,107	$ 2,092

Term Loan A

The principal on Term Loan A is due in quarterly installments, with the next quarterly installment due in the first quarter of 2026 and the majority due upon maturity on May 25, 2027. The Company has made and may make prepayments in whole or in part, without premium or penalty, and would be required to prepay certain outstanding amounts in the event of certain circumstances or transactions. As of September 27, 2025, the Term Loan A interest rate was 5.42%. Interest payments are made monthly and are subject to variable rates plus an applicable margin.

Senior Notes

In the second quarter of 2024, the Company completed a private offering of $500 million senior unsecured notes (the "Senior Notes") with a 6.5% fixed interest rate. The Senior Notes mature on June 1, 2032, and interest is payable semi-annually in arrears in June and December of each year. The Company has the option to or could be required to prepay certain outstanding amounts in the event of certain circumstances or transactions.

The Senior Notes are fully and unconditionally guaranteed on a senior unsecured basis by certain of Zebra's existing and future subsidiaries. The Senior Notes contain covenants that, among other things, limit the ability of Zebra to: (i) grant or incur liens; (ii) have its subsidiaries guarantee debt without becoming guarantors; and (iii) merge or consolidate with another company or sell all or substantially all of its assets.

Revolving Credit Facility

The Company has a Revolving Credit Facility that is available for working capital and other general business purposes, including letters of credit. As of September 27, 2025, the Company had letters of credit totaling $10 million, which reduced funds available for borrowings under the Revolving Credit Facility from $1,500 million to $1,490 million. As of September 27, 2025 and December 31, 2024, there were no borrowings under the Revolving Credit Facility. Upon borrowing, interest payments are made monthly and are subject to variable rates plus an applicable margin. The Revolving Credit Facility matures on May 25, 2027.

Receivables Financing Facility

As of September 27, 2025, the Company has a Receivables Financing Facility with a borrowing limit of up to $180 million. As collateral, the Company pledges perfected first-priority security interests in its U.S. domestically originated accounts receivable. The Company has accounted for transactions under this facility as secured borrowings. The receivables financing facility matures on March 19, 2027.

As of September 27, 2025, the Company's Consolidated Balance Sheets included $715 million of gross receivables that were pledged under the facility. As of September 27, 2025, $108 million had been borrowed and was classified as non-current. Borrowings under the facility bear interest at a variable rate plus an applicable margin. As of September 27, 2025, the facility had an average interest rate of 5.21%. Interest is paid monthly on these borrowings.

The Company's borrowings described above include terms and conditions that limit the incurrence of additional borrowings and require that certain financial ratios be maintained at designated levels.

Receivables Factoring
The Company has a Receivables Factoring arrangement, pursuant to which certain receivables originated from the EMEA and Asia-Pacific regions up to a maximum of €150 million are sold to a bank without recourse in exchange for cash. Such transfers are accounted for as sales and the related receivables are removed from the Company's balance sheet. The Company does not maintain any beneficial interest in the receivables sold. The Company services the receivables on behalf of the bank, but otherwise maintains no significant continuing involvement with respect to the receivables. Sale proceeds that are representative of the fair value of factored receivables, less a factoring fee, are reflected in Cash flows from operating activities on the Consolidated Statements of Cash Flows, while sale proceeds in excess of the fair value of factored receivables are reflected in Cash flows from financing activities on the Consolidated Statements of Cash Flows.

As of both September 27, 2025 and December 31, 2024, there were a total of $28 million of uncollected receivables that had been sold and removed from the Company's Consolidated Balance Sheets.

As servicer of sold receivables, the Company had $60 million and $51 million of obligations that were not yet remitted to the bank as of September 27, 2025 and December 31, 2024, respectively. These obligations are included within Accrued liabilities on the Consolidated Balance Sheets, with changes in such obligations reflected within Cash flows from financing activities on the Consolidated Statements of Cash Flows.

See Note 15, *Accounts Receivable Factoring* in the Notes to Consolidated Financial Statements for further details.

Share Repurchases
On May 17, 2022, the Company announced that its Board of Directors authorized a share repurchase program for up to $1 billion of its outstanding shares of common stock. The authorized share repurchase program does not have a stated expiration date. The level of the Company's repurchases depends on a number of factors, including its financial condition, capital requirements, cash flows, results of operations, future business prospects and other factors its management may deem relevant. The timing, volume, and nature of repurchases are subject to market conditions, applicable securities laws and other factors and may be amended, suspended or discontinued at any time. Repurchases may be effected from time to time through open market purchases, including pursuant to a pre-set trading plan meeting the requirements of Rule 10b5-1(c) of the Securities Exchange Act of 1934.

During the first nine months of 2025, the Company repurchased 960,889 shares of common stock for approximately $284 million. As of September 27, 2025, the Company has cumulatively repurchased 1,500,463 shares of common stock for approximately $438 million, resulting in a remaining amount of share repurchases authorized under the May 2022 program of approximately $562 million. Subsequent to the quarter ended September 27, 2025, the Company has repurchased 85,458 shares of common stock for approximately $25 million through October 21, 2025.

Significant Customers

End-users of our offerings are diversified across a wide variety of industries. We have three customers, who are distributors of the Company's offerings, that individually accounted for more than 10% of our Net sales for the periods presented. In the aggregate, the approximate percentage of our segment and Company total Net sales attributable to these customers was as follows:

	Nine Months Ended					
	September 27, 2025			September 28, 2024		
	AIT	EVM	Total	AIT	EVM	Total
Significant customers as a % of Net sales	21 %	39 %	60 %	18 %	38 %	56 %

These customers accounted for 60% of accounts receivable as of September 27, 2025. No other customer accounted for more than 10% of total Net sales during the period ended September 27, 2025.

Safe Harbor
Forward-looking statements contained in this filing are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995 and are highly dependent upon a variety of important factors, which could cause actual results to differ materially from those expressed or implied in such forward-looking statements. When used in this document and documents referenced, the words "anticipate," "believe," "intend," "estimate," "will," and "expect" and similar expressions as they relate to the Company or its management are intended to identify such forward-looking statements but are not the exclusive means of identifying these statements. Any forward-looking statements represent our views only as of today and should not be relied upon as representing our views as of any subsequent date. The forward-looking statements include, but are not limited to, the Company's financial outlook for full year of 2025. These forward-looking statements are based on current expectations, forecasts and assumptions, and are subject to the risks and uncertainties inherent in the Company's industry, market conditions, general domestic and international economic conditions, and other factors. These factors include:

- Market acceptance of the Company's products, services, and software solutions and competitors' offerings and the potential effects of emerging technologies and changes in customer requirements,
- The effect of global market conditions, including the North America; EMEA; Latin America; and Asia-Pacific regions in which we do business,
- The impact of changes in foreign exchange rates, customs duties and trade policies due to the global nature of Zebra's business,
- Our ability to control manufacturing and operating costs,
- Risks related to the manufacturing of the Company's products and conducting business operations in non-U.S. countries, including the risk of depending on key suppliers who are also in non-U.S. countries,
- The Company's ability to purchase sufficient materials, parts, and components, our ability to provide services, software, and products to meet customer demand, particularly in light of global economic conditions,
- The availability of credit and the volatility of capital markets, which may affect our suppliers, customers, and ourselves,
- Success of integrating acquisitions,
- Our ability to attract, retain, develop, and motivate key personnel,
- Interest rate and financial market conditions,
- Access to cash and cash equivalents held outside the U.S.,
- The effect of natural disasters, man-made disasters, public health issues (including pandemics), and cybersecurity incidents on our business, our customers or our contracted third parties,
- The impact of changes in foreign and domestic governmental policies, laws, or regulations,
- The outcome of litigation in which the Company may be involved, particularly litigation or claims related to infringement of third-party intellectual property rights, and
- The outcome of any future tax matters or tax law changes.

We encourage readers of this report to review Part II, Item 1A, "Risk Factors" in this report for further discussion of issues that could affect the Company's future results. We undertake no obligation, other than as may be required by law, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances, or any other reason after the date of this report.

New Accounting Pronouncements

Recently Issued Accounting Pronouncements Not Yet Adopted
In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires an annual tabular effective tax rate reconciliation disclosure including information for specified categories and jurisdiction levels, as well as, disclosure of income taxes paid, net of refunds received, disaggregated by federal, state/local, and significant foreign jurisdiction. This ASU will be effective for the Company's fiscal December 31, 2025 year-end and will not have an impact on our results of operations, cash flows, or financial condition.

In November 2024, the FASB issued ASU No. 2024-03, Disaggregation of Income Statement Expenses, which requires disaggregated disclosure of certain categories of expenses that are included within expense captions presented on the Consolidated Statements of Operations on an annual and interim basis. This ASU will be effective for the Company's fiscal December 31, 2027 year-end and interim periods thereafter, with early adoption permitted. We are assessing the impact of this guidance on our disclosures; it will not have an impact on our results of operations, cash flows, or financial condition.

In July 2025, the FASB issued ASU No. 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets, which provides a practical expedient to assume that current conditions as of the balance sheet date will remain unchanged while estimating the expected credit losses on accounts receivables and contract assets. This ASU will be effective for the Company beginning in 2026, with early adoption permitted. While we are currently assessing the impact of this ASU, we do not expect it to have a significant impact to the Company's consolidated financial statements.

In September 2025, the FASB issued ASU No. 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software, which amends the criteria for capitalizing internal-use software development costs. This ASU will be effective for the Company beginning in 2028, with early adoption permitted. While we are currently assessing the impact of this ASU, we do not expect it to have a significant impact to the Company's consolidated financial statements.

Non-GAAP Measures

The Company has provided reconciliations of the supplemental non-GAAP financial measures, as defined under the rules of the Securities and Exchange Commission, presented herein to the most directly comparable financial measures calculated and presented in accordance with GAAP.

These supplemental non-GAAP financial measures – Consolidated Organic Net sales growth, AIT Organic Net sales growth, and EVM Organic Net sales growth – are presented because our management evaluates our financial results both including and excluding the effects of business acquisitions and foreign currency translation, as applicable. Management believes that the supplemental non-GAAP financial measures presented provide additional perspective and insights when analyzing the core operating performance of our business from period to period and trends in our historical operating results. These supplemental non-GAAP financial measures should not be considered superior to, as a substitute for, or as an alternative to, and should be considered in conjunction with the GAAP financial measures presented.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There were no material changes in the Company's market risk during the quarter ended September 27, 2025. For additional information on market risk, refer to Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" in the Annual Report on Form 10-K for the year ended December 31, 2024.

Item 4. Controls and Procedures

Management's Report on Disclosure Controls

Our management is responsible for establishing and maintaining adequate disclosure controls as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms and (ii) accumulated and communicated to the Company's management, including its principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Our management assessed the effectiveness of our disclosure controls as of September 27, 2025. Based on this assessment and those criteria, our management believes that, as of September 27, 2025, our disclosure controls were effective.

Changes in Internal Control over Financial Reporting

During the quarter ended September 27, 2025, there have been no changes in our internal controls that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on the Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within Zebra have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

See Note 11, *Accrued Liabilities, Commitments and Contingencies* in the Notes to Consolidated Financial Statements included in this report.

Item 1A. Risk Factors

In addition to the other information included in this report, you should carefully consider the factors discussed in Part I, Item 1A. "Risk Factors" in the Annual Report on Form 10-K for the year ended December 31, 2024, and the factors identified under "Safe Harbor" in Part I, Item 2 of this Quarterly Report on Form 10-Q, which could materially affect our business, financial condition, cash flows, or results of operations. The risks described in the Annual Report are not the only risks facing the Company. Additional risks and uncertainties not currently known to the Company or that the Company currently considers immaterial also may materially adversely affect its business, financial condition, and/or operating results. There have been no material changes to the risk factors included in our Annual Report for the year ended December 31, 2024, other than as described below.

The Company is vulnerable to the potential difficulties associated with the increase in the complexity of our business. We have expanded operations and customer offerings over the last several years both organically and through acquisitions. This has caused increased complexities in the business. We believe our future success depends in part on our ability to manage our growth and increased complexities of our business. The following factors could present difficulties to us:

- Managing our distribution channel partners and end-user customers;
- Managing our contract manufacturing and supply chain;
- Manufacturing an increased number of products;
- Developing and managing custom offerings;
- Managing parties to whom we have outsourced portions of our business operations;
- Managing administrative and operational burdens;
- Managing stakeholder interests including customer, investor and employee social responsibility matters;
- Maintaining and improving information technology infrastructure to support growth and to manage cybersecurity threats;
- Managing the integration of acquisitions;
- Managing logistical problems common to complex, expansive operations;
- Managing impacts of government shutdowns or disruptions, including any adverse effects due to limited government funding and services, such as import and export clearance, regulatory approvals or visa processing;
- Managing our international operations;
- Managing the cost of labor including any union organizing efforts and our responses to such efforts; and
- Attracting, developing and retaining individuals with the requisite technical expertise to develop new technologies and introduce new offerings.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table sets forth information with respect to repurchases of the Company's common stock for the three months ended September 27, 2025:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [1]	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions) [1]
June 29, 2025 - July 26, 2025	—	$ —	—	$ 596
July 27, 2025 - August 23, 2025	65,519	306.84	65,519	576
August 24, 2025 - September 27, 2025	46,345	309.97	46,345	562
Total	111,864	$ 308.13	111,864	$ 562

(1) On May 17, 2022, the Company announced that its Board of Directors authorized a share repurchase program for up to $1 billion of its outstanding shares of common stock. Repurchases may be effected from time to time through open market purchases, including pursuant to a pre-set trading plan meeting the requirements of Rule 10b5-1(c) of the Securities Exchange Act of 1934. As of September 27, 2025, the Company has cumulatively repurchased 1,500,463 shares of common stock for approximately $438 million, resulting in a remaining amount of share repurchases authorized under the May 2022 program of approximately $562 million.

Item 5. Other Information

The Company's Securities Transactions and Confidentiality Policy governs the purchase, sale, and/or other dispositions of the Company's securities by directors, officers and employees, and is designed to promote compliance with insider trading laws, rules and regulations, and any listing standards applicable to the Company. None of our directors or executive officers had in effect, adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) during the quarter ended September 27, 2025.

Item 6. Exhibits

31.1	Rule 13a-14(a)/15d-14(a) Certification of Principal Executive Officer
31.2	Rule 13a-14(a)/15d-14(a) Certification of Principal Financial Officer
32.1	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial information from Zebra Technologies Corporation Quarterly Report on Form 10-Q, for the quarter ended September 27, 2025, formatted in Inline XBRL: (i) the Consolidated Balance Sheets; (ii) the Consolidated Statements of Operations; (iii) the Consolidated Statements of Comprehensive Income; (iv) the Consolidated Statements of Stockholders' Equity; (v) the Consolidated Statements of Cash Flows; and (vi) Notes to Consolidated Financial Statements. The instance document does not appear in the interactive data file because Inline XBRL tags are embedded in the iXBRL document.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended September 27, 2025 formatted in Inline XBRL (included in Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ZEBRA TECHNOLOGIES CORPORATION

Date: October 28, 2025	By:	/s/ William J. Burns
		William J. Burns *Chief Executive Officer*
Date: October 28, 2025	By:	/s/ Nathan Winters
		Nathan Winters *Chief Financial Officer*

Exhibit 31.1

CERTIFICATION

I, William J. Burns, certify that:

1. I have reviewed this report on Form 10-Q of Zebra Technologies Corporation (the “Company”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and the internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 28, 2025 By: /s/ William J. Burns

William J. Burns
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Nathan Winters, certify that:

1. I have reviewed this report on Form 10-Q of Zebra Technologies Corporation (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and the internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 28, 2025 By: /s/ Nathan Winters
Nathan Winters
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Zebra Technologies Corporation (the "Company") on Form 10-Q for the period that ended September 27, 2025, as filed with the Securities and Exchange Commission on the date hereof, I, William J. Burns, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 28, 2025 By: /s/ William J. Burns
William J. Burns
Chief Executive Officer

Exhibit 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Zebra Technologies Corporation (the “Company”) on Form 10-Q for the period that ended September 27, 2025, as filed with the Securities and Exchange Commission on the date hereof, I, Nathan Winters, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 28, 2025 By: /s/ Nathan Winters
Nathan Winters
Chief Financial Officer