



TomTom



TomTom Q1 2014 results

Harold Goddijn – CEO

Marina Wyatt – CFO

29 April 2014

Consumer

Operational highlights Q1 2014

- Launch of TomTom Cardio GPS sport watches with integrated heart rate monitor
- TomTom BRIDGE, a programmable driver terminal designed for B2B customers, announced
- Latest generation of PNDs introduced in North America

Strategy

- Maximise value from the PND category and establish a multiproduct consumer business



TOMTOM CARDIO
GPS SPORTS WATCHES



TOMTOM BRIDGE



PNDs

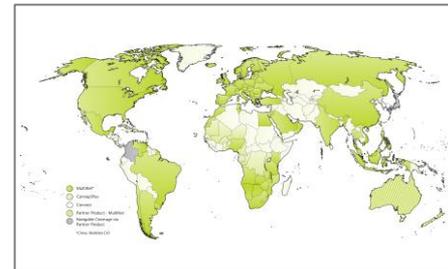
Automotive & Licensing

Operational highlights Q1 2014

- Partnership with Fiat Chrysler Automotive extended for:
 - Alfa Romeo MiTo MY 2014 model, and
 - FIAT 500L models
- TomTom Traffic service expanded to China, Taiwan and Singapore, now covering 36 countries
- Partnership with Micello Inc., for worldwide indoor mapping

Strategy

- Offer class leading software components and services as individual connected navigation system components such as fresh maps, traffic and navigation software
- License a wider portfolio of products and capitalise on our flexible approach to partnering with our customers



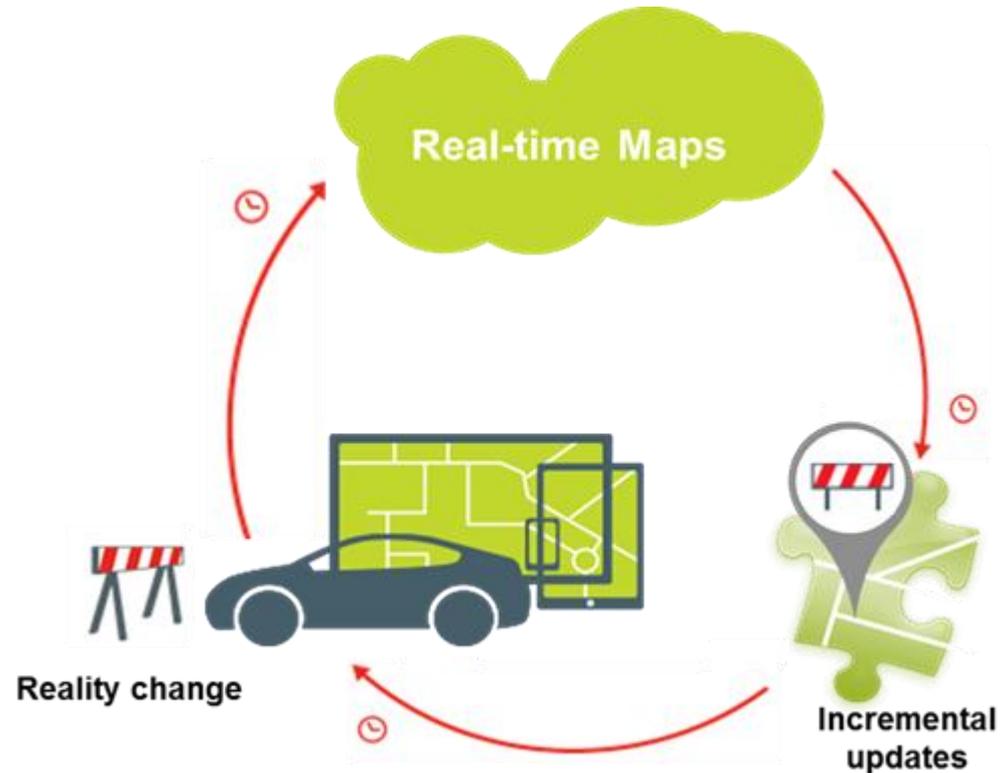
MAP CONTENT



TRAFFIC INFORMATION

Our new map making platform – TomTom real-time maps

- Real-time map making platform going live by the end of 2014
- With real-time maps, latency - between changes in the real world and the map on the end-user's device - is reduced to the absolute minimum – creating superb customer experience
- Unique map making capabilities: our maps will be updated on an incremental basis with high quality, high efficiency and at fast cycle times



Telematics

Operational highlights Q1 2014

- 348,000 vehicles subscribed to our WEBFLEET SaaS platform, a 38% increase YoY
- Launch of LINK200, an entry-level device offered on a rental basis in combination with a WEBFLEET Lite subscription
- Acquisition of DAMS Tracking's installed base, reinforcing our leading position in Europe

Strategy

- Continue to expand our market leadership
- Grow through a combination of organic growth and targeted acquisitions



LINK200



Financial highlights Q1 2014

- Group revenue of €205 million in 2013 (Q1 '13: €202 million)
- Gross margin of 57% (Q1 '13: 56%)
- OPEX of €116 million (Q1 '13: €112 million)
- EBIT of €2 million (Q1 '13: €0 million)
- Adjusted¹ EPS of €0.08, of which €0.04 relates to one-off tax gain (Q1 '13: €0.03)
- Net cash of €44 million

¹Earnings per share adjusted for acquisition-related amortisation & gain on a post-tax basis

Full year outlook 2014 updated

April 2014 guidance

- Revenue of at least €900 million
- Adjusted¹ EPS of around €0.25, including one-off tax gain of €0.04 in Q1 '14

¹Earnings per share adjusted for acquisition-related amortisation & gain on a post-tax basis
NOTE: February 2014 guidance: Revenue of around €900 million; Adjusted¹ EPS of around €0.20

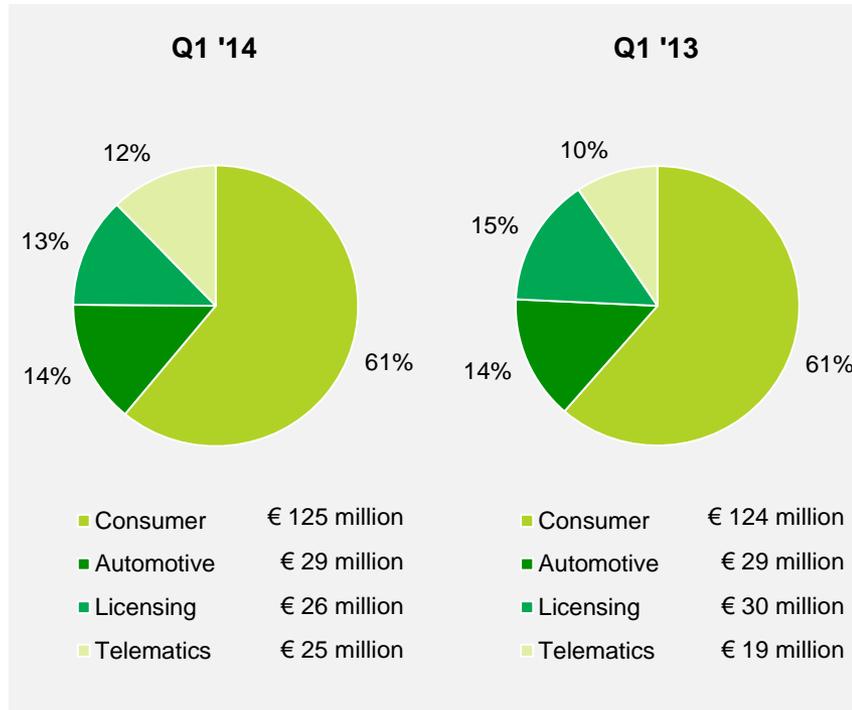
Thank you

Any questions?

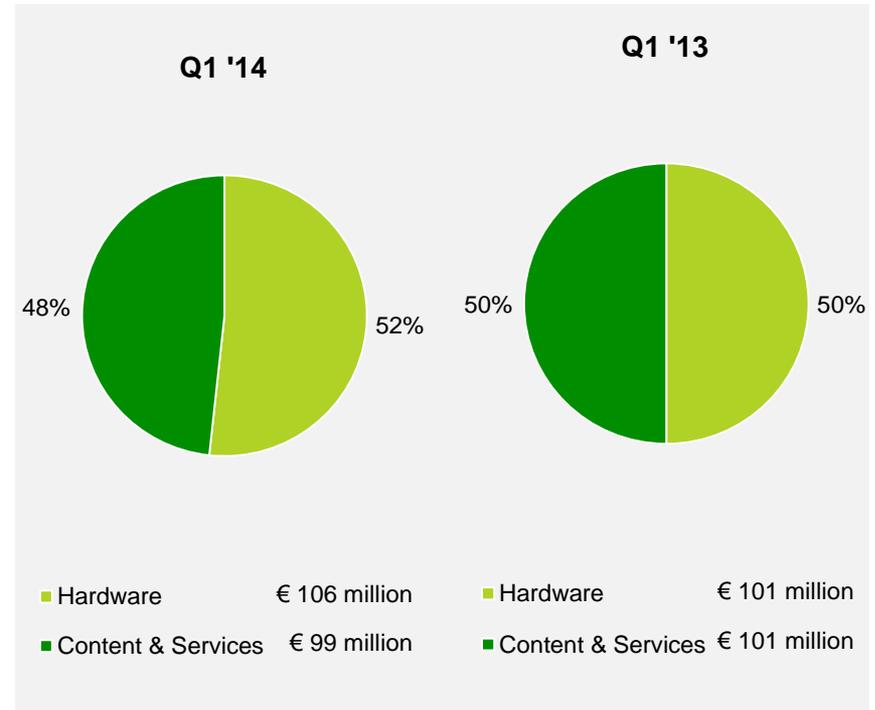
Revenue breakdown – quarterly

Q1 '14 group revenue: €205 million; Q1 '13: €202 million

Breakdown by segment¹



Breakdown by category¹



¹Revenue breakdown reflects TomTom's new reporting structure.

Quarterly P&L statistics

(€ in thousands)	Q4 '12	Q1 '13	Q2 '13	Q3 '13	Q4 '13	Q1 '14	FY '13
REVENUE	289,010	201,589	250,246	244,056	267,563	205,378	963,454
Cost of Sales	134,678	89,123	122,386	106,573	124,126	88,089	442,207
GROSS RESULT	154,332	112,466	127,860	137,483	143,437	117,289	521,247
Research and development expenses	45,891	38,961	44,422	41,118	43,655	43,178	168,155
Amortisation of technology and databases	21,777	18,908	19,392	20,962	22,175	21,182	81,436
Marketing expenses	14,291	10,749	11,314	12,825	27,908	9,298	62,796
Selling, general and administrative expenses	47,734	43,800	45,084	48,963	45,466	42,120	183,315
TOTAL OPERATING EXPENSES	129,693	112,418	120,212	123,868	139,204	115,778	495,701
OPERATING RESULT	24,639	48	7,648	13,615	4,233	1,511	25,546
Interest result	-2,374	-1,116	-263	-765	-800	-1,020	-2,945
Other financial result	-290	-995	-1,299	358	317	-1,176	-1,619
Result of associates	137	254	2,560	166	112	136	3,091
RESULT BEFORE TAX	22,112	-1,809	8,646	13,374	3,862	-549	24,073
Income tax	77,403	-387	-977	-2,009	-637	8,103	-4,010
NET RESULT	99,515	-2,196	7,669	11,365	3,225	7,554	20,063
MARGINS							
Gross margin	53%	56%	51%	56%	54%	57%	54%
Operating margin	9%	0%	3%	6%	2%	1%	3%
EARNINGS PER SHARE (in €)							
Diluted EPS	0.45	-0.01	0.03	0.05	0.01	0.03	0.09
Diluted Adjusted EPS ¹	0.13	0.03	0.07	0.10	0.06	0.08	0.26

¹Earnings per share adjusted for acquisition-related amortisation & gain on a post-tax basis

²Operating expenses breakdown reflects TomTom's new reporting structure.

Quarterly balance sheet statistics

(€ in thousands)	31-Dec-12	31-Mar-13	30-Jun-13	30-Sep-13	31-Dec-13	31-Mar-14
ASSETS						
NON-CURRENT ASSETS						
Goodwill	381,569	381,569	381,569	381,569	381,569	381,569
Other intangible assets	821,233	811,827	809,964	812,246	803,635	798,468
Other non-current assets	44,260	43,969	38,941	39,152	38,339	37,758
TOTAL NON-CURRENT ASSETS	1,247,062	1,237,365	1,230,474	1,232,967	1,223,543	1,217,795
CURRENT ASSETS						
Inventories	44,383	53,346	46,978	55,514	42,260	46,212
Receivables, prepayments & derivatives	268,540	173,848	175,338	175,206	153,926	142,624
Cash and cash equivalents	164,459	160,955	181,139	227,538	257,785	219,279
TOTAL CURRENT ASSETS	477,382	388,150	403,455	458,258	453,971	408,115
TOTAL ASSETS	1,724,444	1,625,515	1,633,929	1,691,225	1,677,514	1,625,910
EQUITY AND LIABILITIES						
TOTAL EQUITY	838,417	837,174	842,583	852,598	854,261	864,130
Deferred tax liability	170,909	168,118	167,825	167,106	171,727	166,356
Non-current borrowings	173,437	172,757	172,984	173,864	99,348	99,445
Current borrowings	73,703	0	0	106	74,089	74,219
Provisions	81,460	80,897	80,684	80,977	79,832	88,277
Trade payables	84,162	88,573	93,237	88,537	82,337	74,111
Deferred revenue	77,126	65,695	59,318	84,138	113,816	109,234
Other liabilities	225,230	212,301	217,298	243,899	202,104	150,138
TOTAL LIABILITIES	886,027	788,341	791,346	838,627	823,253	761,780
TOTAL EQUITY AND LIABILITIES	1,724,444	1,625,515	1,633,929	1,691,225	1,677,514	1,625,910

Quarterly cash flow statistics

(€ in thousands)	Q4 '12	Q1 '13	Q2 '13	Q3 '13	Q4 '13	Q1 '14
Operating result	24,639	48	7,648	13,615	4,233	1,511
Financial gains/(losses)	-4,226	-2,643	-1,610	-323	-3,179	380
Depreciation and amortisation	28,528	28,708	32,212	27,416	29,083	28,184
Other	282	-582	2,276	-3,804	1,264	6,537
Changes in working capital	49,168	1,533	-13,046	37,977	27,207	-49,332
CASH GENERATED FROM OPERATIONS	98,391	27,064	27,480	74,881	58,608	-12,720
Interest received	214	382	613	73	71	103
Interest paid	-3,466	-871	-635	-607	-749	-895
Corporate income taxes (paid)/received	-4,244	65,648	18,030	-3,389	-7,093	-1,127
CASH FLOWS FROM OPERATING ACTIVITIES	90,895	92,223	45,488	70,958	50,837	-14,639
CASH FLOWS FROM INVESTING ACTIVITIES	-14,554	-20,789	-24,014	-24,459	-21,243	-23,878
CASH FLOWS FROM FINANCING ACTIVITIES	-47,782	-75,204	157	0	1,177	52
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	28,559	-3,770	21,631	46,499	30,771	-38,465

Impact of FX rate changes – quarterly

Actual key Q1 '14 financials recalculated based on last quarter (Q4 '13) FX rates and last year (Q1 '13) FX rates

(€ in thousands)	Q1 '14	Q1 '13	Q4 '13
REVENUE	205	207	206
Cost of Sales	88	90	89
GROSS RESULT	117	117	117
<i>Gross margin</i>	<i>57%</i>	<i>56%</i>	<i>57%</i>
P&L RATES IN €			
US dollar	1.37	1.33	1.36
GB pound	0.83	0.84	0.84
BALANCE SHEET RATES IN €			
US dollar	1.38	1.28	1.37
GB pound	0.83	0.84	0.83

Outstanding shares

Common shares outstanding end of Q4 '13	222,176,212	
Common shares outstanding end of Q1 '14	222,191,212	
Average shares outstanding in Q1 '14	222,190,879	(A)
In the money share options as of Q4 '13	7,474,500	
In the money share options as of Q1 '14	7,200,100	
Average potential dilutive share options outstanding Q1 '14*	7,200,100	
Non dilutive share options:	5,152,010	
<i>Average shares outstanding from dilution of options**</i>	2,048,090	(B)
<i>Average shares outstanding from dilution of other equity-settled grants</i>	192,000	(C)
Average fully diluted shares outstanding Q1 '14***	224,430,969	(A+B+C)

* In the money options during the quarter
 ** Weighted average diluted options based on the period outstanding during the quarter
 *** The average share price for the quarter was €4.97

Deferred revenue

IFRS deferred revenue for Lifetime Maps (LTM) and Lifetime Traffic (LTT) example



The value and percentages included in this slide are for illustrative purpose only. Actual (estimated) stand-alone value and percentages applied vary between product ranges and are not necessarily the same as those illustrated.

Disclaimer

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of TomTom NV and its subsidiaries (referred to as 'the company' or 'the group') and certain of the plans and objectives of the company with respect to these items. In particular the words 'expect', 'anticipate', 'estimate', 'may', 'should', 'believe' and similar expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Actual results may differ materially from those expressed in these forward-looking statements, and you should not place undue reliance on them. We have based these forward-looking statements on our current expectations and projections about future events, including numerous assumptions regarding our present and future business strategies, operations and the environment in which we will operate in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, levels of customer spending in major economies, changes in consumer tastes and preferences, changes in law, the performance of the financial markets, the levels of marketing and promotional expenditures by the company and its competitors, raw materials and employee costs, changes in exchange and interest rates (in particular changes in the US dollar and GB pound versus the euro can materially affect results), changes in tax rates, future business combinations, acquisitions or disposals, the rate of technological changes, political and military developments in countries where the company operates and the risk of a downturn in the market.

Statements regarding market share, including the company's competitive position, contained in this document are based on outside sources such as specialized research institutes, industry and dealer panels in combination with management estimates. Where full-year information regarding 2013 is not yet available to the company, these statements may also be based on estimates and projections prepared by outside sources or management. Market shares are based on sales in units unless otherwise stated. The forward-looking statements contained refer only to the date in which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this document.

No representation or warranty (express or implied) is made as to, and reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, neither the company nor any of its subsidiary undertakings or any officers or employees accepts any liability whatsoever arising directly or indirectly from the use of this document.

You will be solely responsible for your own assessment of the market and the market position of the company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the company's business.

This document does not constitute or form part of, and should not be constructed as, an offer or invitation to subscribe for or purchase any securities and neither this document nor anything contained herein shall form the basis of, or be relied on in connection, with any offer or commitment whatsoever.