

Q3 2022 RESULTS



Harold Goddijn – CEO

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Operational highlights

- A new partnership with Hyundai Motor Group, who will equip all of their cars in Europe with our maps and traffic
- Progress in Enterprise, supported by matured Maps API portfolio
- Maps organization realignment finalized



Financial highlights

- Group revenue of €136m (Q3 '21: €127m)
- Location Technology revenue of €108m (Q3 '21: €95m)
- Automotive operational revenue of €75m (Q3 '21: €58m)
- Free cash flow¹ of €8m (Q3 '21: outflow of €14m)
- Net cash of €330m (Q2 '22: €329m)

¹ Free cash flow excludes restructuring charges related to the Maps realignment announced in June 2022



Outlook 2022

in € million	Updated Outlook 2022	Previous Outlook 2022
Group revenue	505 – 520	470 – 510
Location Technology revenue	410 – 425	380 – 420
FCF as % of Group revenue ¹	- 2%	- 5%

¹ Free cash flow excludes restructuring charges related to the Maps realignment announced in June 2022



Outlook 2023

in € million	Updated Outlook 2023	Previous Outlook 2023
Group revenue	500 – 550	500 – 550
Location Technology revenue	425 – 475	425 – 475
FCF as % of Group revenue ¹	0%	+ 5%

¹ Free cash flow excludes restructuring charges related to the Maps realignment announced in June 2022

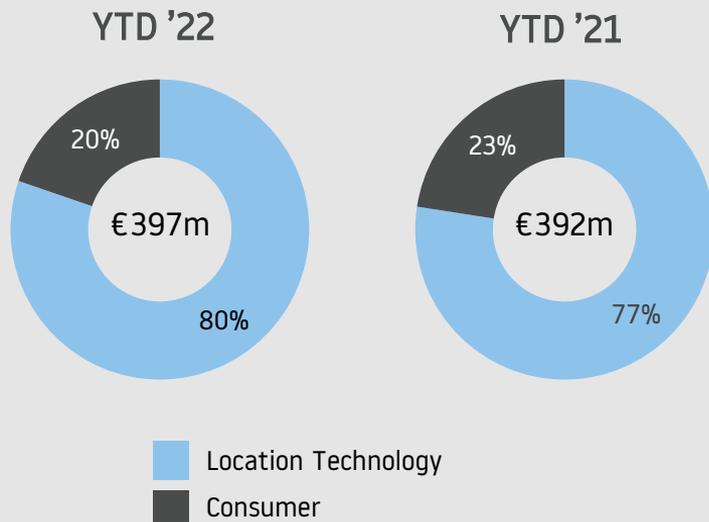


**Thank you -
Any questions?**

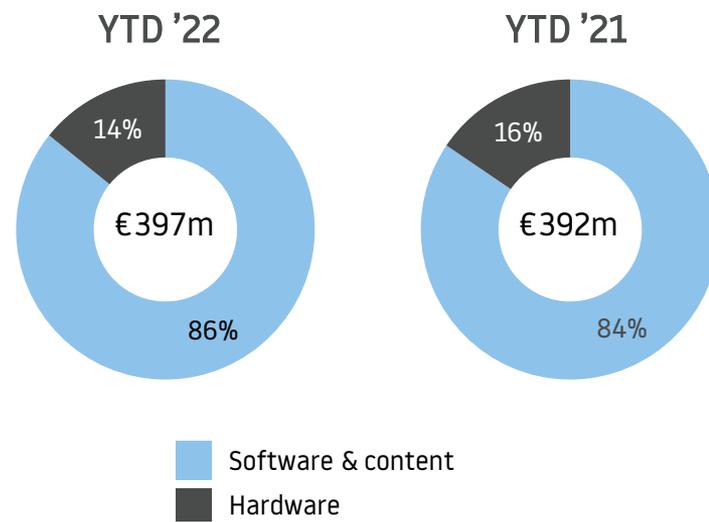


Revenue breakdown

BY SEGMENT



BY TYPE



P&L

(€ in thousands)	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	YTD '22	YTD '21
Automotive	60,983	52,368	47,063	60,511	59,951	62,446	182,908	176,004
Enterprise	42,267	42,994	43,513	44,733	45,344	45,894	135,971	127,403
Location Technology	103,250	95,361	90,577	105,244	105,295	108,340	318,879	303,407
Consumer	29,853	32,108	24,586	23,205	27,283	27,963	78,451	88,356
Revenue	133,102	127,469	115,164	128,449	132,578	136,303	397,330	391,762
Cost of sales	30,367	23,842	20,931	19,313	22,825	26,381	68,519	78,890
Gross profit	102,735	103,627	94,233	109,136	109,753	109,922	328,811	312,872
<i>Gross margin</i>	77%	81%	82%	85%	83%	81%	83%	80%
Research and development expenses - Geographic data	55,261	55,822	55,457	56,531	54,945	50,548	162,024	164,350
Research and development expenses - Application layer	35,839	37,040	38,499	39,365	43,658	45,768	128,791	107,710
Sales and marketing expenses	11,312	10,994	12,645	10,506	12,077	13,568	36,151	32,536
General and administrative expenses	21,383	22,315	22,979	22,567	54,539	17,823	94,929	66,120
Total operating expenses	123,795	126,171	129,580	128,969	165,219	127,707	421,895	370,716
Operating result (EBIT)	-21,060	-22,544	-35,347	-19,833	-55,466	-17,785	-93,084	-57,844
<i>EBIT margin</i>	-16%	-18%	-31%	-15%	-42%	-13%	-23%	-15%
Financial result	-1,764	2,213	1,480	-279	2,160	1,826	3,707	4,850
Result before tax	-22,824	-20,331	-33,867	-20,112	-53,306	-15,959	-89,377	-52,994
Income tax expense	-791	-452	-4,907	-1,378	-1,670	-1,525	-4,573	-2,884
Net result	-23,615	-20,783	-38,774	-21,490	-54,976	-17,484	-93,950	-55,878

General and administrative expenses include a €5 million gain in restructuring for Q3 '22 and a total restructuring charge of €26 million for YTD '22.

Balance Sheet

(€ in thousands)	30-Jun-21	30-Sep-21	31-Dec-21	31-Mar-22	30-Jun-22	30-Sep-22
Goodwill	192,294	192,294	192,294	192,294	192,294	192,294
Intangible assets	91,933	80,771	70,478	66,521	58,010	50,147
Other contract related assets	20,239	22,257	23,818	25,782	28,634	28,329
Other non-current assets	79,563	79,766	79,826	73,954	68,616	67,474
Inventories	23,554	18,815	19,585	18,872	14,975	13,653
Trade receivables	65,378	130,234	56,179	65,575	66,134	75,813
Unbilled receivables	67,809	65,925	67,311	64,472	63,537	57,572
Other receivables and prepayments	27,295	23,330	25,429	28,051	24,194	20,814
Cash and cash equivalents and fixed-term deposits	318,908	302,187	355,820	330,652	329,364	329,808
TOTAL ASSETS	886,973	915,579	890,740	866,173	845,758	835,904
Total equity	333,008	317,477	282,723	265,960	218,174	208,491
Deferred tax liability	1,464	1,342	3,934	3,561	2,907	2,665
Lease liability	39,484	35,175	33,339	29,911	28,974	27,403
Provisions	43,879	41,380	40,021	40,391	65,083	37,643
Trade payables	21,799	15,374	14,022	12,677	12,676	11,820
Deferred revenue	377,332	433,228	440,727	439,795	434,212	444,609
Other contract related liabilities	18,393	18,506	19,782	19,695	23,926	22,169
Income taxes	2,427	2,676	1,273	2,511	3,072	2,180
Accruals and other liabilities	49,187	50,421	54,919	51,672	56,734	78,924
TOTAL EQUITY AND LIABILITIES	886,973	915,579	890,740	866,173	845,758	835,904

Cash flow

(€ in thousands)	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22	YTD '22	YTD '21
Operating result	-21,060	-22,544	-35,347	-19,833	-55,466	-17,785	-93,084	-57,844
Financial gains/ (losses)	-970	2,753	3,037	1,392	4,574	4,340	10,306	4,867
Depreciation and amortization	18,756	17,210	16,185	15,244	14,369	13,720	43,333	57,486
Change in provisions	-4,277	-2,166	-1,790	-590	29,745	-26,674	2,481	-5,684
Other	1,303	957	2,032	1,774	2,671	3,113	7,558	3,856
Changes in working capital	-5,530	-5,594	81,433	-13,453	5,893	28,775	21,215	-22,489
Cash flow from operations	-11,778	-9,384	65,550	-15,466	1,786	5,489	-8,191	-19,808
Interest (paid) / received	-202	-404	-386	-360	-243	-238	-841	-1,004
Corporate income taxes paid	-1,078	-1,109	-3,646	-1,107	-345	-1,376	-2,828	-3,923
Cash flow from operating activities	-13,058	-10,897	61,518	-16,933	1,198	3,875	-11,860	-24,735
Cash flow from investing activities	58,733	-2,384	-94,675	-6,311	13,202	-81,257	-74,366	74,697
Cash flow from financing activities	-15,798	-3,741	-3,585	-2,122	-1,949	-2,698	-6,769	-40,070
Net increase/(decrease) in cash and cash equivalents	29,877	-17,022	-36,742	-25,366	12,451	-80,080	-92,995	9,892
Free cash flow								
Cash flow from operating activities	-13,058	-10,897	61,518	-16,933	1,198	3,875	-11,860	-24,735
Investments in intangible assets				-5,053	-24	-116	-5,193	
Investments in property, plant and equipment	-2,732	-2,612	-4,813	-1,258	-998	-1,141	-3,397	-8,461
Free cash flow	-15,790	-13,509	56,705	-23,244	176	2,618	-20,450	-33,196
Restructuring-related cash flow	0	0	0	0	0	5,849	5,849	0
Free cash flow excluding restructuring	-15,790	-13,509	56,705	-23,244	176	8,467	-14,601	-33,196
% of revenue	-12%	-11%	49%	-18%	0%	6%	-4%	-8%

Outstanding shares

	Q3 '22	YTD '22
Common shares outstanding at the end of the period	132,366,672	132,366,672
Shares in issue at the beginning of the period	128,124,072	126,949,550
Shares in issue at the end of the period	128,282,635	128,282,635
Average shares in issue during the period¹	128,238,425	127,674,204 [A]
Average in the money share options at the beginning of the period	940,374	459,174
Average in the money share options at the end of the period	376,964	370,384
Average potential dilutive share options outstanding during the period²	386,867	750,125
Average non-dilutive share options during the period	352,284	353,303
Average shares outstanding from dilution of options³	34,583	396,822 [B]
Average shares outstanding from dilution of restricted stock units	1,754,142	1,570,089 [C]
Average fully diluted shares outstanding during the period⁴	130,027,150	129,641,115 [A+B+C]

¹ Shares held in treasury of 4,084,037 are taken into account when calculating the weighted average shares outstanding

² In the money options based on average share price for the period

³ Weighted average diluted options based on the period outstanding

⁴ The average share price for the quarter was €8.11 and the average share price for the year was €7.94

Important Notice

DISCLAIMER

This document contains certain forward-looking statements with respect to the financial position and results of TomTom's activities. 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. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements, and you should not place undue reliance on them. Many of these risks and uncertainties relate to factors that are beyond TomTom's ability to control or estimate precisely, such as levels of customer spending in major economies, changes in consumer preferences, the performance of the financial markets, the levels of marketing and promotional expenditures by TomTom and its competitors, costs of raw materials, employee costs, exchange-rate and interest-rate fluctuations, changes in tax rates, changes in law, acquisitions or disposals, the rate of technological changes, political developments in countries where TomTom operates and the risk of a downturn in the market. Statements regarding market share, including TomTom'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.

The forward-looking statements contained herein speak only as of the date they are made. We do not assume any obligation to update any public information or forward-looking statement in this document to reflect events or circumstances after the date of this document, except as may be required by applicable laws.

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NON-GAAP MEASURES

The financial information in this report includes measures, which are not defined by generally accepted accounting principles (GAAP) such as IFRS. We believe this information, along with comparable GAAP measurements, gives insight to investors because it provides a basis for evaluating our operational performance. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. Wherever appropriate and practical, we provide reconciliations to relevant GAAP measures.

Operational revenue is IFRS revenue adjusted for the movement of gross deferred revenue

Gross margin is calculated as gross profit divided by IFRS revenue

EBIT is equal to the operating result

EBIT margin is calculated as operating result divided by IFRS revenue

Net cash is defined as our cash and cash equivalents minus the nominal value of our outstanding bank borrowings

Free cash flow is cash from operating activities (excluding restructuring) minus capital expenditure (investments in intangible assets and property, plant and equipment)

Gross deferred revenue is deferred revenue before the netting of unbilled receivables



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