



Q4 AND FY 2017 RESULTS

TomTom 

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OPERATIONAL HIGHLIGHTS

- Another record year in Automotive order intake, exceeding €400 million booked in 2017
- Combined revenue of Automotive, Enterprise and Telematics up by 16% YoY in 2017
- HD Map & AutoStream to power Baidu's open autonomous driving platform, Apollo
- Online APIs integrated in Microsoft Azure's newly launched location based services
- Telematics installed base increased by 16% in the year, surpassing 800,000 subscriptions

STRATEGIC PRIORITIES



Connected cars



Online APIs



Fleet management services

FINANCIAL HIGHLIGHTS FY 2017

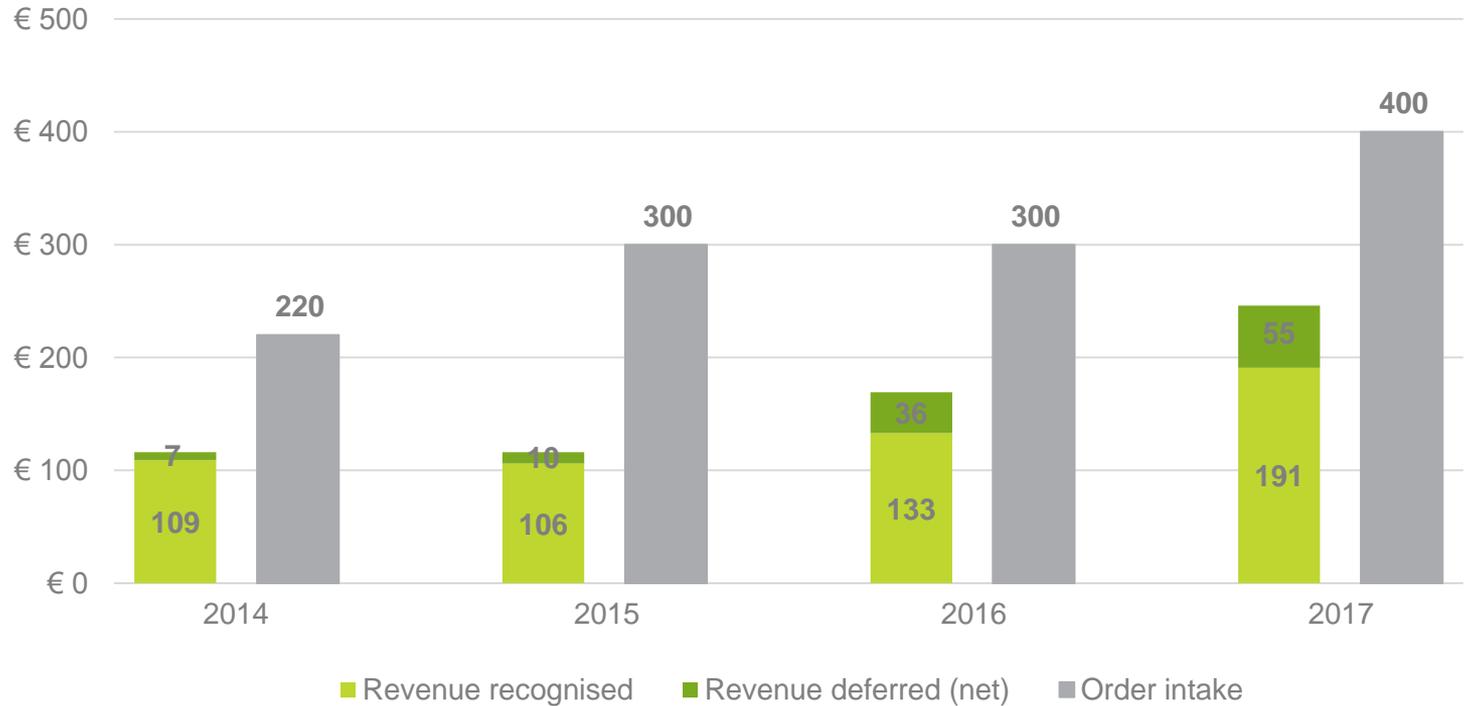
- Revenue of €903 million (2016: €987 million)
- Gross margin of 62% (2016: 57%)
- EBITDA of €141 million (2016: €141 million)
- Adjusted EPS of €0.26 (2016: €0.23)
- Cash flow before financing of €28 million (2016: €25 million)
- Net cash position of €121 million (YE '16: €133 million)

Non-GAAP measures: see slide 18 for more information

AUTOMOTIVE ORDER INTAKE

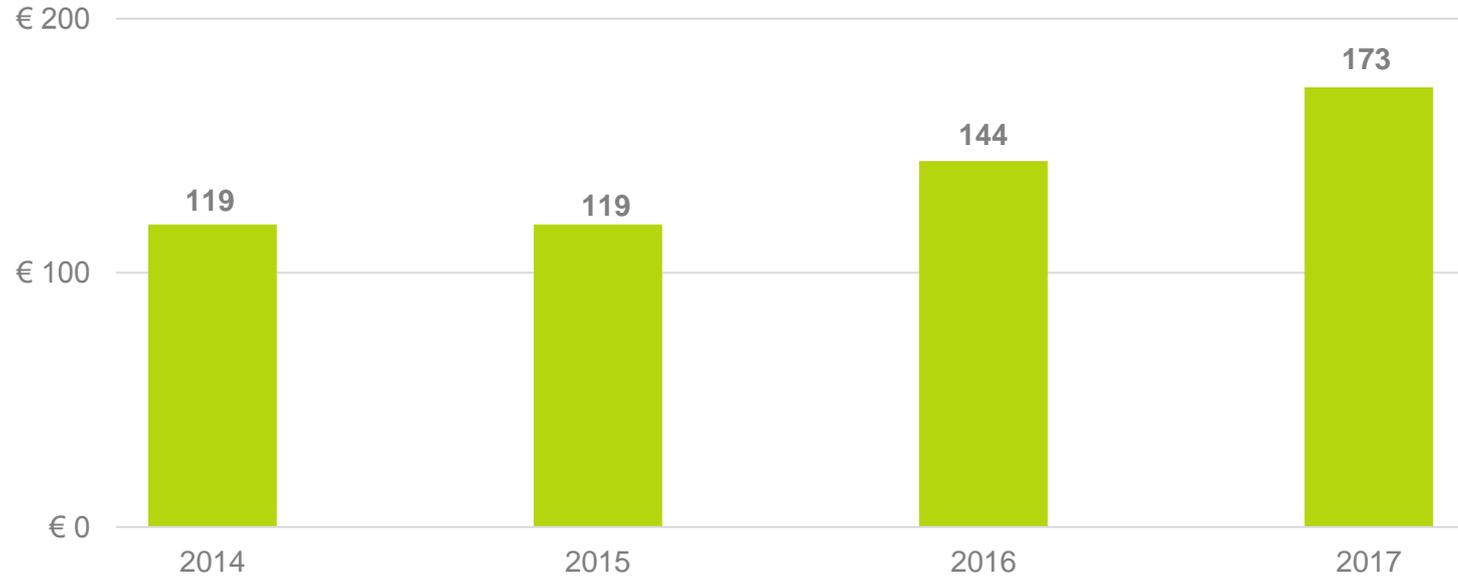
vs revenue recognised and deferred revenue

(in millions)



OPERATING CASH FLOWS

(in millions)



P&L impact IFRS 15 & 16

- Revenue
 - Automotive – increase due to map revenues and NREs
 - Consumer – decrease due to co-op advertising
- Cost of sales – NRE recognised at start of production
- OPEX
 - Consumer – decrease due to co-op advertising
 - Leases – shift from general expenses to D&A

Balance sheet impact IFRS 15 & 16

- Non-current assets
 - Release of customer specific assets (NRE)
 - Increase of lease assets
- Non-current borrowings – increase lease commitments
- Deferred revenue
 - Telematics increase related to TCU recognition
 - Automotive decrease due to NRE

2017 ADJUSTED EPS CALCULATION

in € million	Old definition	New definition
Accounting standard	IFRS 15 and 16	IFRS 15 and 16
Net result¹	-194.0	-194.0
Consumer goodwill impairment charge	168.7	168.7
Other one-offs	60.5	60.5
Acquisition-related expenses	60.9	-
Deferred/unbilled revenue and CoS movement	-	24.1
Tax effects of adjustments	-24.9	-17.0
Adjusted net result	71.2	42.3
<i>Adjusted EPS, € fully diluted</i>	<i>0.30</i>	<i>0.18</i>

¹ Net result attributed to equity holders

FULL YEAR OUTLOOK 2018

	Outlook 2018	Restated 2017
Revenue	~ €800 million	€903 million
Gross margin (%)	close to 70%	63%
Adjusted EPS ¹	~ €0.25	€0.18
OPEX & CAPEX ²	~ €700 million	€721 million

Forward-looking statements (and restated comparable 2017 figures) are provided using IFRS 15 and IFRS 16 accounting standards. Going forward, the definition of adjusted EPS is changed to better reflect the transition of our business model towards a software and services company.

¹ Adjusted net result is now calculated as net result attributed to equity holders adjusted for movement of deferred/unbilled revenue, deferred cost of sales, impairments and material restructuring and disposal costs on a post-tax basis. Adjusted EPS is calculated as adjusted net result divided by the weighted average number of diluted shares over the period.

² Excluding acquisitions

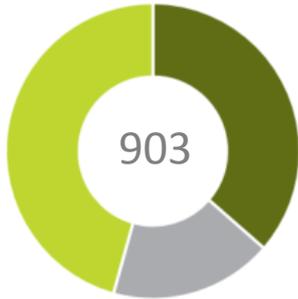
THANK YOU
Any questions?

REVENUE BREAKDOWN

BY SEGMENT (€M)

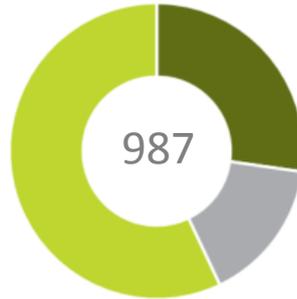
BY TYPE (€M)

2017



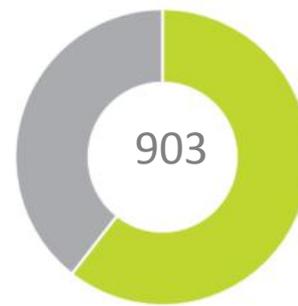
- Automotive & Enterprise 36%
- Telematics 18%
- Consumer 46%

2016



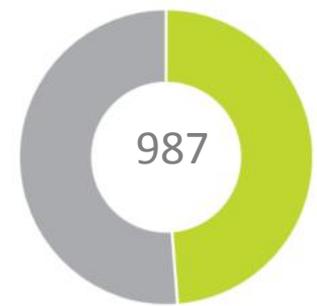
- Automotive & Enterprise 27%
- Telematics 16%
- Consumer 57%

2017



- Data, software & services 61%
- Hardware 39%

2016



- Data, software & services 49%
- Hardware 51%

IFRS 15 & IFRS 16

(€ in millions)	FY '17 Reported	IFRS 15	IFRS 16	FY '17 Restated
Automotive & Enterprise	328.8	4.4		333.2
Automotive	190.6	5.1		195.7
Enterprise	138.2	-0.7		137.5
Telematics	162.1	1.5		163.6
Consumer	412.5	-6.4		406.1
TOTAL REVENUE	903.4	-0.5		902.9
Cost of sales	339.3	-6.2		333.1
GROSS RESULT	564.1	5.7		569.8
Research and development expenses	207.9			207.9
Amortisation of technology and databases	112.3			112.3
Marketing expenses	57.4	-5.6		51.8
Selling, general and administrative expenses	217.7		-2.6	215.1
Impairment charge	168.7			168.7
TOTAL OPERATING EXPENSES	763.9	-5.6	-2.6	755.7
OPERATING RESULT (EBIT)	-199.8	11.3	2.6	-186.0
EBITDA	141.2	5.7	16.5	163.3
Interest result	-1.0		-0.9	-1.9
Other financial result	2.7			2.7
Result of associates	0.8			0.8
RESULT BEFORE TAX	-197.4	11.3	1.7	-184.4
Income tax gain / (expense)	-7.0	-2.6	-0.4	-10.0
NET RESULT	-204.4	8.7	1.3	-194.4
Basic number of shares (in millions)	236.8	236.8	236.8	236.8
Diluted number of shares (in millions)	233.7	233.7	233.7	233.7
EARNINGS PER SHARE (in €)				
EPS, Diluted ¹	-0.87	0.04	0.01	-0.83
Adjusted EPS, Diluted ²	0.26	0.04	0.01	0.30

(€ in millions)	31 December 2017 Reported	IFRS 15	IFRS 16	31 December 2017 Restated
Goodwill	256.3			256.3
Other intangible assets	753.0	-21.8		731.1
Other non-current assets	45.3		45.7	91.0
TOTAL NON-CURRENT ASSETS	1,054.6	-21.8	45.7	1,078.4
Inventories	31.6			31.6
Receivables, prepayments & derivatives	167.4	0.3		167.7
Cash and cash equivalents	120.9			120.9
TOTAL CURRENT ASSETS	319.8	0.3		320.2
TOTAL ASSETS	1,374.4	-21.5	45.7	1,398.6
TOTAL EQUITY	754.7	-30.9	-1.9	721.9
Deferred tax liability	95.6	-9.2	-0.6	85.8
Non-current borrowings	0.0		48.2	48.2
Provisions	80.9			80.9
Trade payables	51.4			51.4
Deferred revenue	243.6	17.7		261.3
Automotive	113.4	-15.4		98.0
Enterprise	14.0	1.7		15.7
Telematics	1.5	29.8		31.4
Consumer	114.8	1.5		116.3
Accruals and other liabilities	148.1	1.0		149.1
TOTAL LIABILITIES	619.7	9.4	47.6	676.7
TOTAL EQUITY AND LIABILITIES	1,374.4	-21.5	45.7	1,398.6

The new accounting policies are subject to change until the group presents its first financial statements that include the date of initial application and, therefore, the actual impact of adopting the new standards at 1 January 2018 may change. ¹ In 2017, no additional shares from assumed conversion are taken into account as the effect would be anti-dilutive. ² Earnings per fully diluted share count adjusted for acquisition-related expenses & gains, impairments and material restructuring and disposal costs on a post-tax basis.

P&L STATISTICS

(€ in thousands)	Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3'17	Q4 '17	FY '17	FY '16
REVENUE	239,331	265,618	212,711	253,442	217,666	219,573	903,392	987,329
Cost of sales	94,690	112,594	80,341	92,833	77,149	89,020	339,343	421,101
GROSS RESULT	144,641	153,024	132,370	160,609	140,517	130,553	564,049	566,228
Research and development expenses	50,680	49,585	50,226	53,539	51,636	52,456	207,857	190,473
Amortisation of technology and databases	22,571	27,222	22,429	24,373	24,429	41,062	112,293	91,526
Marketing expenses	19,159	24,847	14,255	21,768	11,633	9,741	57,397	80,609
Selling, general and administrative expenses	51,278	51,868	50,313	51,743	58,827	56,777	217,660	194,726
Impairment charge				168,687			168,687	
TOTAL OPERATING EXPENSES	143,688	153,522	137,223	320,110	146,525	160,036	763,894	557,334
OPERATING RESULT (EBIT)	953	-498	-4,853	-159,501	-6,008	-29,483	-199,845	8,894
EBITDA	33,093	38,554	27,955	45,241	31,169	36,793	141,158	140,897
Interest result	-404	-285	-175	-318	-247	-261	-1,001	-1,371
Other financial result	513	-2,001	398	1,458	-115	926	2,667	-1,010
Result of associates	97	178	125	228	203	203	759	736
RESULT BEFORE TAX	1,159	-2,606	-4,505	-158,133	-6,167	-28,615	-197,420	7,249
Income tax gain / (charge)	-594	-2,954	-51	-1,923	821	-5,838	-6,991	4,709
NET RESULT	565	-5,560	-4,556	-160,056	-5,346	-34,453	-204,411	11,958
MARGINS								
Gross margin	60%	58%	62%	63%	65%	59%	62%	57%
EBITDA margin	14%	15%	13%	18%	14%	17%	16%	14%
EBIT margin	0%	0%	-2%	-63%	-3%	-13%	-22%	1%
EARNINGS PER SHARE (in €)								
Diluted EPS	0.00	-0.02	-0.02	-0.68	-0.02	-0.15	-0.87	0.05
Diluted Adjusted EPS ¹	0.05	0.05	0.03	0.09	0.08	0.06	0.26	0.23

¹ Earnings per fully diluted share count adjusted for acquisition-related expenses & gains, impairments and material restructuring and disposal costs on a post-tax basis.

BALANCE SHEET STATISTICS

(€ in thousands)	30-Sep-16	31-Dec-16	31-Mar-17	30-Jun-17	30-Sep-17	31-Dec-17
ASSETS						
NON-CURRENT ASSETS						
Goodwill	400,770	400,318	423,577	254,899	254,525	256,319
Other intangible assets	807,112	795,771	797,955	795,196	787,726	752,952
Other non-current assets	51,818	56,385	53,359	51,929	49,092	45,297
TOTAL NON-CURRENT ASSETS	1,259,700	1,252,474	1,274,891	1,102,024	1,091,343	1,054,568
CURRENT ASSETS						
Inventories	60,933	54,078	62,556	54,301	53,141	31,609
Receivables, prepayments & derivatives	219,161	179,749	188,407	216,069	226,850	167,368
Cash and cash equivalents	129,262	142,527	84,427	85,041	105,220	120,850
TOTAL CURRENT ASSETS	409,356	376,354	335,390	355,411	385,211	319,827
TOTAL ASSETS	1,669,056	1,628,828	1,610,281	1,457,435	1,476,554	1,374,395
EQUITY AND LIABILITIES						
TOTAL EQUITY	988,967	996,737	998,346	843,151	831,642	754,702
Deferred tax liability	96,688	97,282	95,260	95,821	93,305	95,602
Borrowings	47,503	9,586	4,669	2,752	2,835	0
Provisions	62,100	90,816	84,691	81,137	90,027	80,900
Trade payables	93,581	76,630	73,845	75,288	64,510	51,441
Deferred revenue	205,548	204,407	210,713	220,118	240,211	243,631
Accruals and other liabilities	174,669	153,370	142,757	139,168	154,024	148,119
TOTAL LIABILITIES	680,089	632,091	611,935	614,284	644,912	619,693
TOTAL EQUITY AND LIABILITIES	1,669,056	1,628,828	1,610,281	1,457,435	1,476,554	1,374,395
<i>Net cash</i>	<i>81,262</i>	<i>132,527</i>	<i>79,047</i>	<i>82,041</i>	<i>102,220</i>	<i>120,850</i>

CASH FLOW STATISTICS

(€ in thousands)	Q3 '16	Q4 '16	Q1 '17	Q2 '17	Q3 '17	Q4 '17	FY '17	FY '16
Operating result	953	-498	-4,853	-159,501	-6,008	-29,483	-199,845	8,894
Financial gains/(losses)	-1,960	2,794	1,916	-1,519	-3,315	615	-2,303	1,235
Depreciation and amortisation	32,140	39,052	32,808	204,742	37,177	66,276	341,003	132,003
Other	-1,606	11,008	-3,534	-334	13,821	2,939	12,892	12,924
Changes in working capital ¹	31,228	26,568	-25,993	-11,324	9,704	58,011	30,398	3,065
CASH GENERATED FROM OPERATIONS	60,755	78,924	344	32,064	51,379	98,358	182,145	158,121
Interest received	42	57	107	44	48	59	258	185
Interest (paid)	-364	-261	-200	-276	-214	-237	-927	-1,227
Corporate income taxes (paid)/received	-6,695	-3,046	-2,068	-3,163	-3,082	-341	-8,654	-12,762
CASH FLOWS FROM OPERATING ACTIVITIES	53,738	75,674	-1,817	28,669	48,131	97,839	172,822	144,317
CASH FLOWS FROM INVESTING ACTIVITIES	-31,848	-26,352	-53,110	-33,414	-28,664	-29,347	-144,535	-119,726
CASH FLOWS FROM FINANCING ACTIVITIES	-28,854	-36,884	-3,155	6,304	860	-52,389	-48,380	-29,484
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	-6,964	12,438	-58,082	1,559	20,327	16,103	-20,093	-4,893

¹ Includes the movement of non-current deferred revenue

OUTSTANDING SHARES AND ADJUSTED EPS

at 31 December 2017

	Q4'17	FY'17
Common shares outstanding at the beginning of the period	235,318,516	232,886,736
Common shares outstanding at the end of the period	235,318,516	235,318,516
Average shares outstanding during the period*	232,167,484	233,721,572 [A]
In the money share options at the beginning of the period	5,558,220	8,125,043
In the money share options at the end of the period	5,295,020	5,295,020
Average potential dilutive share options outstanding during the period**	5,229,284	4,037,851
Average non-dilutive share options during the period	3,167,853	1,655,672
Average shares outstanding from dilution of options***	2,061,431	2,382,179 [B]
Average shares outstanding from dilution of other equity-settled grants	798,283	731,926 [C]
Average fully diluted shares outstanding during Q4'17 and FY'17****	235,027,198	236,835,677 [A+B+C]

* Shares held in treasury (5,272,350 shares) are taken into account when calculating the average shares outstanding

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

*** Weighted average diluted options based on the period outstanding

**** The average share price for the quarter was €9.18 and the average share price for the year was €8.93

Adjusted earnings per share calculation (in € million)	Q4'17	FY'17
Net result attributed to equity holders	-34.2	-204.0
Acquisition related expenses	26.3	72.2
Restructuring charge and disposals	29.2	44.6
Impairment charge		168.7
Tax effect of adjustments	-11.6	-24.9
Remeasurement of deferred tax liability	4.6	4.6
Adjusted earnings	14.3	61.3
Adjusted earnings per diluted share (in €)	0.06	0.26

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 specialised 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.

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

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.

Gross margin is calculated as gross result divided by revenue

EBIT is equal to our operating result

EBIT margin is calculated as operating result divided by revenue

EBITDA is equal to our operating result plus depreciation, amortisation and impairment charges

EBITDA margin is calculated as operating result plus depreciation, amortisation and impairment charges divided by revenue

Adjusted net result is calculated as net result attributed to equity holders adjusted for acquisition-related expenses & gains, impairments and material restructuring and disposal costs on a post-tax basis

Adjusted EPS is calculated as adjusted net result divided by the weighted average number of diluted shares over the period

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

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