



**TomTom**



## TomTom Q3 2011 results

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# Summary

- > Solid Q3 performance
- > Consumer segment continues to be weak
- > Strong performance of Automotive, Licensing and Business Solutions
- > Net cash flow from operating activities of €70 million
- > Restructuring programme initiated; cost base reduction of €50 million

# Q3 operational highlights



## Consumer

- › Products launched for Indian market
- › PND with travel apps introduced in US



## Automotive

- › Relationships with Renault, Fiat and Mazda expanded
- › TomTom automotive solutions available in 33 models



## Licensing

- › 400,000 kilometres of road added to latest map release
- › TomTom Places iPhone app downloaded 170,000 times



## Business Solutions

- › WEBFLEET launched in Australia
- › 32% year on year growth of subscriber base to 161,000



# TomTom HD Traffic

- > HD Traffic launched in Canada and Czech Republic; dynamic routing available in 23 countries
- > Historical and real time traffic Licensing deals with amongst others Mappy and the Flemish government
- > LIVE Services attachment rate increased to 28% from 21% last year\*
- > 1.3 million people use HD Traffic on their TomTom device



\* LIVE Services attachment rate for PNDs in Europe and US

# Outlook 2011 maintained

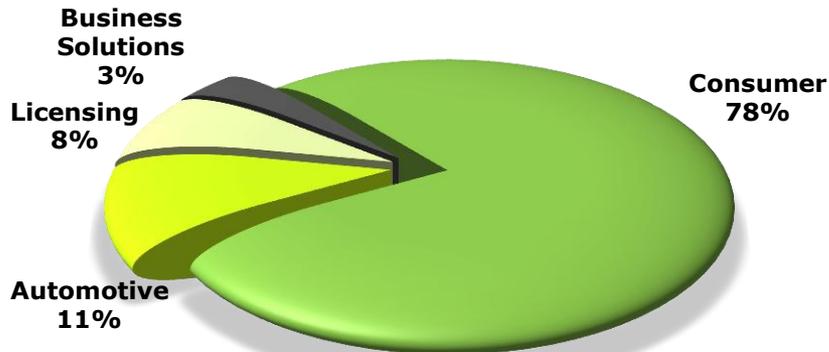
- > Revenue of between €1,225 and €1,275 million
- > Operating expenses of approximately €540 million; capital expenditure of approximately €80 million
- > EPS of between €0.25 and €0.30



# Revenue analysis

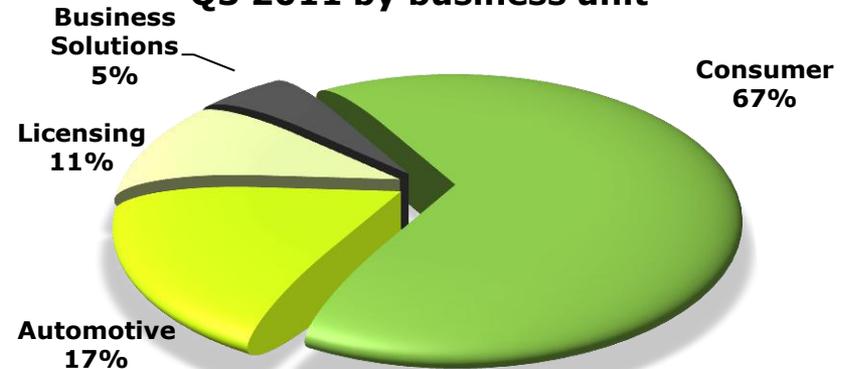
€375 million

Q3 2010 by business unit

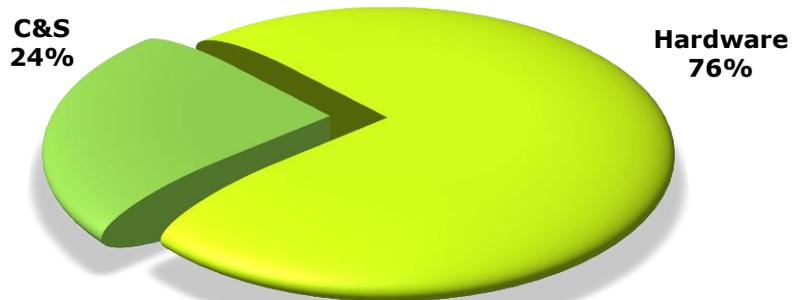


€336 million

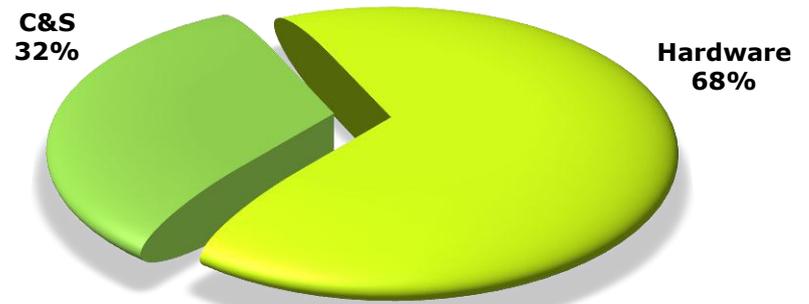
Q3 2011 by business unit



Q3 2010 by segment



Q3 2011 by segment



# Earnings overview

in € millions	Q2 '10	Q3 '10	Q4 '10	Q1 '11	Q2 '11	Q3 '11
Gross result	185	178	237	141	160	173
Gross margin	51%	48%	46%	53%	51%	51%
Operating expenses	135	123	172	123	142	132
Operating result	50	55	65	18	18	41
Operating margin	14%	15%	13%	7%	6%	12%
Interest result	(9)	(10)	(8)	(6)	(6)	(6)
Other financial result	5	(20)	5	2	2	2
Result associates	(2)	(1)	1	0	0	0
Result before tax	43	25	62	13	14	36
Taxation	(10)	(6)	(10)	(3)	(3)	(8)
Effective tax rate	22%	22%	17%	22%	23%	22%
Net result attributable to the group	34	19	52	11	11	29
Diluted EPS (in €)	0.15	0.09	0.23	0.05	0.05	0.13
Diluted adjusted* EPS (in €)	0.21	0.14	0.29	0.10	0.10	0.18

Earnings overview excludes Q2 2011 impairment charge and its tax effect and is based on non-rounded figures

\* Earnings per share adjusted for impairment, acquisition related amortisation and restructuring charges on a post tax basis

# Cash flow

in € millions	Q2 '10	Q3 '10	Q4 '10	Q1 '11	Q2 '11	Q3 '11
Operating result	50	55	65	18	18	41
Depreciation and amortisation	26	26	31	26	28	28
Financial gains / (losses)	4	(1)	(4)	(3)	2	(2)
Other	7	0	4	0	2	1
Changes in working capital	(5)	(16)	48	(36)	(74)	8
Cash generated from operations	82	63	143	6	(23)	75
Interest received	0	0	0	0	0	0
Interest paid	(5)	(8)	(6)	(5)	(5)	(5)
Tax (paid) / received	(10)	(12)	4	2	(5)	(1)
Net cash flow from operating activities	67	43	141	2	(32)	70
Total cash flow used in investing activities	(12)	(16)	(22)	(17)	(25)	(20)
Total cash flow from financing activities	0	(125)	(84)	1	0	(100)
Net increase / (decrease) in cash and cash equivalents	55	(98)	35	(14)	(57)	(50)

Cash flow overview excludes non-cash impairment charge and is based on non-rounded figures

# Balance sheet

in € millions	30 Jun '10	30 Sep '10	31 Dec '10	31 Mar '11	30 Jun '11	30 Sep '11
Goodwill	855	855	855	855	382	382
Other intangible assets	965	958	946	938	902	896
Other non-current assets	70	67	69	64	61	57
Inventories	63	80	94	99	102	73
Receivables, prepayments & financial instruments	315	291	353	179	251	273
Cash and cash equivalents	367	268	306	289	232	182
<b>Total assets</b>	<b>2,634</b>	<b>2,518</b>	<b>2,623</b>	<b>2,424</b>	<b>1,929</b>	<b>1,862</b>
Shareholders' equity	1,069	1,088	1,142	1,148	665	694
Deferred tax liability	217	216	211	206	200	188
Non-current borrowings	592	595	384	385	386	387
Current borrowings	202	78	204	204	205	106
Provisions	112	108	109	106	106	103
Trade payables	174	180	218	121	119	105
Other liabilities	267	253	355	255	249	278
<b>Total equity and liabilities</b>	<b>2,634</b>	<b>2,518</b>	<b>2,623</b>	<b>2,424</b>	<b>1,929</b>	<b>1,862</b>

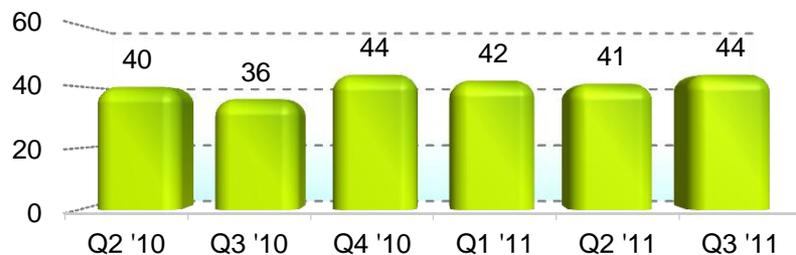
Balance sheet overview based on non-rounded figures

Thank you

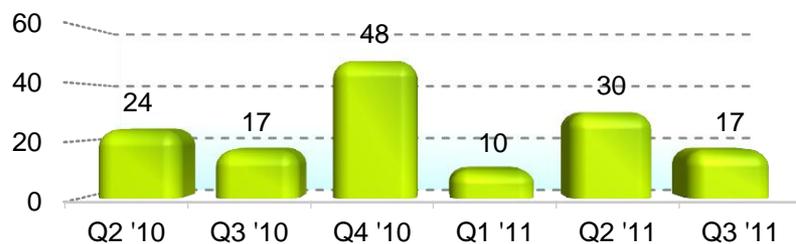
Any questions?

# Operating expenses

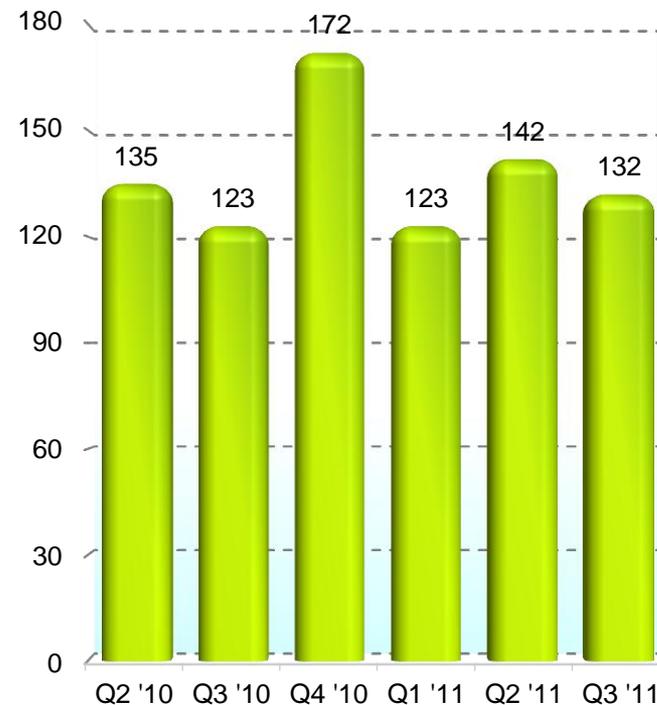
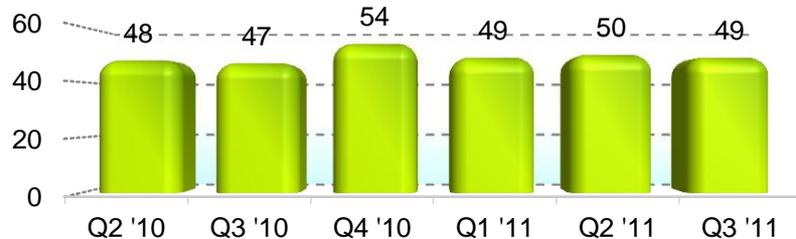
R&D



Marketing



SG&A



Total OPEX

Operating expenses excludes €512 million non-cash impairment charge for Q2 2011

# Impact of FX rate changes

Q3 '11 results based on current exchange rates and those of previous quarters compared

in € millions	Q3 '11 rates	Q3 '10 rates	Q2 '11 rates
Revenue	336	346	336
Cost of sales	164	180	163
Gross margin	51%	48%	51%
Gross profit	173	166	173
P&L rates in €			
US dollar	1.44	1.27	1.45
GB pound	0.89	0.83	0.88
AUS dollar	1.34	1.43	1.36
Balance sheet rates in €			
US dollar	1.34	1.36	1.45
GB pound	0.86	0.87	0.90
AUS dollar	1.39	1.41	1.35

# Outstanding shares

Common shares outstanding end of Q2 `11	221,895,012
Common shares outstanding end of Q3 `11	221,895,012
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<b>Average shares outstanding in Q3 `11</b>	<b>221,895,012</b>
In the money share options as of Q2 `11	0
In the money share options as of Q3 `11	0
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Average potential dilutive share options outstanding Q3 `11	0
Non dilutive share options:	0
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<i>Average shares outstanding from dilution of options</i>	0
<i>Average shares outstanding from dilution of other equity-settled grants</i>	45,000
<b>Average fully diluted shares outstanding Q3 `11*</b>	<b>221,940,012</b>

\* The average share price for the quarter was €3.16

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