



TomTom



TomTom Q4 2010 results

Harold Goddijn - CEO & Marina Wyatt - CFO | 18 February 2011

Financial highlights

- Content & Services revenue grew by 16% to €98 million
- Automotive revenue grew by 52% to €55 million
- Gross margin of 46% and EBIT margin of 13%
- Net cash flow from operating activities of €141 million

Operational highlights



Consumer

- > HD Traffic expansion
- > New GO LIVE range launched in US
- > GPS sports watch announced



Extension of existing Automotive partnerships

- > More Renault, Fiat and Toyota models with TomTom solutions
- > LIVE Services go in-dash in 2011



Licensing contracts signed

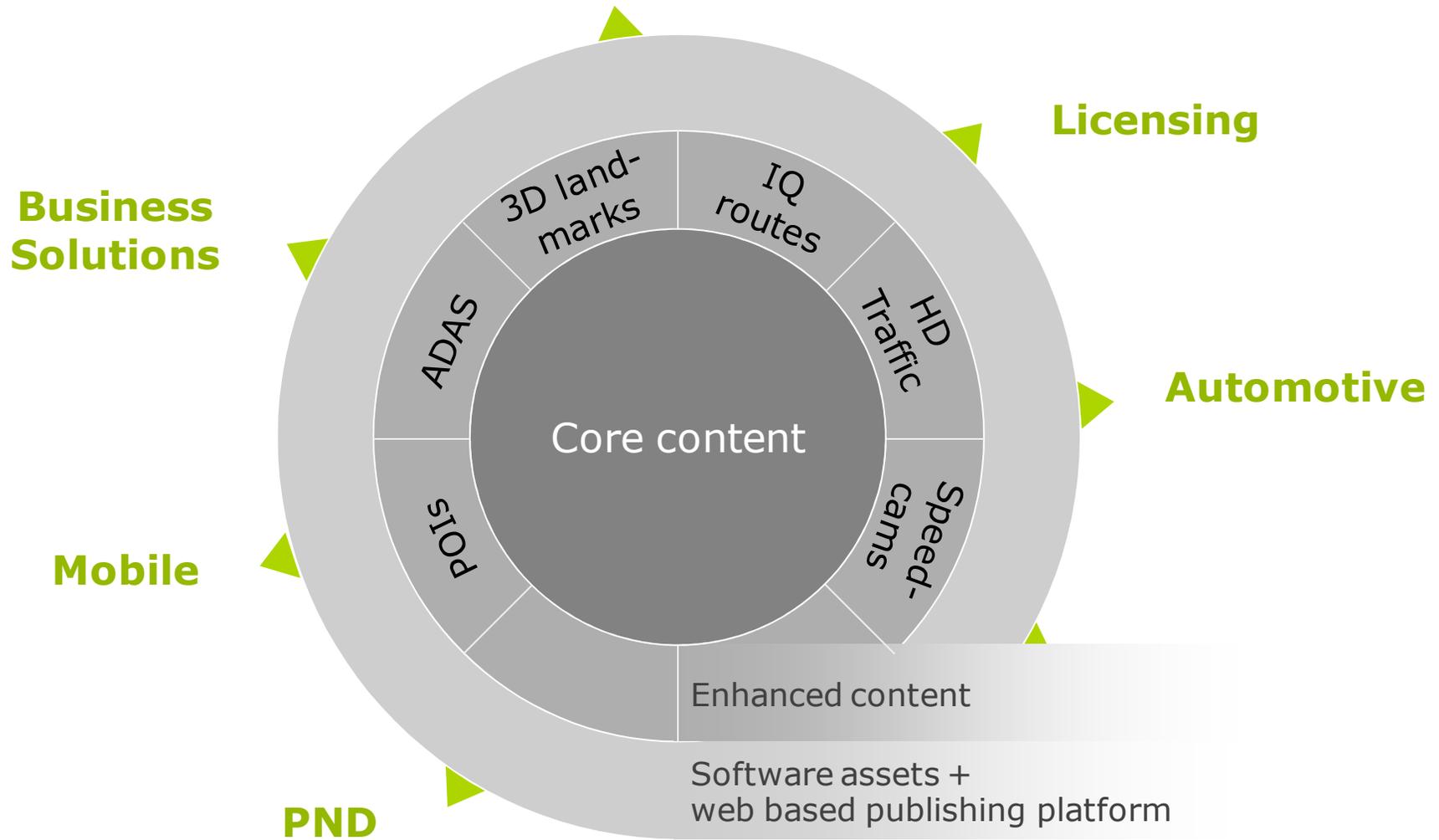
- > Content licensing agreement signed with HTC
- > New MiTAC agreement to include Magellan



Business Solutions

- > PRO TRUCK 7100 PND launched
- > Active subscriber base grew to 134,000

Our assets



2011 priorities (1/2)



Consumer

- > Roll-out HD Traffic in US and monetise our European HD Traffic footprint
- > Grow the proportion of connected devices in our sales mix
- > Market share growth and limited ASP decline



Automotive

- > Expand into more models, countries and increase take rates
- > Win new contracts
- > Attain a leading position in the rise of the connected car

2011 priorities (2/2)



Licensing

- › Grow position in wireless market
- › Develop new products to monetise our content assets
- › Develop the Geographic Information System (GIS) opportunity



Business Solutions

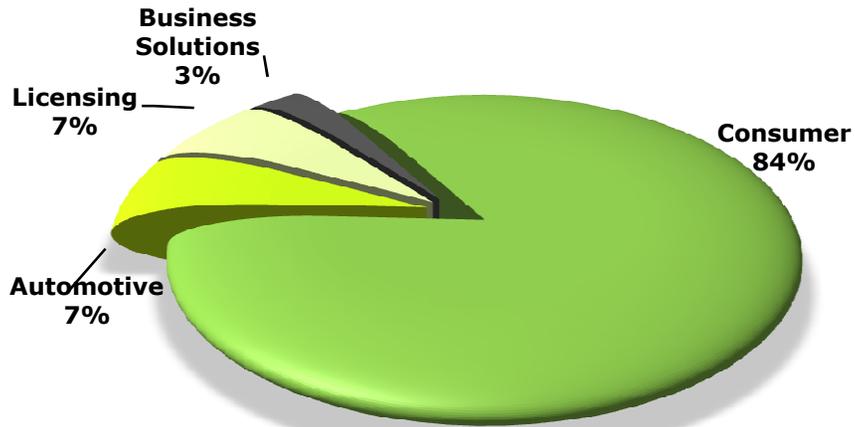
- › Grow organically at twice the speed of the European industry
- › Launch additional services to enter new market segments
- › Add systems to measure and manage CO2 emissions and costs

Outlook 2011

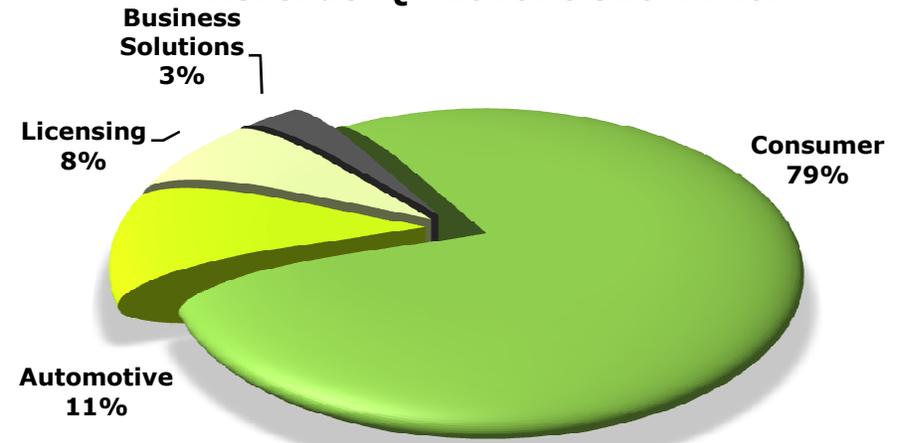
- > Broaden revenue base
- > Grow contribution of Content & Services
- > Increase operating expenses to support development of new technologies and sales capabilities
- > Broadly flat revenue and earnings per share compared to 2010

Revenue analysis – business units

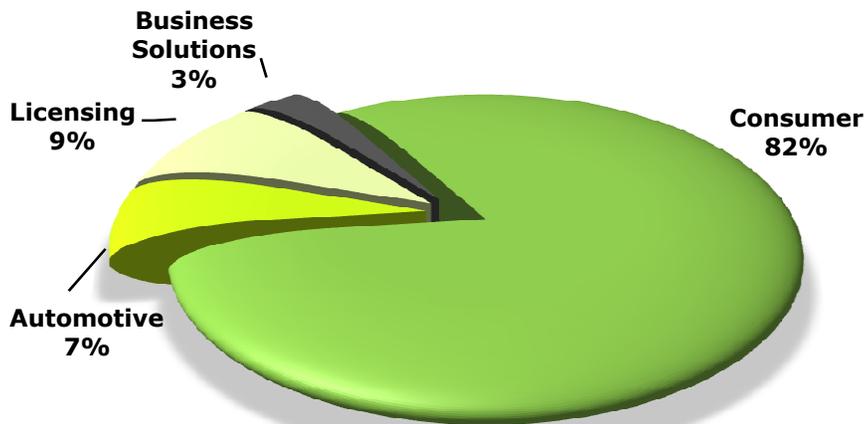
Revenue Q4 2009: € 533 million



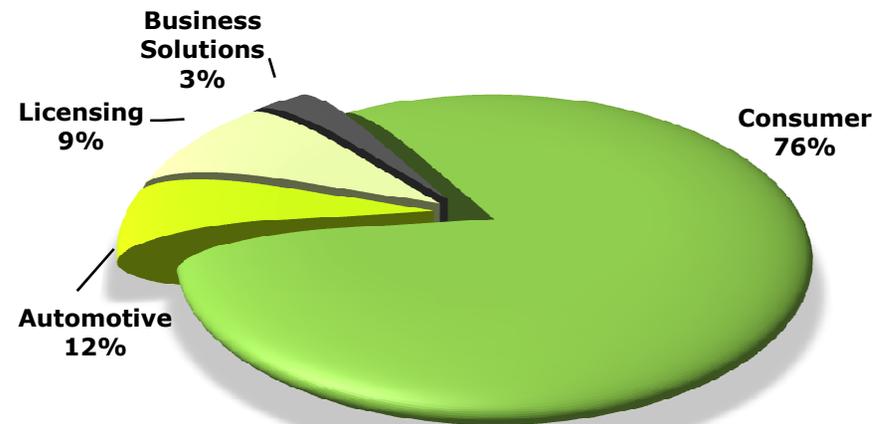
Revenue Q4 2010: € 516 million



Revenue FY 2009: € 1,480 million

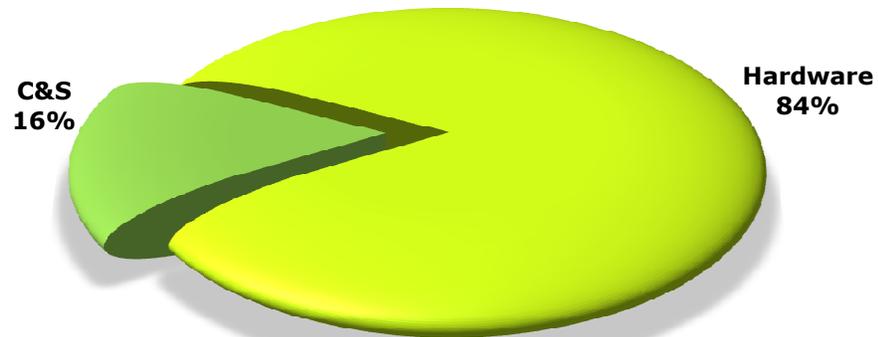


Revenue FY 2010: € 1,521 million

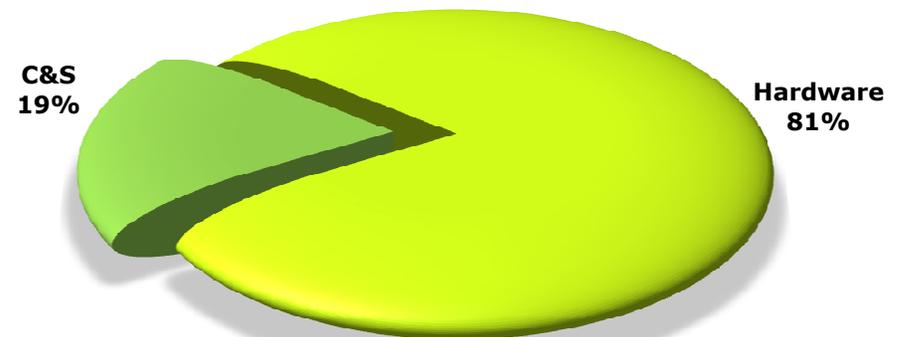


Revenue analysis – segments

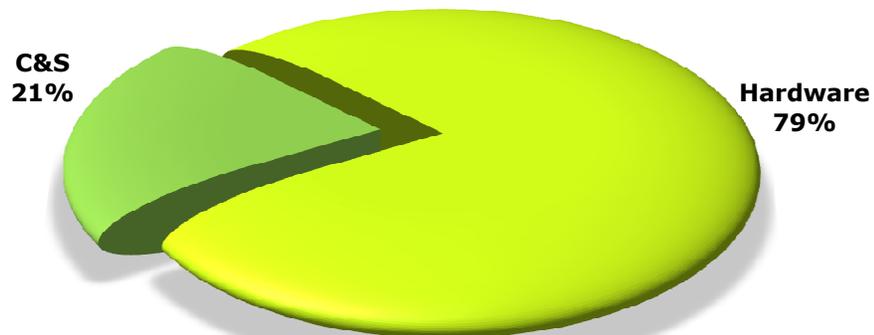
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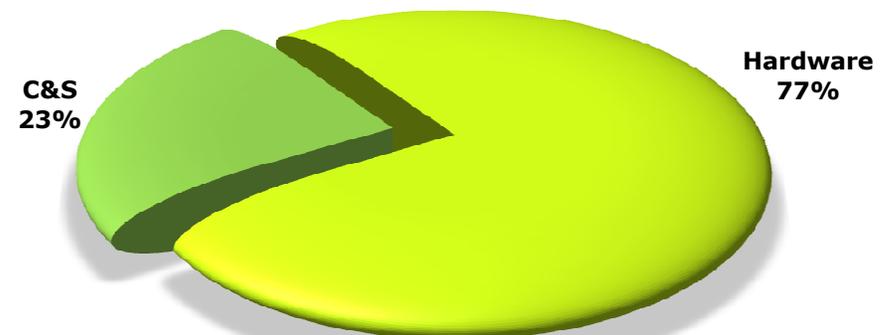
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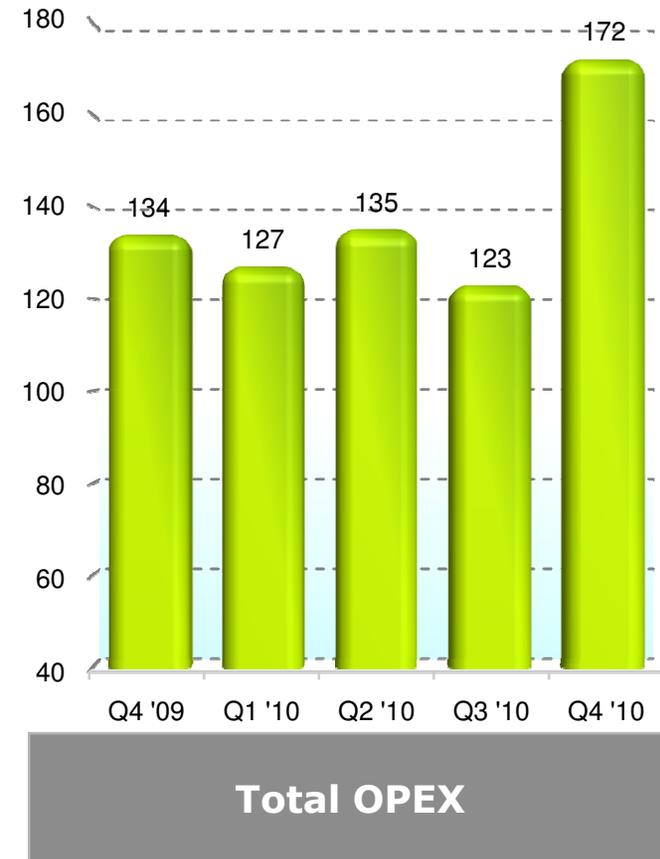
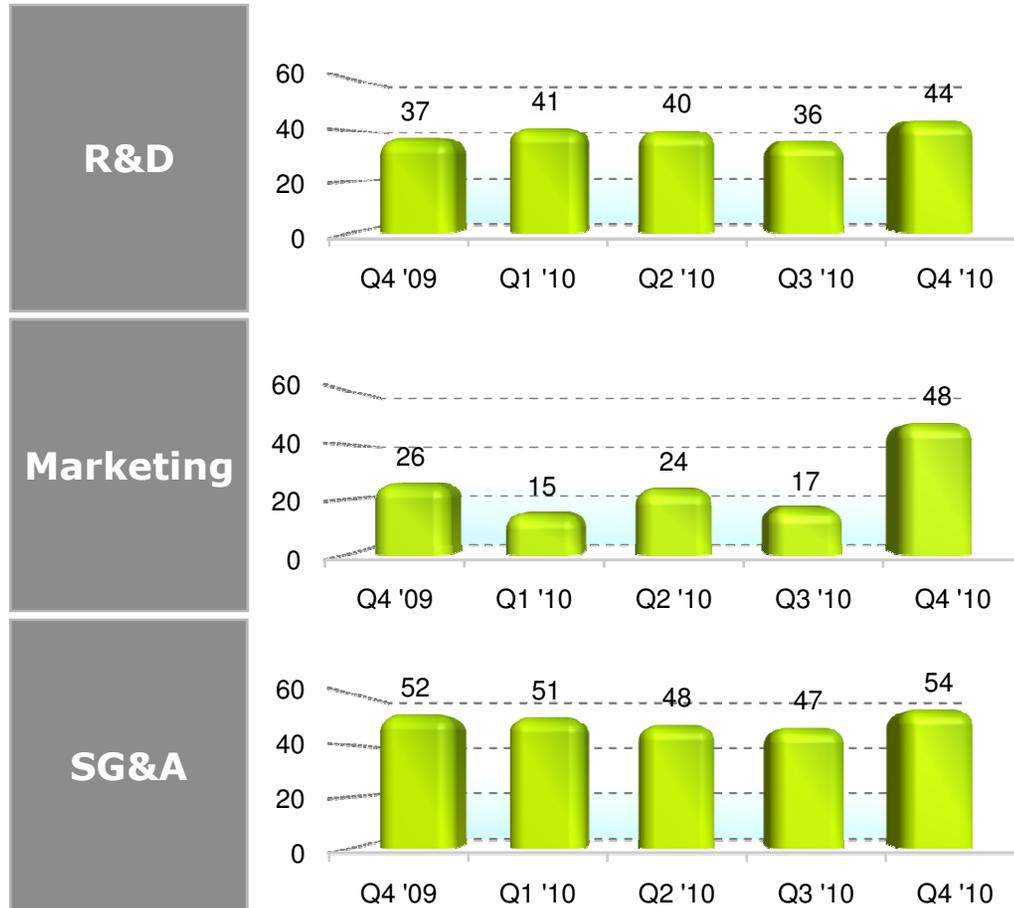


Earnings overview

in € millions	Q4 '09	Q1 '10	Q2 '10	Q3 '10	Q4 '10
Gross result	245	144	185	178	237
Gross margin	46%	54%	51%	48%	46%
Operating expenses	134	127	135	123	172
Operating result	111	17	50	55	65
Operating margin	21%	6%	14%	15%	13%
Interest result	(11)	(8)	(9)	(10)	(8)
Other finance result	(6)	(6)	5	(20)	5
Result associates	1	1	(2)	(1)	1
Result before tax	95	4	43	25	62
Taxation	(22)	(1)	(10)	(6)	(10)
Effective tax rate	23%	23%	22%	22%	17%
Net result	73	3	33	19	52
Diluted EPS (in €)	0.33	0.01	0.15	0.09	0.23
Diluted adjusted* EPS (in €)	0.39	0.07	0.21	0.14	0.29

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

Operating expenses



Cash flow

in € millions	Q4 '09	Q1 '10	Q2 '10	Q3 '10	Q4 '10
Operating result	111	17	50	55	65
Depreciation and amortisation	26	27	26	26	31
Financial (losses) / gains	(4)	(10)	4	(1)	(4)
Other	12	(3)	7	0	4
Changes in working capital	61	(54)	(5)	(16)	48
Cash generated from operations	205	(23)	82	63	143
Interest received	1	0	0	0	0
Interest paid	(9)	(6)	(5)	(8)	(6)
Tax paid	(11)	(13)	(10)	(12)	4
Net cash flow from operating activities	186	(41)	67	43	141
Total cash flow used in investing activities	(32)	(15)	(12)	(16)	(22)
Total cash flow from financing activities	(210)	0	0	(125)	(84)
Net (decrease) / increase in cash and cash equivalents	(56)	(56)	55	(98)	35

Balance sheet

in € millions	31 Dec '09	31 Mar '10	30 Jun '10	30 Sep '10	31 Dec '10
Goodwill	855	855	855	855	855
Other intangible assets	986	978	965	958	946
Other non-current assets	79	74	70	67	69
Inventories	67	61	63	80	94
Receivables, prepayments & financial instruments	331	222	315	291	353
Cash and cash equivalents	368	313	367	267	306
Total assets	2,686	2,503	2,634	2,518	2,623
Shareholders' equity	1,018	1,029	1,069	1,088	1,141
Deferred tax liability	222	218	217	216	211
Non-current borrowings	588	593	592	595	384
Current borrowings	201	199	202	78	204
Provisions	114	109	112	108	109
Trade payables	201	102	174	180	218
Other liabilities	341	253	267	253	355
Total equity and liabilities	2,686	2,503	2,634	2,518	2,623

Thank you

Any questions?

PND market size and share*

Europe and North America

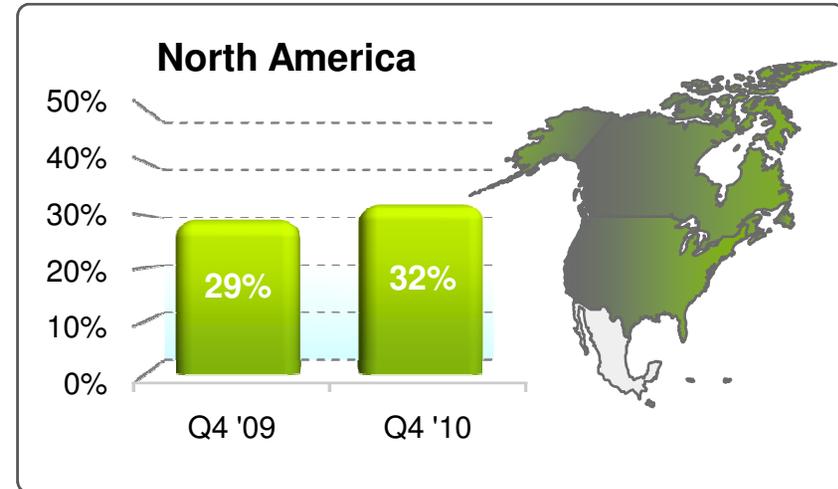
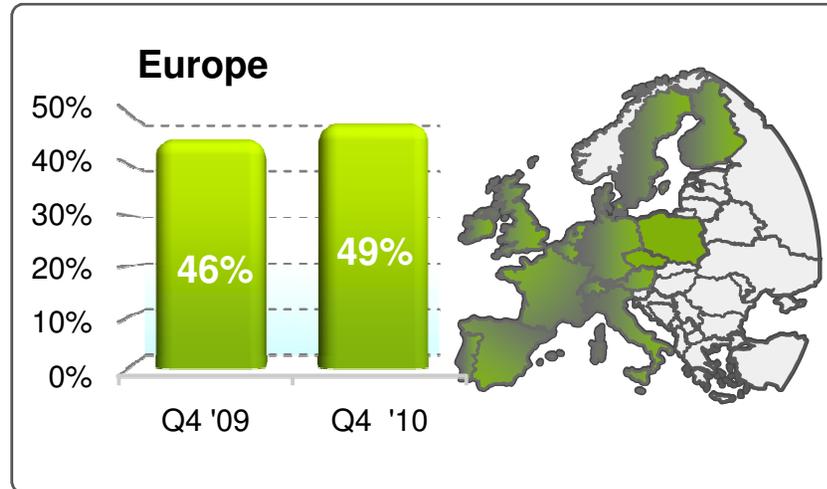


Market size

- > Europe 3.5 million units (Q4 '09: 4.3 million)
- > North America 6.5 million units (Q4 '09: 8.6 million)



Market share growth in Europe and North America



Source: GfK, NPD and company data

* Europe: 16 countries; North America: US and Canada (see maps)

PND market size Europe and North America*

Volume (in millions)	Q1 '10	Q2 '10	Q3 '10	Q4 '10	2010
Europe	2.8	3.1	3.5	3.5	12.8
North America	2.6	3.3	2.8	6.5	15.2

Volume (in millions)	Q1 '09	Q2 '09	Q3 '09	Q4 '09	2009
Europe	3.2	3.7	3.8	4.3	14.9
North America	2.6	3.5	3.1	8.6	17.8

* Rounded numbers; PND sell-out numbers based on GfK, NPD and company data. Europe includes 16 European countries, North America includes USA and Canada

Full year earnings overview

in € millions	FY '09	FY '10
Gross result	731	744
<i>Gross margin</i>	49%	49%
Operating expenses	510	558
Operating result	221	186
<i>Operating margin</i>	15%	12%
Interest result	(71)	(35)
Other finance result	(41)	(16)
Result associates	3	(1)
Result before tax	111	134
Taxation	(25)	(26)
<i>Effective tax rate</i>	23%	20%
Net result	87	108
Diluted EPS (in €)	0.47	0.49
Diluted adjusted* EPS (in €)	0.78	0.70

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

Full year cash flow

in € millions	FY '09	FY '10
Operating result	221	186
Depreciation and amortisation	106	109
Financial losses	(20)	(12)
Other	6	8
Changes in working capital	116	(26)
Cash generated from operations	430	265
Interest received	3	1
Interest paid	(66)	(26)
Tax paid	(26)	(30)
Net cash flow from operating activities	340	210
Total cash flow used in investing activities	(90)	(65)
Total cash flow from financing activities	(206)	(209)
Net increase / (decrease) in cash and cash equivalents	45	(64)

Impact of FX rate changes

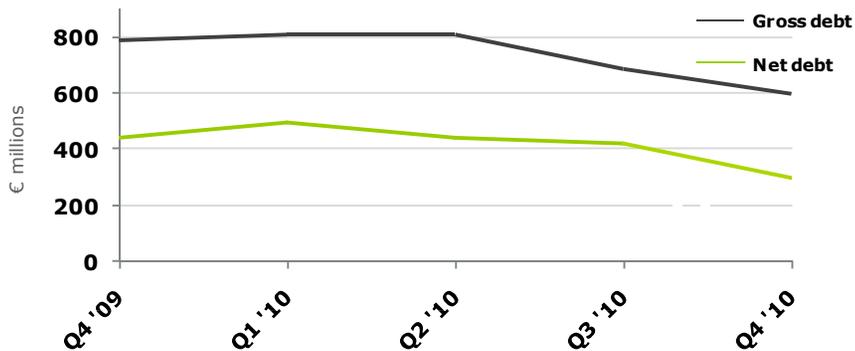
Q4 '10 results based on current exchange rates and that of previous quarters compared

in € millions	Q4 '10 rates	Q4 '09 rates	Q3 '10 rates
Revenue	516	498	526
Cost of sales	279	260	293
Gross margin	46%	48%	44%
Gross profit	237	238	233
P&L rates in €			
US dollar	1.35	1.48	1.27
GB pound	0.86	0.90	0.83
AUS dollar	1.39	1.64	1.43
Balance sheet rates in €			
US dollar	1.34	1.44	1.36
GB pound	0.86	0.89	0.87
AUS dollar	1.31	1.65	1.41

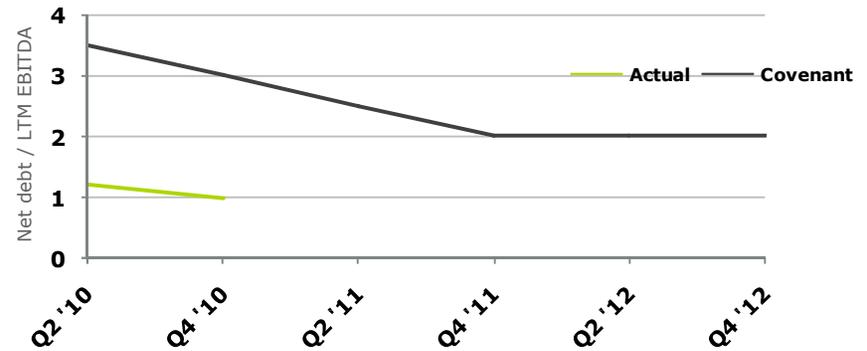
Debt development

History, future and leverage

Gross and net debt



Leverage



Redemption schedule



- €588million gross debt
- €306 million cash on hand
- €294 million net debt
- Leverage ratio of 0.98
- €174 million undrawn revolving credit facility in place

Outstanding Shares

Common shares outstanding end of Q3 '10	221,718,074
Common shares outstanding end of Q4 '10	221,808,085
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Average shares outstanding in Q4 '10	221,747,864
In the money share options as of Q3 '10	0
In the money share options as of Q4 '10	12,300,172
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Average dilutive share options outstanding Q4 '10	12,300,172
Non dilutive share options*	10,084,431
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<i>Average shares outstanding from dilution of options</i>	<i>2,215,741</i>
Average fully diluted shares outstanding Q4 '10**	223,963,605

* The average share price for the quarter was €6.79

** On a YTD basis, the average number of fully diluted shares outstanding is 222,040,350

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