# Third quarter 2024 results

Oct 11, 2024

Amsterdam, the Netherlands, 11 October 2024, 7:00 AM CEST

## Location Technology revenue stable year on year despite automotive industry slowdown

**TOMTOM'S CHIEF EXECUTIVE OFFICER, HAROLD GODDIJN**

"Our Location Technology revenue remained stable year on year. While the automotive industry continues to face headwinds affecting both 2024 revenue and backlog developments, revenues from our Enterprise business have increased. Since the commercial launch of TomTom Orbis Maps with global coverage, we have seen growing momentum in our Enterprise business, with a widening range of customers using our location technology across diverse applications.

TomTom Orbis Maps offers customers a flexible and versatile base for innovation, built on a data standard that is supported and adopted by many leading partners. On top of this unique platform, we are continuing to launch new and improved applications. With these applications, it becomes even easier for customers to derive true added value from our location technology, whether through integrating beautiful maps into end-user software, leveraging advanced routing, or navigating the last 100 meters of a delivery with ease."

**OPERATIONAL SUMMARY**

- NextBillion.ai, GfK, S&P Global Mobility, and others selected our maps, traffic information, and software, to support various use cases ranging from logistics and geomarketing, to location analytics
- IVECO selected our location technology to power the navigation experience in its global lineup of light and heavy commercial vehicles
- We launched the Premium Geocoding API, with which customers can now navigate the last 100 meters to an exact unit location at a complex address with ease

**FINANCIAL SUMMARY THIRD QUARTER 2024**

- Group revenue decreased by 2% to €141 million (Q3 '23: €144 million)
- Location Technology revenue was €120 million (Q3 '23: €119 million)
- Automotive operational revenue decreased by 19% to €69 million (Q3 '23: €85 million)
- Free cash flow[1] was an inflow of €15 million (Q3 '23: inflow of €13 million)
- Net cash of €270 million (Q2 '24: €258 million)

**KEY FIGURES**

| (€ in millions, unless stated otherwise) | Q3 '24 | Q3 '23 | y.o.y. change | YTD '24 | YTD '23 | y.o.y. change |
|---|---|---|---|---|---|---|
| Location Technology | 119.8 | 119.2 | 0% | 367.1 | 365.5 | 0% |
| Automotive | 78.1 | 82.5 | -5% | 248.7 | 254.5 | -2% |
| Enterprise | 41.7 | 36.8 | 13% | 118.5 | 111.0 | 7% |
| Consumer | 20.9 | 24.9 | -16% | 65.0 | 75.9 | -14% |
| **Revenue** | **140.7** | **144.1** | **-2%** | **432.1** | **441.4** | **-2%** |
| **Gross result** | **121.8** | **118.9** | **2%** | **363.2** | **368.9** | **-2%** |
| Gross margin | 87% | 83% | | 84% | 84% | |
| Operating expenses | 125.9 | 127.7 | -1% | 377.4 | 378.5 | 0% |
| **Operating result (EBIT)** | **-4.1** | **-8.7** | | **-14.2** | **-9.6** | |
| Operating margin | -3% | -6% | | -3% | -2% | |
| **Net result** | **-4.4** | **-7.9** | | **-11.6** | **-9.4** | |
| **Free cash flow[1] (FCF)** | **15.0** | **12.9** | **16%** | **0.9** | **26.5** | **-97%** |
| FCF[1] as a % of revenue | 11% | 9% | | 0% | 6% | |

[1] Free cash flow in 2023 excludes restructuring payments related to the Maps realignment announced in June 2022.

**TOMTOM'S CHIEF FINANCIAL OFFICER, TACO TITULAER**

"In the third quarter, we experienced a continued weakening of the global automotive industry. Additionally, delays in the launch of new car models to which we are supplying negatively impacted our Automotive business. These factors combined, led to a decline in our Automotive operational revenue.

Our Enterprise business, in contrast, showed significant revenue growth, driven by the growing success of existing customers with our location technology products and continued commercial traction. In all, Location Technology revenue was roughly flat year on year, enlarging its relative contribution to Group revenue and elevating our gross margin to 87%.

Free cash flow turned positive in the third quarter, bringing our year-to-date free cash flow to break-even. Accordingly, we reiterate our free cash flow guidance for the full year. We also maintain our full-year guidance for Group revenue and expect Location Technology revenue to land around the lower boundary of our guidance."

View the full TomTom third quarter 2024 results press release on our quarterly results website.