



TomTom Reports third quarter 2006 Results

Third quarter results release 2006

Record Quarterly Revenue and Earnings
Full Year Guidance Increased

Third quarter financial highlights

Compared with Q3 2005

- Revenue increased by 41% to €353 million
- 1.2 million portable navigation devices (PND's) shipped, up 119%
- Gross margin increased by 1 percentage point to 44%
- Net profit increased by 24% to €73 million
- Fully diluted EPS improved by 24% to €0.62

Compared with Q2 2006

- Revenue increased by 27%
- PND's shipped increased by 42%
- Gross margin increased by 1 percentage point
- Operating margin increased by 6 percentage points to 29%
- Net profit increased by 92%
- Fully diluted EPS improved by 94%

Third quarter operational highlights

- PND market continues to grow strongly
- Successful introduction and rapid ramp-up to full volumes of new ONE; GO range performs well with production volumes now at planned levels
- European market share of more than 50% in September; North American retail outlets increased by 5,000 to 16,000
- Order book is strong ahead of the holiday season
- Cash generated from operations of €117 million

Outlook 2006

Full year 2006 guidance increased: revenues now expected to be in the range of €1.3 billion to €1.4 billion (previously €1.1 billion to €1.3 billion), PND units in the range of 4.4 million to 4.7 million (previously 3.6 million to 3.9 million). We expect a gross margin of at least 40% and an operating margin of well in excess of our target of 20% for the full year.

Key figures

(unaudited) (in € millions)	Q3 '06	Q2 '06	Q3 '05	YTD '06	YTD '05	change
Revenue	353	277	250	886	431	106%
Gross profit	154	118	108	360	187	93%
Gross margin	44%	43%	43%	41%	43%	
Operating profit	101	64	82	215	128	68%
Operating margin	29%	23%	33%	24%	30%	
Net profit	73	38	59	142	95	49%
EPS – fully diluted (€ per share)	0.62	0.32	0.50	1.21	0.84	44%

* percentages are based on rounded figures

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