



TomTom



TomTom Q4 2011 results

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Summary full year and Q4 2011

- Revenue of €1,273 million and normalised EPS of €0.31 at top end of guidance
- Decline in PND market reduced Consumer revenue; growth in LIVE Services, map subscriptions and mobile
- Automotive revenue grew strongly; growth lower in Q4 as automotive partners managed supply chain ahead of new year
- Licensing revenue growth driven by wireless and internet; introduced new products; won new customer contracts
- Business Solutions continued strong growth of WEBFLEET subscriber base
- Restructured organisation to reduce costs and to focus around products
- Net debt of €194 million and leverage ratio of 0.88

Q4 operational highlights

- > **Consumer**
 - > GO LIVE 1005 WORLD introduced; TomTom HD Traffic available in 23 countries
 - > PND ranges launched in China

- > **Automotive**
 - > Aftermarket deal with Opel / Vauxhall and Ford
 - > New Iveco Daily with TomTom semi integrated navigation system

- > **Licensing**
 - > Historical and real-time traffic products rolled-out
 - > Full control of map businesses in India, Indonesia and Thailand

- > **Business Solutions**
 - > Vehicle maintenance planning launched in WEBFLEET
 - > Entered private car lease market



Priorities

> Consumer

- Manage performance in declining PND category
- Broaden non-PND product offering

> Automotive

- Win new contracts
- Create a fully componentised toolset to support our content and services only offering
- Expand into more models, countries and increase take rates

> Licensing

- Capitalise on smartphone opportunity
- Grow revenue from traffic product portfolio
- Develop new products to open up market opportunities

> Business Solutions

- Grow organically at twice the speed of the European industry
- Develop opportunities in upcoming user based insurance and car leasing markets

New organisation focused around products

- > 11 separate product units created
- > Product unit structure enables faster time to the market of innovations and better leverages our key map, traffic and navigation assets
- > Our goal is to reduce costs and increase the return on our R&D investments



Outlook 2012

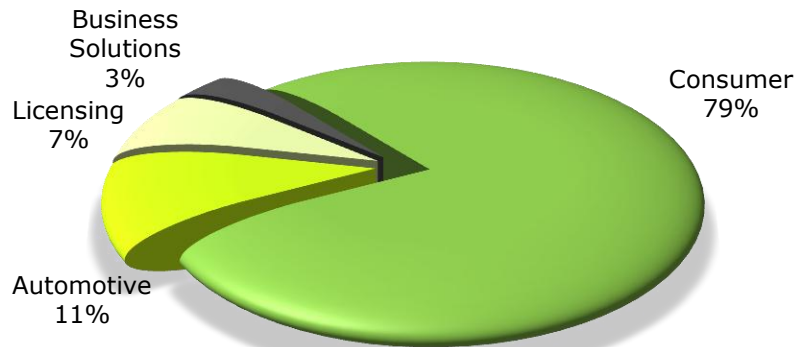
- > Revenue of around €1.1 billion
- > Operating expenses of approximately €500 million
- > Capital expenditure of approximately €65 million
- > Adjusted EPS of around €0.35 *

*EPS adjusted for impairment, acquisition-related amortisation and restructuring charges on a post-tax basis and assumes an ETR of 22% and a full year EUR/USD currency exchange rate of 1.30

Revenue analysis for the quarter

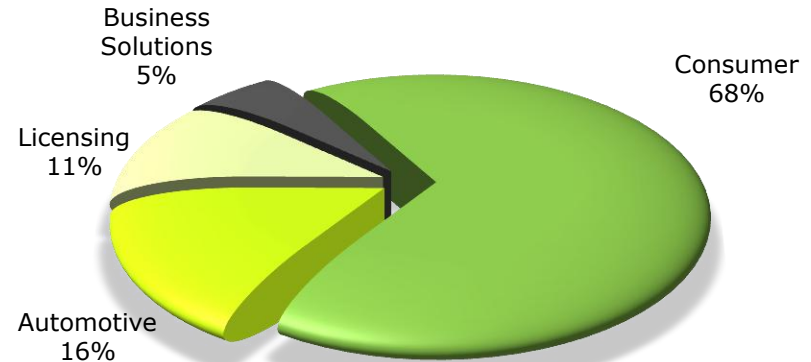
Q4 2010: €516 million

by business unit

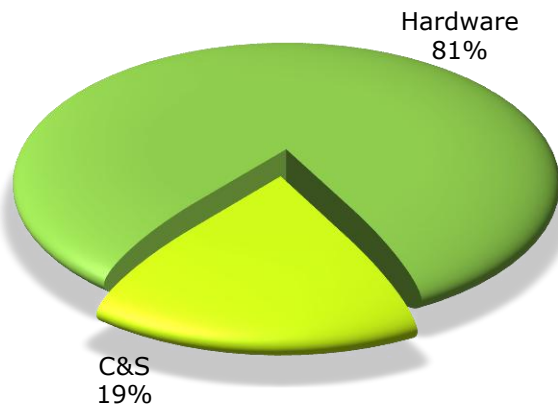


Q4 2011: €357 million

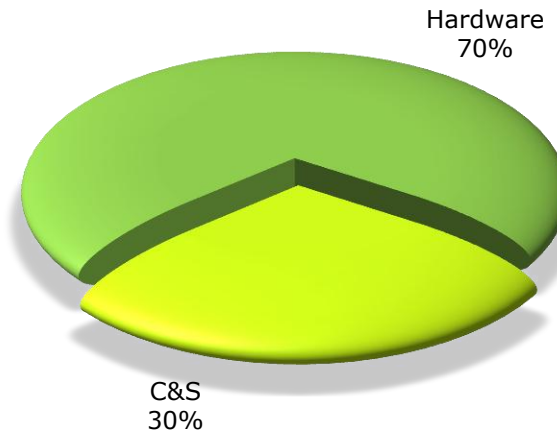
by business unit



by segment



by segment



Revenue analysis for the year

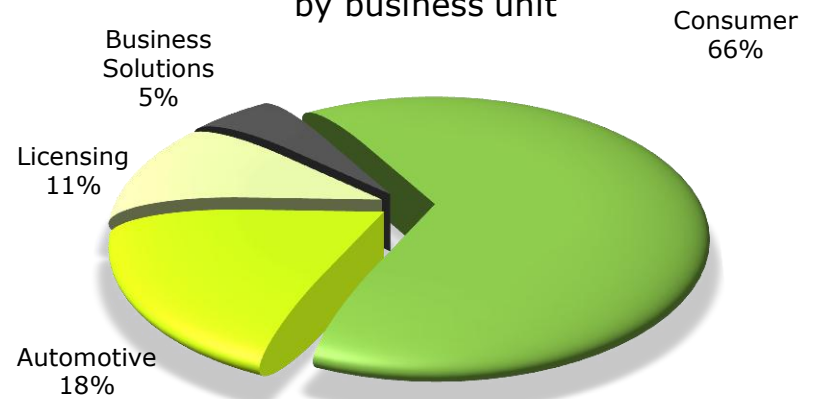
FY 2010: €1,521 million

by business unit

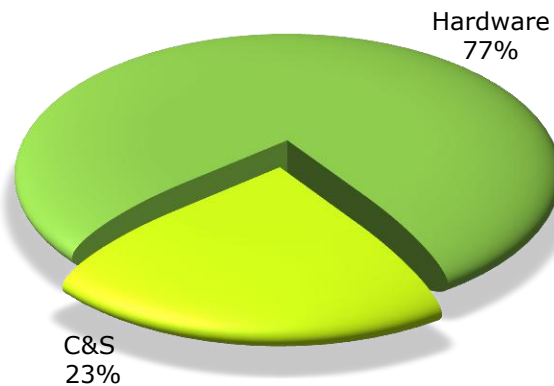


FY 2011: €1,273 million

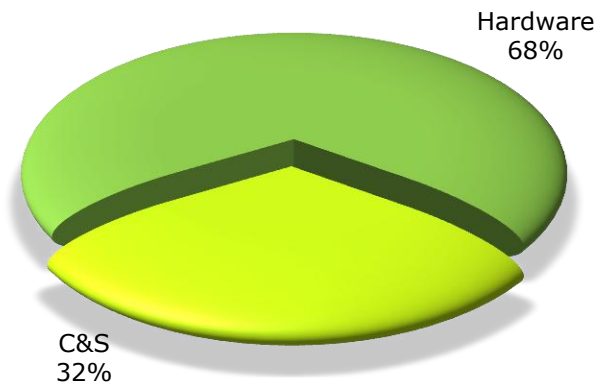
by business unit



by segment



by segment



Earnings overview for the quarter*

in € millions	Q3 '10	Q4 '10	Q1 '11	Q2 '11	Q3 '11	Q4 '11
Gross result	178	237	141	160	173	166
Gross margin	48%	46%	53%	51%	51%	46%
Operating expenses	124	171	122	142	132	142
Operating result	54	66	19	18	41	24
Operating margin	15%	13%	7%	6%	12%	7%
Interest result	(10)	(8)	(6)	(6)	(6)	(4)
Other financial result	(20)	5	2	2	2	1
Result associates	(1)	1	0	0	0	(0)
Result before tax	24	64	14	14	37	21
Taxation	(5)	(14)	(3)	(3)	(8)	(4)
Effective tax rate	22%	21%	22%	23%	22%	21%
Net result attributable to the group	19	50	11	11	29	17
Diluted normalised EPS (in €)	0.09	0.22	0.05	0.05	0.13	0.07
Diluted adjusted* EPS (in €)	0.14	0.29	0.10	0.10	0.18	0.16

* Normalised results exclude restructuring and non-cash impairment charges, and the tax charge has been adjusted for impairment, restructuring and one off gains; totals are based on non-rounded figures

Cash flow for the quarter*

in € millions	Q3 '10	Q4 '10	Q1 '11	Q2 '11	Q3 '11	Q4 '11
Operating result	54	66	19	18	41	24
Restructuring charges	0	(1)	(1)	(0)	(0)	(14)
Depreciation and amortisation	26	31	26	28	28	37
Financial gains / (losses)	(1)	(4)	(3)	2	(2)	8
Other	(0)	4	(0)	2	1	(6)
Changes in working capital	(16)	48	(36)	(74)	8	88
Cash generated from operations	63	143	6	(23)	75	138
Interest received	0	0	0	0	0	2
Interest paid	(8)	(6)	(5)	(5)	(5)	(4)
Tax (paid) / received	(12)	4	2	(5)	(1)	(1)
Net cash flow from operating activities	43	141	2	(32)	70	134
Total cash flow used in investing activities	(16)	(22)	(17)	(25)	(20)	(11)
Total cash flow from financing activities	(125)	(84)	1	0	(100)	(114)
Net increase / (decrease) in cash and cash equivalents	(98)	35	(14)	(57)	(50)	9

* Cash flow overview excludes non-cash impairment charge; totals are based on non-rounded figures

Balance sheet

in € millions	30 Sep '10	31 Dec '10	31 Mar '11	30 Jun '11	30 Sep '11	31 Dec '11
Goodwill	855	855	855	382	382	382
Other intangible assets	958	946	938	902	896	872
Other non-current assets	67	69	64	61	57	47
Inventories	80	94	99	102	73	66
Receivables, prepayments & financial instruments	291	353	179	251	273	239
Cash and cash equivalents	268	306	289	232	182	194
Total assets	2,518	2,623	2,424	1,929	1,862	1,799
Shareholders' equity	1,088	1,142	1,148	665	694	708
Deferred tax liability	216	211	206	200	188	182
Non-current borrowings	595	384	385	386	387	-
Current borrowings	78	204	204	205	106	384
Provisions	108	109	106	106	103	101
Trade payables	180	218	121	119	105	117
Other liabilities	253	355	255	249	278	306
Total equity and liabilities	2,518	2,623	2,424	1,929	1,862	1,799

* Totals are based on non-rounded figures

Debt and redemption development

> Current facility until YE '12; bi-annually tested covenants of a leverage ratio of 2 and debt cover of 5

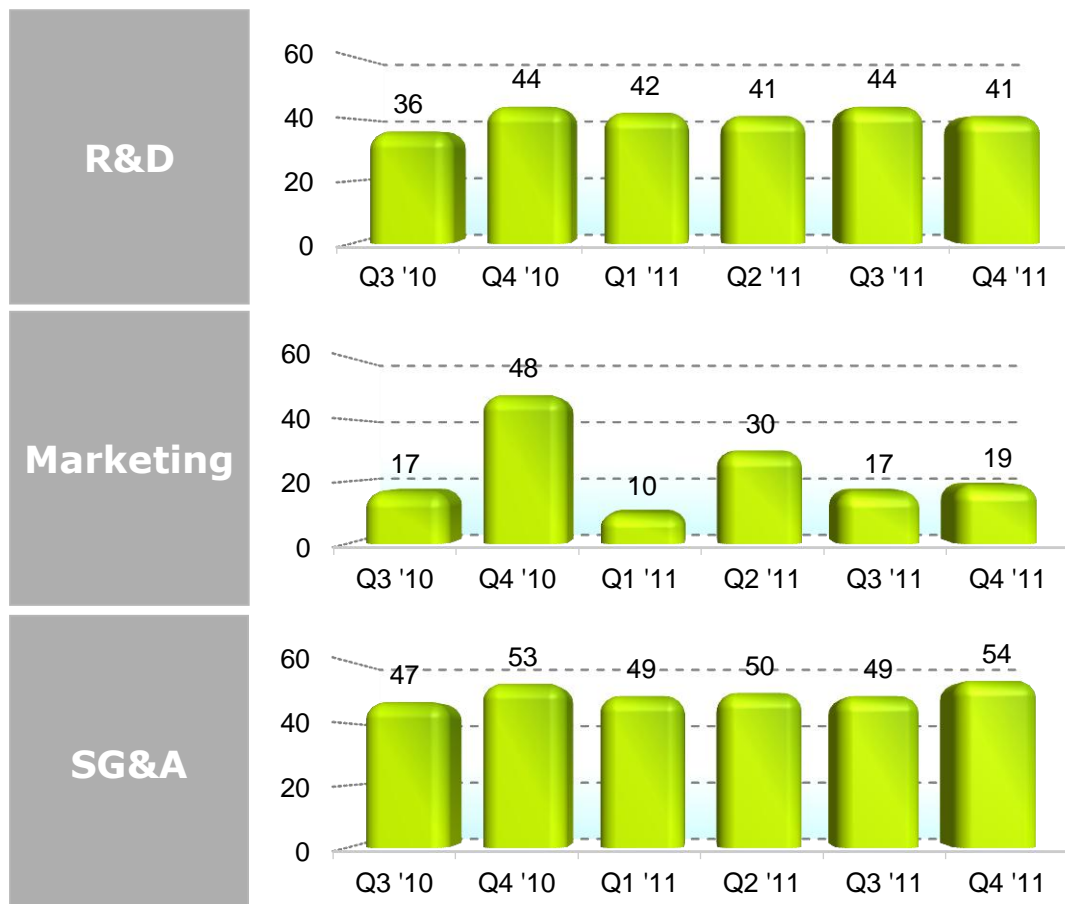
> Forward start facility as from YE '12; bi-annually tested covenants of a leverage ratio of 3 and debt cover of 4



Thank you

Any questions?

Operating expenses*



* Normalised results excluding restructuring charges, a non-cash impairment charge

Earnings overview for the year*

in € millions	2009	2010	2011
Gross result	731	744	640
<i>Gross margin</i>	49%	49%	50%
Operating expenses	500	554	538
Operating result	231	190	102
<i>Operating margin</i>	16%	12%	8%
Interest result	(71)	(35)	(22)
Other finance result	(41)	(16)	6
Result associates	3	(1)	(0)
Result before tax	122	137	86
Taxation	(27)	(30)	(19)
<i>Effective tax rate</i>	22.5%	19.8%	21.9%
Net result	94	107	68
Diluted normalised EPS (in €)	0.51	0.48	0.31
Diluted adjusted* EPS (in €)	0.78	0.70	0.55

* Normalised results excluding restructuring charges, a non-cash impairment charge and the tax charge has been adjusted for one off gains; totals are based on non-rounded figures

Cash flow for the year*

in € millions	2009	2010	2011
Operating result	231	190	102
Restructuring charges	(10)	(3)	(15)
Depreciation and amortisation	106	109	119
Financial gains / (losses)	(20)	(12)	5
Other	6	8	(2)
Changes in working capital	116	(26)	(13)
Cash generated from operations	430	265	195
Interest received	3	1	3
Interest paid	(66)	(26)	(18)
Tax (paid) / received	(26)	(30)	(5)
Net cash flow from operating activities	340	210	174
Total cash flow used in investing activities	(90)	(65)	(73)
Total cash flow from financing activities	(206)	(209)	(214)
Net increase / (decrease) in cash and cash equivalents	45	(64)	(112)

* Cash flow overview excludes non-cash impairment charge; totals are based on non-rounded figures

Impact of FX rate changes for the quarter

Q4 '11 results based on current exchange rates and those of previous quarters compared

in € millions	Q4 '11 rates	Q4 '10 rates	Q3 '11 rates
Revenue	357	357	351
Cost of sales	191	192	183
Gross margin	46%	46%	48%
Gross profit	166	165	169
P&L rates in €			
US dollar	1.36	1.35	1.44
GB pound	0.86	0.86	0.89
AUS dollar	1.34	1.39	1.34
Balance sheet rates in €			
US dollar	1.29	1.34	1.34
GB pound	0.83	0.86	0.86
AUS dollar	1.27	1.31	1.39

Impact of FX rate changes for the year

2011 results based on current exchange rates and of previous year compared

in € millions	2011 rates	2010 rates
Revenue	1,273	1,283
Cost of sales	634	659
Gross margin	50%	49%
Gross profit	640	624
P&L rates in €		
US dollar	1.40	1.33
GB pound	0.87	0.86
AUS dollar	1.34	1.46
Balance sheet rates in €		
US dollar	1.29	1.34
GB pound	0.83	0.86
AUS dollar	1.27	1.31

Outstanding shares

Common shares outstanding end of Q3 `11	221,895,012
Common shares outstanding end of Q4 `11	221,895,012
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Average shares outstanding in Q4 `11	221,895,012
In the money share options as of Q3 `11	0
In the money share options as of Q4 `11	0
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Average potential dilutive share options outstanding Q4 `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>	44,000
Average fully diluted shares outstanding Q4 `11*	221,939,012

* The average share price for the quarter was €3.00

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