



## TomTom updates financial disclosures

**Amsterdam, The Netherlands, 16 March 2021, 07:30 CEST** - TomTom ([TOM2](#)), today announced it is implementing changes to its financial disclosures with effect from 1 January 2021.

TomTom will change the presentation of operating expenses to provide more insight into its business activities. Research and development expenses will be disclosed as two categories: *Geographical data* (e.g. mapmaking platform and mapping content) and *Application layer* (e.g. navigation software, traffic and travel information, Maps APIs). Also, previous disclosure of operating expenses included *Amortization of technology and databases* as a separate category which is less relevant going forward as the Tele Atlas map databases were fully amortized in 2020.

Additionally, *Sales and marketing expenses* are combined as one category and *General and administrative expenses* are presented as a separate category.

The definition of operational revenue<sup>1</sup> is updated to exclude the movement of unbilled revenue. Operational revenue is now defined as IFRS revenue adjusted for the movement of deferred revenue. By removing the effect of timing of invoicing operational revenue will be better aligned with general market trends, such as car production volumes.

The restated quarterly figures for the period 2019 - 2020 are available on our [website](#).

Restated figures on a full-year basis are presented below:

(€ in thousands)	2020	2019
<b><i>As previously reported</i><sup>2</sup></b>		
Research and development expenses	310,878	322,785
Amortization of technology and databases	256,512	261,194
Marketing expenses	23,643	29,436
Selling, general and administrative expenses	120,068	132,744
<b>Total operating expenses</b>	<b>711,101</b>	<b>746,159</b>
<b><i>As restated</i></b>		
Research and development expenses - Geographical data	429,810	456,107
Research and development expenses - Application layer	137,580	127,871
Sales and marketing expenses	57,556	67,051
General and administrative expenses	86,155	95,130
<b>Total operating expenses</b>	<b>711,101</b>	<b>746,159</b>
<b><i>Automotive operational revenue</i><sup>1</sup> <i>as previously reported</i><sup>2</sup></b>		
IFRS revenue	227,164	265,665
Movement of deferred and unbilled revenue	55,246	114,977
<b>Operational revenue<sup>1</sup></b>	<b>282,410</b>	<b>380,642</b>
<b><i>Automotive operational revenue</i><sup>1</sup> <i>as restated</i></b>		
IFRS revenue	227,164	265,665
Movement of gross deferred revenue	47,130	113,104
<b>Operational revenue<sup>1</sup></b>	<b>274,294</b>	<b>378,769</b>

<sup>1</sup> This is a non-GAAP measure.

<sup>2</sup> As previously reported in the [fourth quarter and full year 2020 results](#) published on 4 February 2020 and the 2020 [Annual Report](#).

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#### **About TomTom:**

At TomTom we're mapmakers, providing location technology for drivers, carmakers, enterprises and developers.

Our highly accurate maps, navigation software, real-time traffic information and APIs enable smart mobility on a global scale, making the roads safer, the drive easier and the air cleaner.

Headquartered in Amsterdam with offices in 30 countries, TomTom's technologies are trusted by hundreds of millions of drivers, businesses and governments worldwide.

[www.tomtom.com](http://www.tomtom.com)