



TomTom reorganises R&D and updates on its restructuring programme

Amsterdam, 08 December 2011 – TomTom will reorganise the research and development activities in a drive to increase development efficiency and reduce time to market. Products will continue to be delivered to the market through the existing Consumer, Automotive, Licensing and Business Solutions business units.

Existing R&D activities will be regrouped in ten product units: Maps, Traffic, Navigation, Automotive Systems, PNDs, Fleetservices, Fitness, Mobile, POIs and Speedcams. Each product unit is mandated to invest in the ongoing development of a well-defined product category to deliver the best products to our customers.

TomTom CEO Harold Goddijn said, *"The new structure brings more transparency and accountability; makes it easier to make innovation choices and will reduce our time to market. I am confident that our customers will start to see the benefits and a higher pace of product introductions as soon as 2012"*.

At the same time we will reduce the number of full time jobs by 457, which accounts for approximately 10% of the total workforce. 255 roles will be made redundant, half of which are in The Netherlands. The remainder will be achieved through attrition. A restructuring charge of €14 million will be booked in Q4 2011 in relation to the redundancies and rationalisation of office space.

We reconfirm our target to achieve cash savings of approximately €50 million in 2012 compared to our previously announced guidance of €540 million of OPEX and €80 million of CAPEX in 2011. The majority of the savings will be achieved in operating expenses, and will be most visible in general and administrative and marketing expenses. A larger proportion of R&D expenditure will be allocated to growth areas, our strategic assets (maps, traffic intelligence and navigation) and new initiatives.