



TomTom Reports fourth quarter and Full Year 2006 Results

Fourth quarter results release 2006

TomTom Reports Fourth Quarter and Full Year Results 2006

Record Quarterly Revenue and Earnings

Fourth quarter financial highlights

Compared with Q4 2005

- Revenue increased by 65% to €478 million
- 1.9 million portable navigation devices (PNDs) shipped, up 146%
- Gross margin increased by 3 percentage points to 46%
- Operating margin increased by 3 percentage points to 26%
- Net profit increased by 67% to €80 million
- Fully diluted EPS increased by 66% to €0.68
- Cash generated from operations of €132 million

Compared with Q3 2006

- Revenue increased by 35%
- PNDs shipped increased by 62%
- Gross margin increased by 2 percentage points
- Fully diluted EPS increased by 10%

Full year highlights

- Revenue increased by 89% to €1,364 million
- 4.7 million PNDs shipped, up 178%
- Net profit increased by 55% to €222 million
- Fully diluted EPS increased by 51% to €1.90
- Cash balances increased by €260 million to €438 million

Fourth quarter operational highlights

- Clear leadership of European market, market share of 50% during important quarter; Consolidated number two position in North American market; number of retail outlets increased by 4,000 to 20,000
- New TomTom ONE became world's best selling PND
- Joint development announced with Vodafone to deliver a unique new advanced travel time information system in the Netherlands

Outlook 2007

We expect that the European and North American market for PNDs will together grow to around 18 million units in 2007, up from over 10 million units in 2006. Full year 2007 revenues are expected to be in the range of €1.6 billion to €1.8 billion. We continue to target a gross margin of around 40% of revenue and an operating margin of around 20% of revenue.

Key figures

(unaudited) (in € millions)	Q4 '06	Q3 '06	Q4 '05	FY '06	FY '05	change
Revenue	478	353	289	1,364	720	89%
Gross profit	218	154	123	579	311	86%
Gross margin	46%	44%	43%	42%	43%	
Operating profit	126	101	67	340	195	74%
Operating margin	26%	29%	23%	25%	27%	

Net profit	80	73	48	222	143	55%
EPS – fully diluted (€ per share)	0.68	0.62	0.41	1.90	1.26	51%

* percentages are based on rounded figures

View the full [Fourth quarter results release 2006](#) in PDF format (220KB)