

Q1 2017
RESULTS
19 April 2017

TomTom 

HAROLD GODDIJN – CEO
TACO TITULAER – CFO

OPERATIONAL HIGHLIGHTS

- Acquisition of Autonomos
- HD Map to power the Volvo Drive Me programme
- Navigation supplier to PSA's Peugeot 3008 Car of the Year 2017



Peugeot 3008 i-Cockpit

OPERATIONAL HIGHLIGHTS



Traffic service coverage

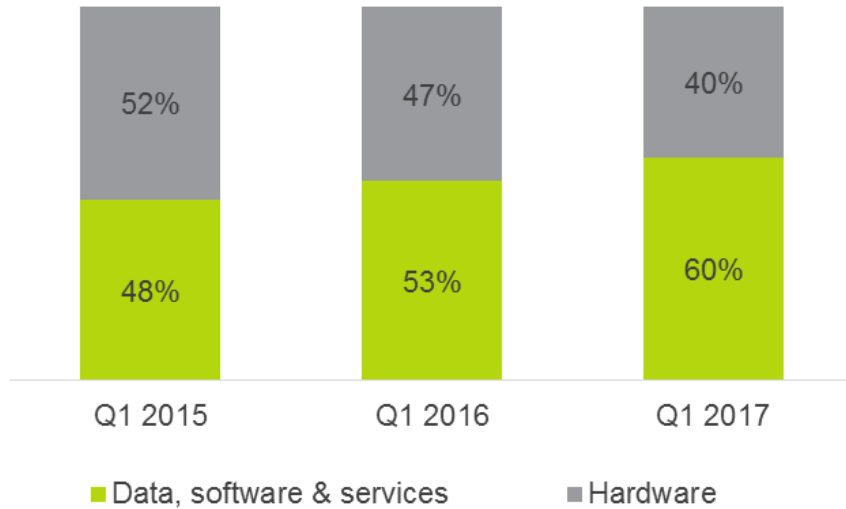
- Traffic service expanded
- Frankfurt & Dusseldorf use TomTom traffic information to reduce congestion in their cities
- TomTom Touch Cardio launched

FINANCIAL HIGHLIGHTS

- Revenue of €213 million (Q1 '16: €217 million)
- Gross result up by 7% YoY
- Gross margin of 62%, up by 5 ppt (Q1 '16: 57%)
- EBITDA of €28 million (Q1 '16: €26 million)
- Adjusted EPS¹ of €0.03 (Q1 '16: €0.03)
- Net cash of €79 million

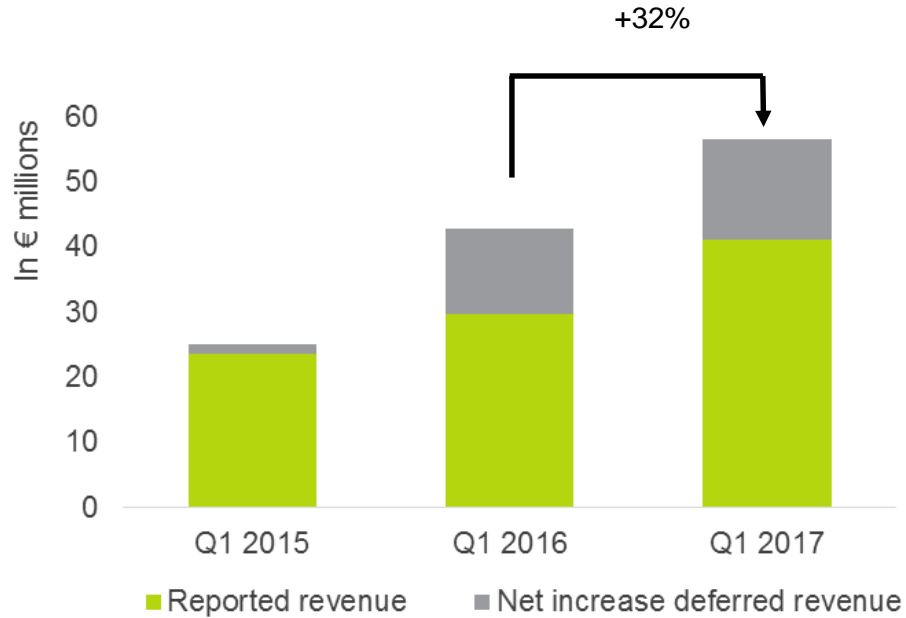
¹ Earnings per fully diluted share count adjusted for acquisition-related expenses & gains on a post-tax basis

REVENUE MIX



Software revenue increases

AUTOMOTIVE



Automotive grows strongly

THANK YOU
Any questions?

FULL YEAR OUTLOOK 2017 RE-ITERATED

- Revenue in the range of €925 million to €950 million
Adjusted EPS¹ of around €0.25
- The combined revenue of Automotive, Licensing and Telematics businesses to grow above 10%, reiterating our previous expectations of revenue CAGR of 15% between 2016 and 2020
- Level of investments (both CAPEX and OPEX) to show a modest increase compared with 2016², excluding acquisitions

¹ Earnings per fully diluted share count adjusted for acquisition-related expenses & gains on a post-tax basis

² In 2016, CAPEX was €118 million and OPEX was €557 million.

QUARTERLY P&L STATISTICS

(€ in thousands)	Q4 '15	Q1 '16	Q2 '16	Q3'16	Q4 '16	Q1 '17	FY '16	FY '15
REVENUE	282,488	217,155	265,225	239,331	265,618	212,711	987,329	1,006,607
Cost of sales	143,523	93,850	119,967	94,690	112,594	80,341	421,101	488,080
GROSS RESULT	138,965	123,305	145,258	144,641	153,024	132,370	566,228	518,527
Research and development expenses	46,807	44,533	45,675	50,680	49,585	50,226	190,473	185,443
Amortisation of technology and databases	19,939	20,626	21,107	22,571	27,222	22,429	91,526	76,694
Marketing expenses	25,777	15,058	21,545	19,159	24,847	14,255	80,609	83,438
Selling, general and administrative expenses	46,239	47,401	44,179	51,278	51,868	50,313	194,726	172,352
TOTAL OPERATING EXPENSES	138,762	127,618	132,506	143,688	153,522	137,223	557,334	517,927
OPERATING RESULT (EBIT)	203	-4,313	12,752	953	-498	-4,853	8,894	600
EBITDA	41,739	25,557	43,693	33,093	38,554	27,955	140,897	123,696
Interest result	-170	-305	-377	-404	-285	-175	-1,371	-925
Other financial result	-2,437	1,711	-1,233	513	-2,001	398	-1,010	-7,343
Result of associates	164	327	134	97	178	125	736	167
RESULT BEFORE TAX	-2,240	-2,580	11,276	1,159	-2,606	-4,505	7,249	-7,501
Income tax gain / (charge)	23,179	7,346	911	-594	-2,954	-51	4,709	25,794
NET RESULT	20,939	4,766	12,187	565	-5,560	-4,556	11,958	18,293
MARGINS								
Gross margin	49%	57%	55%	60%	58%	62%	57%	52%
EBITDA margin	15%	12%	5%	14%	15%	13%	14%	12%
EBIT margin	0%	-2%	5%	0%	0%	-2%	1%	0%
EARNINGS PER SHARE (in €)								
Diluted EPS	0.09	0.02	0.05	0.00	-0.02	-0.02	0.05	0.08
Diluted Adjusted EPS ¹	0.10	0.03	0.10	0.05	0.05	0.03	0.23	0.21

¹ Earnings per fully diluted share count adjusted for acquisition-related expenses & gains on a post-tax basis

QUARTERLY BALANCE SHEET STATISTICS

(€ in thousands)	31-Dec-15	31-Mar-16	30-Jun-16	30-Sep-16	31-Dec-16	31-Mar-17
ASSETS						
NON-CURRENT ASSETS						
Goodwill	403,437	403,529	400,412	400,770	400,318	423,577
Other intangible assets	810,908	806,684	806,271	807,112	795,771	797,955
Other non-current assets	56,385	52,592	52,554	51,818	56,385	53,359
TOTAL NON-CURRENT ASSETS	1,270,730	1,262,805	1,259,237	1,259,700	1,252,474	1,274,891
CURRENT ASSETS						
Inventories	48,657	57,476	50,955	60,933	54,078	62,556
Receivables, prepayments & derivatives	193,093	178,152	233,201	219,161	179,749	188,407
Cash and cash equivalents	147,565	114,630	136,391	129,262	142,527	84,427
TOTAL CURRENT ASSETS	389,315	350,258	420,547	409,356	376,354	335,390
TOTAL ASSETS	1,660,045	1,613,063	1,679,784	1,669,056	1,628,828	1,610,281
EQUITY AND LIABILITIES						
TOTAL EQUITY	970,533	970,017	992,268	988,967	996,737	998,346
Deferred tax liability	97,282	116,998	110,443	96,688	97,282	95,260
Borrowings	48,541	64,336	77,420	47,503	9,586	4,669
Provisions	67,638	62,776	65,079	62,100	90,816	84,691
Trade payables	94,951	79,167	93,504	93,581	76,630	73,845
Deferred revenue	186,873	183,321	188,084	205,548	204,407	210,713
Accruals and other liabilities	161,226	136,448	152,986	174,669	153,370	142,757
TOTAL LIABILITIES	656,511	643,046	687,516	680,089	632,091	611,935
TOTAL EQUITY AND LIABILITIES	1,627,044	1,613,063	1,679,784	1,669,056	1,628,828	1,610,281
<i>Net cash</i>	<i>98,278</i>	<i>49,630</i>	<i>58,391</i>	<i>81,262</i>	<i>132,527</i>	<i>79,047</i>

QUARTERLY CASH FLOW STATISTICS

(€ in thousands)	Q4 '15	Q1 '16	Q2 '16	Q3 '16	Q4 '16	Q1 '17	FY '16	FY '15
Operating result	203	-4,313	12,752	953	-498	-4,853	8,894	600
Financial gains/(losses)	278	954	-553	-1,960	2,794	1,916	1,235	-2,364
Depreciation and amortisation	41,536	29,870	30,941	32,140	39,052	32,808	132,003	123,096
Other	-8,265	-2,270	5,792	-1,606	11,008	-3,534	12,924	-11,598
Changes in working capital ¹	24,580	-40,506	-14,225	31,228	26,568	-25,993	3,065	13,545
CASH GENERATED FROM OPERATIONS	58,332	-16,265	34,707	60,755	78,924	344	158,121	123,279
Interest received	112	42	44	42	57	107	185	504
Interest (paid)	-57	-264	-338	-364	-261	-200	-1,227	-958
Corporate income taxes (paid)/received	-830	-1,870	-1,151	-6,695	-3,046	-2,068	-12,762	-4,050
CASH FLOWS FROM OPERATING ACTIVITIES	57,557	-18,357	33,262	53,738	75,674	-1,817	144,317	118,775
CASH FLOWS FROM INVESTING ACTIVITIES	-55,020	-31,370	-30,156	-31,848	-26,352	-53,110	-119,726	-154,215
CASH FLOWS FROM FINANCING ACTIVITIES	19,484	17,092	19,162	-28,854	-36,884	-3,155	-29,484	29,271
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	22,021	-32,635	22,268	-6,964	12,438	-58,082	-4,893	-6,169

¹Includes the movement of non-current deferred revenue.

OUTSTANDING SHARES AND ADJUSTED EPS

per 31 March 2017, average over Q1 2017

Common shares outstanding end of Q4 '16	232,886,736	
Common shares outstanding end of Q1 '17	233,353,202	
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Average shares outstanding during Q1 '17	233,073,522	(A)
In the money share options end of Q4 '16	8,125,043	
In the money share options end of Q1 '17	7,658,577	
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Average potential dilutive share options outstanding during Q1 '17*	7,938,257	
Non dilutive share options:	4,988,788	
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<i>Average shares outstanding from dilution of options**</i>	2,949,469	(B)
<i>Average shares outstanding from dilution of other equity-settled grants</i>	914,785	(C)
Average fully diluted shares outstanding during Q1 '17***	236,937,776	(A+B+C)
* In the money options during the quarter based on average share price for the quarter		
** Weighted average diluted options based on the period outstanding during the quarter		
*** The average share price for the quarter was €8.49		
 Adjusted earnings per share calculation (in € million)		
Net result attributed to equity holders	-4.6	
Acquisition related expenses	14.9	
Tax effect of adjustments	-3.2	
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ADJUSTED EARNINGS	7.0	
 ADJUSTED EARNINGS PER SHARE (in €)		
Basic	0.03	
Diluted	0.03	

NON-GAAP MEASURES

The financial information in this report includes measures, which are not defined by generally accepted accounting principles (GAAP) such as IFRS. We believe this information, along with comparable GAAP measurements, gives insight to investors because it provides a basis for evaluating our operational performance. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. Wherever appropriate and practical, we provide reconciliations to relevant GAAP measures.

Gross margin is calculated as gross result divided by revenue

EBIT is equal to our operating result

EBIT margin is calculated as operating result divided by revenue

EBITDA is equal to our operating result plus depreciation and amortisation charges

EBITDA margin is calculated as operating result plus depreciation and amortisation charges divided by revenue

Adjusted net result is calculated as net result attributed to equity holders adjusted for acquisition-related expenses and gains on a post-tax basis

Adjusted EPS is calculated as adjusted net result divided by the weighted average number of diluted shares over the period

Net cash is defined as our cash and cash equivalents minus the nominal value of our outstanding borrowings

DISCLAIMER

This document contains certain forward-looking statements with respect to the financial position and results of TomTom's activities. We have based these forward-looking statements on our current expectations and projections about future events, including numerous assumptions regarding our present and future business strategies, operations and the environment in which we will operate in the future. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements, and you should not place undue reliance on them. Many of these risks and uncertainties relate to factors that are beyond TomTom's ability to control or estimate precisely, such as levels of customer spending in major economies, changes in consumer preferences, the performance of the financial markets, the levels of marketing and promotional expenditures by TomTom and its competitors, costs of raw materials, employee costs, exchange-rate and interest-rate fluctuations, changes in tax rates, changes in law, acquisitions or disposals, the rate of technological changes, political developments in countries where TomTom operates and the risk of a downturn in the market. Statements regarding market share, including TomTom's competitive position, contained in this document are based on outside sources such as specialised research institutes, industry and dealer panels in combination with management estimates.

The forward-looking statements contained herein speak only as of the date they are made. We do not assume any obligation to update any public information or forward-looking statement in this document to reflect events or circumstances after the date of this document, except as may be required by applicable laws.

You will be solely responsible for your own assessment of the market and the market position of TomTom and you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of TomTom's business. This document does not constitute or form part of, and should not be constructed as, an offer or invitation to subscribe for or purchase any TomTom securities.

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