



TomTom



TomTom Q4 and FY 2014 results

Harold Goddijn – CEO

Marina Wyatt – CFO

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Consumer

Operational highlights

- Within DRIVE, we maintained our leading market position and continued to strengthen our navigation-based product offering
- Rationalisation of the entire PND series to one software platform
- Within SPORTS, we successfully expanded our presence globally; 500,000 GPS sport watches shipped in 2014

Strategic priorities

- Maximise value from the PND category and establish a multi-product consumer business
- Explore opportunities to diversify into other product categories that have a natural fit with our brand, distribution channel and product design capabilities



DRIVE



SPORTS

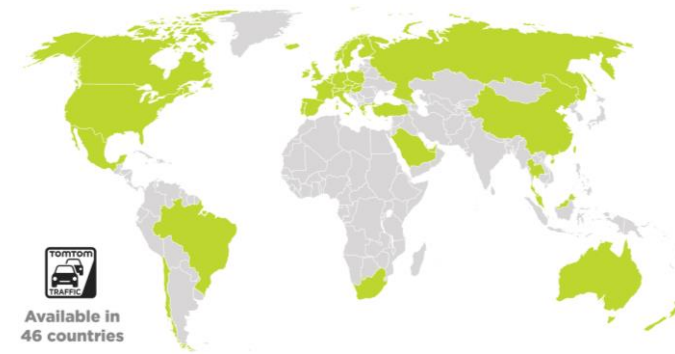
Automotive & Licensing

Operational highlights

- Automotive bookings for 2014 above €220 million, to support growth from 2016 onwards
- TomTom to deliver **maps** to Volkswagen Group in North America and **traffic** in Europe
- Partnership with Fiat extended to deliver LIVE services and connected navigation in the new Fiat 500X
- Traffic service regional coverage extended to 46 countries
- Acer smartphones equipped with TomTom turn-by-turn navigation technology

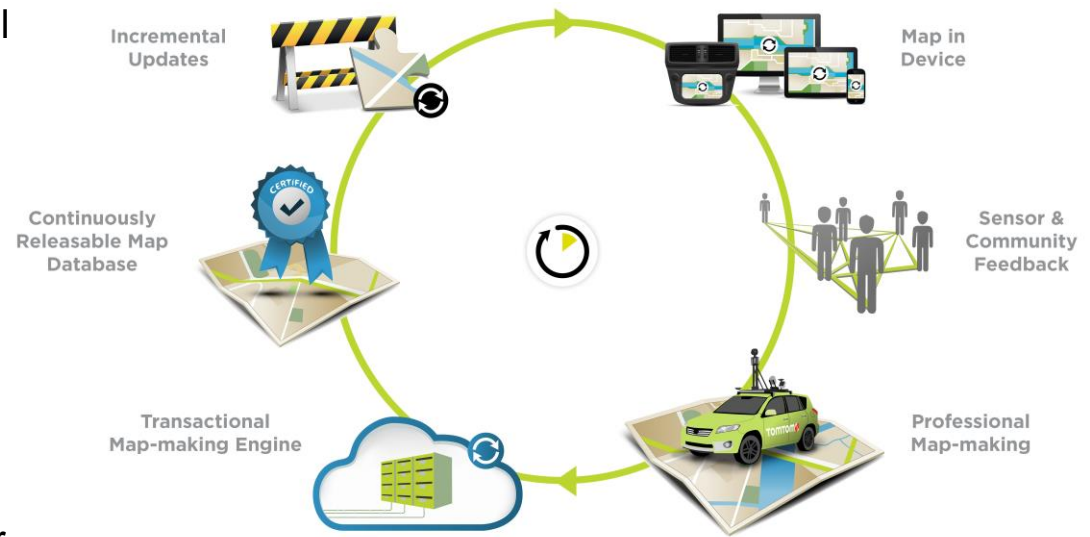
Strategic priorities

- Offer class leading content, software and services as individual connected navigation system components such as fresh maps, traffic and navigation software
- License a wider portfolio of products and capitalise on our flexible approach to partnering with our customers



TomTom map-making platform

- We are implementing a transactional map production technology that seamlessly integrates each step of the map-making process from change detection to publication
- The new technology will enable our maps to be published incrementally with high quality and at fast cycle times
- We expect to have fully replaced our map-making system with the transaction-based platform in the second half of 2015
- With this technological innovation, TomTom is well positioned to address the need for accurate and up-to-date maps, for navigation applications and driver assistance applications, including Highly Automated Driving

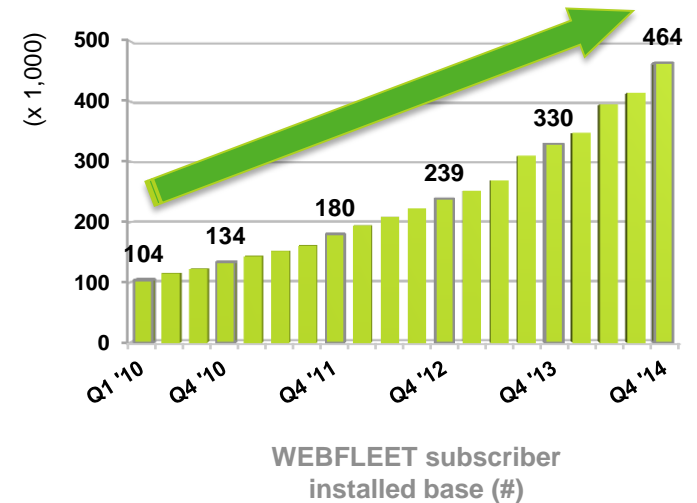


* TomTom's 'closed loop' map-making process

Telematics

Operational highlights

- Telematics' installed base increased to 464k, a 41% YoY growth
- Acquisition of Fleetlogic completed in Q4 '14
- Integration of the Coordina acquisition completed



Strategy

- Continue to expand our European market leadership
- Grow through a combination of organic growth and targeted acquisitions

Financial highlights Q4 2014 and FY 2014

Fourth quarter

- Group revenue of €258 million (Q4 '13: €268 million)
- Gross margin of 51% (Q4 '13: 54%)
- Cash flow from operating activities of €32 million (Q4 '13: €51 million)

Full year

- Group revenue of €950 million in 2014 (FY '13: €963 million)
- Gross margin of 55% (FY '13: 54%)
- OPEX of €502 million (FY '13: €496 million)
- Adjusted¹ EPS of €0.27 (FY '13: €0.26)
- Cash flow from operating activities of €119 million (FY '13: €180 million²)
- Net cash of €103 million (YE '13: net cash of €83 million)

¹Earnings per fully diluted share count adjusted for acquisition-related amortisation & gain on a post-tax basis.

²€180 million excludes a €80 million one-off tax gain received from the Dutch tax authorities

Full year outlook 2015

- Revenue expected to grow to around €1 billion
 - Year on year growth is expected as of the second half of the year
- Adjusted¹ EPS expected of around €0.20
- We will maintain the level of investment (both CAPEX and OPEX) in our core technologies. In particular we are investing in advanced content and software for the automotive industry (e.g. to enable Highly Automated Driving) and in our new map-making platform
- We expect these investments to lead in the mid-term to higher Automotive revenue. The 2014 bookings of more than €220 million provides support that we are on the right track

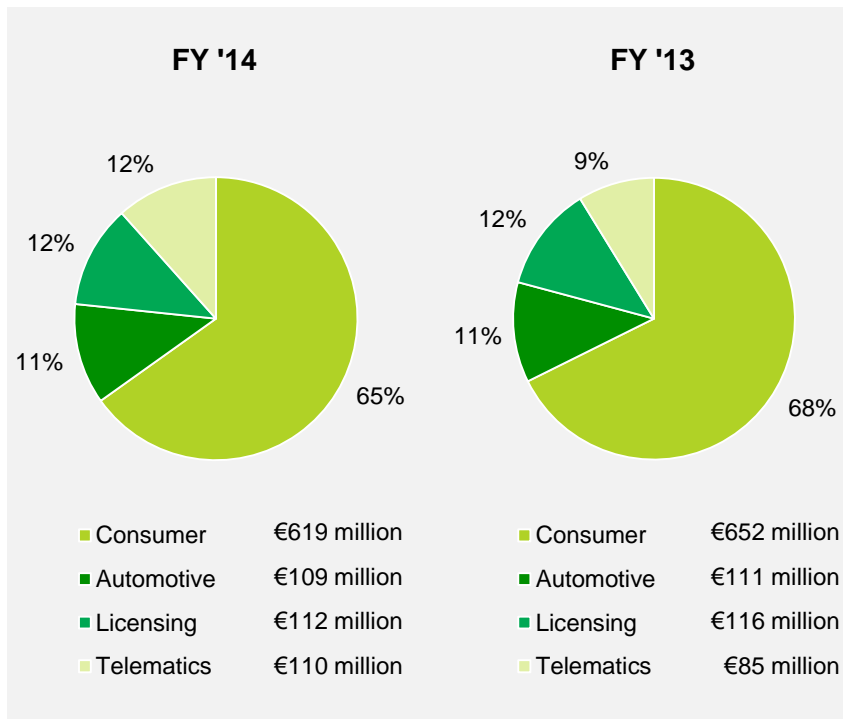
Thank you

Any questions?

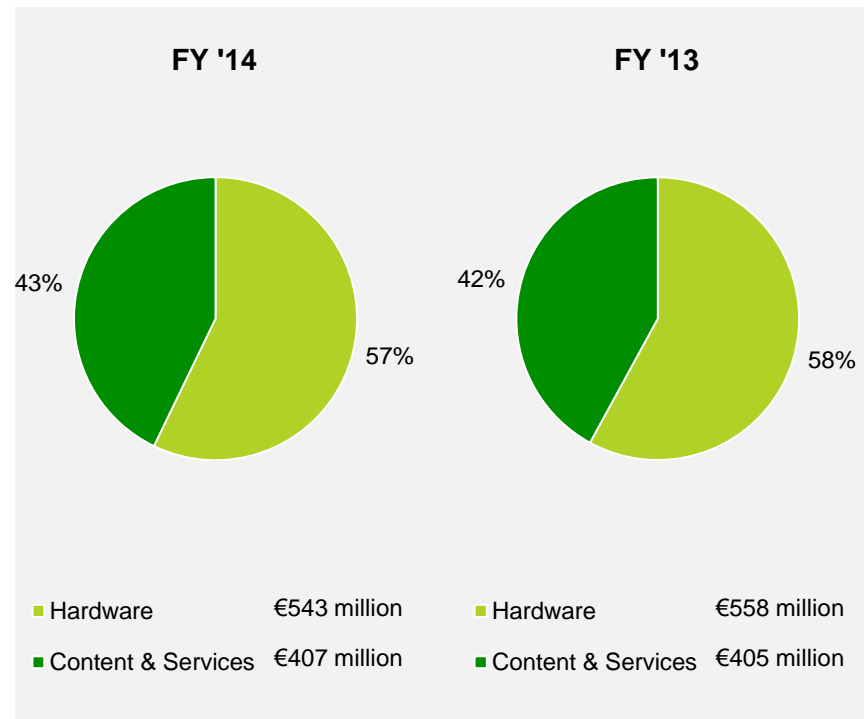
Revenue breakdown – annually

FY '14 group revenue: €950 million; FY '13: €963 million

Breakdown by segment¹



Breakdown by category¹



¹Revenue breakdown reflects TomTom's new reporting structure.

Quarterly P&L statistics

(€ in thousands)	Q3 '13	Q4 '13	Q1 '14	Q2 '14	Q3 '14	Q4 '14	FY '14	FY '13
REVENUE	244,056	267,563	205,378	251,951	234,564	258,399	950,292	963,454
Cost of sales	106,573	124,126	88,089	112,089	101,271	125,517	426,966	442,207
GROSS RESULT	137,483	143,437	117,289	139,862	133,293	132,882	523,326	521,247
Research and development expenses	41,118	43,655	43,178	46,225	39,052	45,559	174,014	168,155
Amortisation of technology and databases	20,962	22,175	21,182	21,114	26,227	19,578	88,100	81,436
Marketing expenses	12,825	27,908	9,298	21,499	18,993	19,768	69,559	62,796
Selling, general and administrative expenses	48,963	45,466	42,120	40,792	41,178	46,449	170,539	183,314
TOTAL OPERATING EXPENSES	123,868	139,204	115,778	129,630	125,450	131,354	502,212	495,701
OPERATING RESULT	13,615	4,233	1,511	10,232	7,843	1,528	21,114	25,546
Interest result	-765	-800	-1,020	10	-1,017	-1,118	-3,145	-2,945
Other financial result	358	317	-1,176	-306	-657	-1,581	-3,720	-1,619
Result of associates	166	112	136	-75	232	81	374	3,091
RESULT BEFORE TAX	13,374	3,862	-549	9,861	6,401	-1,090	14,623	24,073
Income tax gain / (charge)	-2,009	-637	8,103	-1,010	-619	1,558	8,032	-4,010
NET RESULT	11,365	3,225	7,554	8,851	5,782	468	22,655	20,063
MARGINS								
Gross margin	56%	54%	57%	56%	57%	51%	55%	54%
Operating margin	6%	2%	1%	4%	3%	1%	2%	3%
EARNINGS PER SHARE (in €)								
Diluted EPS	0.05	0.01	0.03	0.04	0.03	0.00	0.10	0.09
Diluted Adjusted EPS ¹	0.10	0.06	0.08	0.08	0.07	0.04	0.27	0.26

¹Earnings per fully diluted share count adjusted for acquisition-related amortisation & gain on a post-tax basis.

²Operating expenses breakdown reflects TomTom's new reporting structure.

Quarterly balance sheet statistics

(€ in thousands)	30-Sep-13	31-Dec-13	31-Mar-14	30-Jun-14	30-Sep-14	31-Dec-14
ASSETS						
NON-CURRENT ASSETS						
Goodwill	381,569	381,569	381,569	381,569	381,569	381,569
Other intangible assets	812,246	803,635	798,468	799,394	786,997	800,583
Other non-current assets	39,152	38,339	37,758	38,646	39,589	52,021
TOTAL NON-CURRENT ASSETS	1,232,967	1,223,543	1,217,795	1,219,609	1,208,155	1,234,173
CURRENT ASSETS						
Inventories	55,514	42,260	46,212	41,314	54,828	46,575
Receivables, prepayments & derivatives	175,206	153,926	142,624	180,592	170,351	167,650
Cash and cash equivalents	227,538	257,785	219,279	226,324	278,621	152,949
TOTAL CURRENT ASSETS	458,258	453,971	408,115	448,230	503,800	367,174
TOTAL ASSETS	1,691,225	1,677,514	1,625,910	1,667,839	1,711,955	1,601,347
EQUITY AND LIABILITIES						
TOTAL EQUITY	852,598	854,261	864,130	874,511	890,713	900,596
Deferred tax liability	167,106	171,727	166,356	163,896	162,791	166,551
Non-current borrowings	173,864	99,348	99,445	99,608	99,739	48,925
Current borrowings	106	74,089	74,219	74,284	74,381	0
Provisions	80,977	79,832	88,277	90,822	85,552	82,570
Trade payables	88,537	82,337	74,111	87,562	93,350	88,218
Deferred revenue	115,150	113,816	109,234	107,980	138,999	145,680
Accruals and other liabilities	212,887	202,104	150,138	169,176	166,430	168,807
TOTAL LIABILITIES	838,627	823,253	761,780	793,328	821,242	700,751
TOTAL EQUITY AND LIABILITIES	1,691,225	1,677,514	1,625,910	1,667,839	1,711,955	1,601,347
<i>Net cash</i>	<i>51,778</i>	<i>82,785</i>	<i>44,279</i>	<i>51,324</i>	<i>103,621</i>	<i>102,949</i>

Quarterly cash flow statistics

(€ in thousands)	Q3 '13	Q4 '13	Q1 '14	Q2 '14	Q3 '14	Q4 '14	FY '14	FY '13
Operating result	13,615	4,233	1,511	10,232	7,843	1,528	21,114	25,546
Financial gains/(losses)	-323	-3,179	380	-34	150	-2,452	-1,956	-7,757
Depreciation and amortisation	27,416	29,083	28,184	26,673	33,158	26,696	114,711	117,419
Other	-3,804	1,264	6,537	263	-3,749	-2,627	424	-845
Changes in working capital	37,977	27,207	-49,332	1,236	33,560	14,963	427	53,673
CASH GENERATED FROM OPERATIONS	74,881	58,608	-12,720	38,370	70,962	38,108	134,720	188,036
Interest received	73	71	103	1,061	145	158	1,467	1,139
Interest paid	-607	-749	-895	-824	-628	-1,470	-3,817	-2,863
Corporate income taxes (paid)/received	-3,389	-7,093	-1,127	-5,364	-2,834	-4,416	-13,741	73,196
CASH FLOWS FROM OPERATING ACTIVITIES	70,958	50,837	-14,639	33,243	67,645	32,380	118,629	259,508
CASH FLOWS FROM INVESTING ACTIVITIES	-24,459	-21,243	-23,878	-27,028	-21,742	-33,838	-106,486	-90,504
CASH FLOWS FROM FINANCING ACTIVITIES	0	1,177	52	399	5,366	-124,200	-118,383	-73,869
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT	46,499	30,771	-38,465	6,614	51,269	-125,658	-106,240	95,135

Impact of FX rate changes

QUARTERLY

Actual key Q4 '14 financials recalculated based on last year (Q4 '13) and last quarter (Q3 '14) FX rates

(€ in millions)	Q4 '14 Actual	Q4 '14 recal. based on Q4 '13 FX rates	Q4 '14 recal. based on Q3 '14 FX rates
REVENUE	258	253	255
Cost of Sales	126	119	120
GROSS RESULT	132	134	135
<i>Gross margin</i>	51.4%	53.0%	53.0%
P&L RATES IN €			
US dollar	1.25	1.36	1.34
GB pound	0.79	0.84	0.79
BALANCE SHEET RATES IN €			
US dollar	1.21	1.36	1.26
GB pound	0.78	0.83	0.78

ANNUALLY

Actual key FY '14 financials recalculated based on last year (FY '13) FX rates

(€ in thousands)	FY '14 Actual	FY '14 recal. based on FY '13 FX rates
REVENUE	950	947
Cost of Sales	427	429
GROSS RESULT	523	518
<i>Gross margin</i>	55.1%	54.7%
P&L RATES IN €		
US dollar	1.33	1.32
GB pound	0.81	0.85
BALANCE SHEET RATES IN €		
US dollar	1.21	1.36
GB pound	0.78	0.83

Outstanding shares and adjusted earnings per share Q4 '14

Common shares outstanding end of Q3 '14	223,389,812
Common shares outstanding end of Q4 '14	223,569,822
Average shares outstanding in Q4 '14	223,540,473 (A)
In the money share options as of Q3 '14	16,831,270
In the money share options as of Q4 '14	8,428,280
Average potential dilutive share options outstanding Q4 '14*	11,411,864
Non dilutive share options:	8,676,724
<i>Average shares outstanding from dilution of options**</i>	2,735,140 (B)
<i>Average shares outstanding from dilution of other equity-settled grants</i>	152,000 (C)
Average fully diluted shares outstanding Q4 '14***	226,427,613 (A+B+C)
* In the money options during the quarter	
** Weighted average diluted options based on the period outstanding during the quarter	
*** The average share price for the quarter was €5.65	
Adjusted earnings per share calculation (in € thousand)	
Net result attributed to equity holders	466
Amortisation of acquired intangibles	12,251
Tax effect of adjustments	-3,062
ADJUSTED EARNINGS	9,655
ADJUSTED EARNINGS PER SHARE (in €)	
Basic	0.04
Diluted	0.04

Deferred revenue balance by segment

(€ in millions)	31 December 2014	31 December 2013	y.o.y. change ¹
Consumer	104.8	83.9	20.9
Automotive	12.6	6.1	6.5
Licensing	25.6	23.5	2.2
Telematics	2.7	0.4	2.3
Total deferred revenue	145.7	113.8	31.9

¹Change percentages are based on non-rounded figures.

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