

TomTom announces preliminary third quarter 2016 results

Amsterdam, 13 October 2016 – TomTom (TOM2) today announced preliminary financial information for Q3 2016, which ended 30 September 2016, and updated full year 2016 outlook.

Consumer PND markets have been weak over recent periods.

The European PND market is experiencing a faster rate of unit decline compared with what we have seen in the first half of the year and we now expect this market in units to be down by about -20% for the year as a whole. The rate of unit decline of the North American PND market is broadly in line with what we have seen in the first half of the year and for the year as a whole is expected to be around -23%.

The Automotive, Licensing, and Telematics businesses are developing in line with expectations.

Hardware revenues are lower than planned because of weak PND sales; content and service revenues reported growth, which resulted in a strong gross margin.

Full Q3 2016 results will be published on 21 October 2016.

Outlook 2016 updated

As a result of these developments, we now expect full year group revenue of around €980 million, down from previous guidance of around €1,050 million. Outlook for adjusted EPS¹ of around €0.23 is unchanged.

Key figures

(€ in millions, unless stated otherwise)	Q3 '16	Q3 '15	Y.O.Y. change	YTD '16	YTD '15	Y.O.Y. change
Consumer	137.1	161.2	-15%	410.9	447.7	-8%
Automotive	31.3	26.0	21%	95.9	75.6	27%
Licensing	34.4	35.2	-2%	101.3	102.8	-1%
Telematics	36.5	31.8	15%	113.6	98.0	16%
REVENUE	239.3	254.2	-6%	721.7	724.1	0%
GROSS RESULT	144.6	135.1	7%	413.2	379.6	9%
Gross margin	60%	53%		57%	52%	
EBITDA	33.1	32.7	1%	102.3	82.0	25%
EBITDA margin	14%	13%		14%	11%	
OPERATING RESULT (EBIT)	1.0	4.9	-80%	9.4	0.4	
EBIT margin	0%	2%		1%	0%	
Adjusted EPS ¹ , € fully diluted	0.05	0.05	1%	0.18	0.11	59%

Change percentages are based on non-rounded figures.

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

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About TomTom

TomTom (TOM2) empowers movement. Every day millions of people around the world depend on TomTom to make smarter decisions. We design and develop innovative products that make it easy for people to keep moving towards their goals. Our map-based components include map content, online map-based services, real-time traffic, and navigation software. Our consumer products include PNDs, navigation apps, sports watches and action camera. Our main business products are custom in-dash navigation systems and a fleet management system, which is offered to fleet owners as an online service with integrated in-vehicle cellular devices. Our business consists of four customer facing business units: Consumer, Automotive, Licensing and Telematics. Founded in 1991 and headquartered in Amsterdam, we have more than 4,600 employees worldwide. For further information, please visit www.tomtom.com.

Forward-looking statements/Important notice

This document contains certain forward-looking statements with respect to the financial condition, results of operations and business of TomTom NV and its subsidiaries (referred to as 'the company' or 'the group') and certain of the plans and objectives of the company with respect to these items. In particular the words 'expect', 'anticipate', 'estimate', 'may', 'should', 'believe' and similar expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Actual results may differ materially from those expressed in these forward-looking statements, and you should not place undue reliance on them. 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. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, levels of customer spending in major economies, changes in consumer tastes and preferences, changes in law, the performance of the financial markets, the levels of marketing and promotional expenditures by the company and its competitors, raw materials and employee costs, changes in exchange and interest rates (in particular changes in the US dollar and GB pound versus the euro can materially affect results), changes in tax rates, future business combinations, acquisitions or disposals, the rate of technological changes, political and military developments in countries where the company operates and the risk of a downturn in the market. Statements regarding market share, including the company'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. Market shares are based on sales in units unless otherwise stated.

This press release contains inside information as meant in clause 7 of the Market Abuse Regulation.