



# ANNUAL REPORT 2014



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## ICONS by category

### DRIVE

-  CAR
-  MOTORCYCLE
-  CAMPER & CARAVAN
-  TRUCK

### SPORT

-  RUNNING
-  CYCLING
-  SWIMMING
-  GOLF

### PRODUCT-RELATED

-  CONNECTED CAR
-  DIGITAL MAP
-  MULTINET-R
-  REAL-TIME TRAFFIC INFORMATION
-  NAVKIT NAVIGATION ENGINE
-  NAVCLOUD
-  CLOUD-BASED PRODUCTS
-  WEBFLEET
-  TELEMATICS APP CENTER
-  FLEET

### FINANCE & STRATEGY

-  ACCOUNTING POLICIES
-  SIGNIFICANT ESTIMATES
-  OUTLOOK
-  STRATEGY

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## 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 (the company) and certain of the plans and objectives of TomTom and its subsidiaries (together with the company referred to as 'the group') with respect to these items. In particular the words 'expect', 'anticipate', 'estimate', 'may', 'should', 'would', '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 group and its competitors, raw materials and employee costs, changes in exchange and interest rates (in particular changes in the USD and GBP 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. Where full year information regarding 2014 is not yet available to the company, these statements may also be based on estimates and projections prepared by outside sources or management. Market shares are based on sales in units unless otherwise stated. The forward-looking statements contained refer only to the date in which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this annual report.

## STRATEGIC PRIORITIES



TomTom is determined to turn the company back to growth. This can be achieved through growth from non-PND product sales whilst maximising the value from the PND category, which we believe will remain a meaningful category in its own right for the foreseeable future. With the introduction of our own branded GPS sport watches, we have successfully diversified into the sports market and aim to continue to build on this positive momentum going forward with innovative new products. TomTom's new map-making engine is essential for creating a stronger market positioning as well as for pursuing new opportunities in the Automotive and Licensing end markets. We believe that our new map-making engine, together with our traffic and navigation software, will enable TomTom to pursue further growth opportunities with existing and new customers in the area of Highly Automated Driving. The underlying industry dynamics for our fleet management business remain favourable. A combination of short return on investment for our customers and an under-penetrated market allow us to plan for long-term double-digit growth of our Telematics revenue.

TomTom's strategic priorities are summarised as follows:

- Maximise value from the PND category;
- Establish a multi-product consumer business;
- Launch the new map-making engine;
- Effectively market automotive Connected Navigation System products to OEMs and Tier 1s;
- Pursue new Automotive growth opportunities in the area of Highly Automated Driving;
- Maximise Licensing revenue via existing customers and broadening of the product portfolio; and
- Continue to expand the WEBFLEET installed base, organically and through bolt-on acquisitions and partnerships.

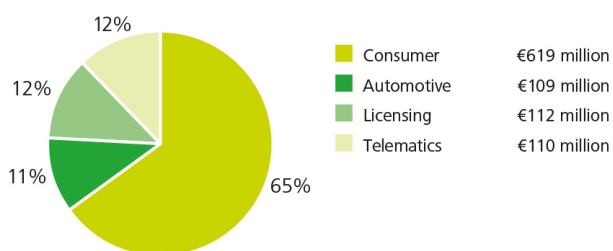
## 2014 FINANCIAL HIGHLIGHTS

In 2014, we delivered revenue of €950 million, 1% lower compared to €963 million in 2013. The PND was the biggest revenue contributor for the Group in 2014. Our Telematics and sports businesses grew strongly to counterbalance the reduction in PND and Automotive hardware revenue in Consumer. Our Automotive and Licensing business units both showed a modest decline year on year.

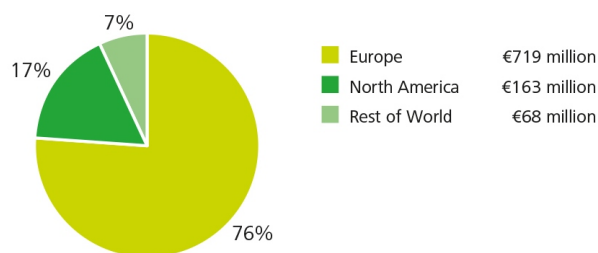
Revenue from Content & Services was €407 million in the year and accounted for 43% of total revenue. Hardware revenue for the year amounted to €543 million and accounted for 57% of total revenue. From a regional perspective, 76% of our 2014 revenue was generated in Europe, 17% in North America and the remaining 7% in the rest of the world.

In 2014, we broadened our product portfolio and invested more in advertising to support this. We made significant investments in our new map-making platform, and in the components of our Connected Navigation System. Our Group EBITDA reached €136 million in 2014, slightly lower compared to last year (2013: €143 million).

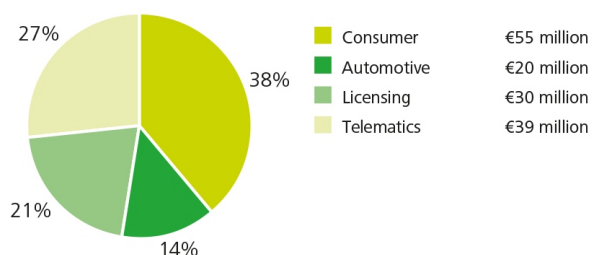
### 2014 Revenue by business unit



### 2014 Revenue by geography



### 2014 Segment EBITDA by business unit



### 2014 Revenue by type

