



ANNUAL REPORT 2014



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

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.

The gain or loss from this remeasurement is included in the 'Result of associates' in the income statement. The associate is accounted for as a subsidiary and included in the consolidated financial statements from the date the control passes to the group.

16. Investments in associates

As at 31 December 2014, the group held interest in a number of associates: Cyient Ltd. ('Cyient', 2013: Infotech Enterprises Ltd.), Beijing Golden Tom Information Technology Co. Ltd. (Beijing Golden Tom) and WayTag (Pty) Ltd. (WayTag). Cyient provides content development and support services while Beijing Golden Tom provides support in licensing TomTom map and traffic content in the Chinese market. WayTag is a South Africa-based company that allows people and businesses to create a unique location identifier that either refers to a fixed location or to an individual's current location.

The movements in the investments in associates can be specified as follows:

(€ in thousands)	2014	2013
BALANCE AS AT 1 JANUARY	2,854	3,880
Result of associates ¹	536	3,091
Transfer to subsidiary ²	0	-2,957
Dividend received	-117	-1,036
Other direct equity movements	16	-124
BALANCE AS AT 31 DECEMBER	3,289	2,854

¹ Total comprehensive income equalled the net results of the associates as there were no other items recognised in 'Other comprehensive income' of the associates. The 2013 result included a gain of €2.5 million relating to remeasurement of previously held interest in mapIT to its fair value.

² Following the acquisition of 51% interest in mapIT in 2013, this associate company is included as a subsidiary in the consolidated financial statements from 2013.

As the associates are not material to the group, no further information is provided other than those detailed below. The (estimated) full year revenues and net profits of the associates and their assets (excluding goodwill) and liabilities are as follows:

Name of associate	Country of incorporation	Assets	Liabilities	Revenue	Net result	Interest held (%)
(€ in thousands)						
2014						
Cyient Ltd. (prev. Infotech Ent. Ltd.) ¹	India	255,243	46,954	287,021	34,339	1.35%
Beijing Golden Tom	China	788	1,489	1,124	-637	49.00%
WayTag	South Africa	106	596	0	-1,200	16.00%
2013						
Infotech Enterprises Ltd. ¹	India	189,492	33,879	220,454	27,195	1.35%
Beijing Golden Tom	China	5,878	5,401	1,524	-636	49.00%
WayTag	South Africa	167	41	0	-271	16.00%

¹ This associate has a 31 March year-end. Data for calculating the result of associate, based on the equity method, is obtained from January through to December. The summarised financial information presented above is based on financial statements for the year ending 31 March 2014 and 31 March 2013.

Cyient and WayTag are regarded as associates as TomTom is represented on their Board of Directors. The fair value of the investment in Cyient is €10.1 million (2013: €6.2 million).

Accounting policy

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights, or other evidence of significant influence. Investments in associates are accounted for using the equity method of accounting, and are initially recognised at cost. The group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in 'Other comprehensive income' is recognised in 'Other comprehensive income'. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred. Accounting policy of associates has been changed where necessary to ensure consistency with the policy adopted by the group.