

FOURTH QUARTER AND FULL YEAR 2024 RESULTS

Stable Location Technology revenue in 2024, amidst challenging automotive market

TOMTOM'S CHIEF EXECUTIVE OFFICER, HAROLD GODDIJN

"We are pleased with the development of our Enterprise business. The continued adoption of our platform by customers like Microsoft and Esri is driving growth. With our mapmaking technology, based on the Overture open-source specification, we are delivering added value across a broadening set of use cases.

In contrast, our Automotive business has been facing challenging market conditions. Mainly as a result of lowered expectations for near-term volumes, our Automotive backlog decreased to €2.1 billion. Despite this, our deep and unique relationships with our customers give us good visibility across the range of medium-term commercial opportunities that we see continuing to develop. Our recently unveiled 3D map layers will enable us to support next-generation automated driving solutions and advanced visualization use cases across industries. As we unlock these opportunities, this will drive top-line growth and cash generation over time."

OPERATIONAL SUMMARY

- We [partnered with Esri](#) to deliver advanced location analytics to governments and businesses
- Our applications saw [increased uptake](#) in the fleet and logistics space by the likes of YellowFox and FleetLab
- We [significantly enhanced TomTom Orbis Maps](#), offering immersive, true 3D lane geometry for any road

FINANCIAL SUMMARY FOURTH QUARTER 2024

- Group revenue decreased by 1% to €142 million (Q4 '23: €143 million)
- Location Technology revenue decreased by 2% to €122 million (Q4 '23: €125 million)
- Automotive operational revenue increased by 6% to €88 million (Q4 '23: €83 million)

FINANCIAL SUMMARY FULL YEAR 2024

- Group revenue decreased by 2% to €574 million (FY '23: €585 million)
- Location Technology revenue decreased to €489 million (FY '23: €491 million)
- Automotive operational revenue decreased by 5% to €326 million (FY '23: €343 million)
- Free cash flow¹ is an outflow of €4 million (FY '23: inflow of €32 million)
- Net cash decreased, mainly due to a €39 million share buyback cash-out, to €264 million (FY '23: €315 million)
- Automotive backlog decreased to €2.1 billion (FY '23: €2.5 billion)

KEY FIGURES

(€ in millions, unless stated otherwise)	Q4 '24	Q4 '23	y.o.y. change	FY '24	FY '23	y.o.y. change
Location Technology	122.2	125.2	-2%	489.4	490.7	0%
Automotive	79.3	87.8	-10%	328.0	342.3	-4%
Enterprise	42.9	37.4	15%	161.4	148.4	9%
Consumer	20.0	18.2	10%	85.0	94.1	-10%
Revenue	142.2	143.4	-1%	574.4	584.8	-2%
Gross result	124.4	126.9	-2%	487.5	495.8	-2%
Gross margin	87%	88%		85%	85%	
Operating expenses	130.4	137.2	-5%	507.8	515.8	-2%
Operating result (EBIT)	-6.1	-10.4		-20.3	-20.0	
Operating margin	-4%	-7%		-4%	-3%	
Net result	-5.7	-11.6		-17.3	-21.0	
Free cash flow¹ (FCF)	-5.1	5.5		-4.2	32.0	
FCF ¹ as a % of revenue	-4%	4%		-1%	5%	

¹ Free cash flow in 2023 excludes restructuring payments related to the Maps realignment announced in June 2022.

TOMTOM'S CHIEF FINANCIAL OFFICER, TACO TITULAER

"Our fourth-quarter top-line performance met our expectations, leading to stable full-year Location Technology revenue. While our Enterprise business realized marked growth, Automotive revenue was hampered by industry challenges. Free cash flow was influenced by the phasing of revenue in the fourth quarter, resulting in a higher-than-anticipated receivables position at year-end.

Given market conditions in Automotive, we continue to have limited visibility for 2025. We remain cautious of near-term developments and potential volume growth. In Enterprise, we are confident about the commercial traction across our platform, which is expected to continue to drive growth. Combined, we expect lower revenue performance and we will focus on initiatives to continue to deliver on our product roadmap and drive cost efficiencies. Our strong cash position stands us in good stead to invest and pursue commercial opportunities. We will be disciplined and focused on achieving break-even free cash flow in 2025.

We remain optimistic about the structural trends we see in the market. Electric vehicle adoption, self-driving advancements and the growth of location-based use cases across Enterprise domains all call for a deeper integration of our technologies. With our versatile product portfolio, we are well-positioned to capitalize on these trends as they materialize over the medium-term."

OUTLOOK

(€ in millions)	Outlook 2025	Actual 2024
Revenue	505 - 565	574
Location Technology revenue	440 - 490	489
Free cash flow	Break-even	-4

REVENUE AND SEGMENT PERFORMANCE FOR THE PERIOD

Revenue for the fourth quarter amounted to €142 million, a marginal decrease of 1% compared with the same quarter last year (Q4 '23: €143 million). Full-year revenue amounted to €574 million, a decrease of 2% compared with the previous year (FY '23: €585 million).

LOCATION TECHNOLOGY

Location Technology revenue in the quarter decreased by 2% to €122 million (Q4 '23: €125 million). Full-year revenue was €489 million, relatively stable compared with last year (FY '23: €491 million). Location Technology segment EBIT in 2024 showed a year-on-year decrease, as we continued investments in R&D to be able to support more advanced automated driving feature sets and ramped up our sales activities to drive growth.

(€ in millions, unless stated otherwise)	Q4 '24	Q4 '23	y.o.y. change	FY '24	FY '23	y.o.y. change
Automotive	79.3	87.8	-10%	328.0	342.3	-4%
Enterprise	42.9	37.4	15%	161.4	148.4	9%
Location Technology revenue	122.2	125.2	-2%	489.4	490.7	0%
Segment EBITDA				14.7	31.1	-53%
EBITDA margin (%)				3%	6%	
Segment EBIT				-20.3	-11.3	
EBIT margin (%)				-4%	-2%	

Automotive generated revenues of €79 million in the quarter, representing a 10% decrease year on year. Automotive operational revenue in the quarter increased by 6% to €88 million (Q4 '23: €83 million). For full year 2024, Automotive generated €328 million in revenue, representing a 4% year-on-year decrease. This decrease was caused by a continued weakening of the global automotive industry. Additionally, delays in the launch of new car models to which we are supplying negatively impacted our Automotive business. These factors combined led to a decline in our Automotive operational revenue as well. Full-year Automotive operational revenue decreased by 5% to €326 million (FY '23: €343 million).

Automotive operational revenue is calculated as follows:

(€ in millions, unless stated otherwise)	Q4 '24	Q4 '23	y.o.y. change	FY '24	FY '23	y.o.y. change
Automotive revenue	79.3	87.8	-10%	328.0	342.3	-4%
Movement of Automotive deferred revenue	8.9	-4.5		-2.3	0.5	
Automotive operational revenue	88.2	83.3	6%	325.7	342.8	-5%

In the fourth quarter, Enterprise revenue increased by 15% year on year, to €43 million (Q4 '23: €37 million). Full-year Enterprise revenue increased by 9% to €161 million (FY '23: €148 million). This growth was driven by the expanded utilization of our maps and applications by various existing customers, in addition to continued commercial traction with new customers.

Our innovative maps and location technology products continue to see broadening adoption. During the quarter, we announced the development and expansion of various commercial relationships in industries such as market research, consultancy, and travel. Further, our applications saw increased uptake in the fleet and logistics space, with YellowFox, FleetLab and Smart Cargo all leveraging our APIs and SDKs in their business processes. These successes underscore the value of our solutions in optimizing fleet management and logistics operations, driving efficiencies and improving service delivery for clients.

We were pleased to highlight a further milestone in early 2025, announcing our partnership with Esri. Together, we are delivering advanced location analytics to governments and businesses. By integrating TomTom's innovative, future-proof maps and traffic data into Esri's ArcGIS applications, location-intelligent insights are generated for a wide range of needs, from maintaining vital infrastructure to optimizing retail site selection.

Innovation remains at the core of what we do. At the Consumer Electronics Show, we successfully unveiled significant enhancements to TomTom Orbis Maps, offering immersive, true 3D lane geometry for any road type. These enhancements leverage AI-enabled updates and fundamental vision models to provide continuously-refreshed, lane-level precision measured in centimeters, available on a global scale. This facilitates advanced automated driving features, setting us up to support increased levels of vehicle automation. Additionally, the granular, immersive maps benefit last-mile logistics, urban planning, and many other use cases beyond the car.

CONSUMER

Consumer reported revenue of €20 million for the quarter, 10% higher compared with the same quarter last year (Q4 '23: €18 million). Full-year revenue decreased by 10% to €85 million (FY '23: €94 million), in line with our expectations given the declining market for PNDs. In 2024, Consumer EBITDA and EBIT decreased year on year. This decrease reflected the decline in revenue, partly offset by cost efficiencies, resulting in stable margins.

(€ in millions, unless stated otherwise)	Q4 '24	Q4 '23	y.o.y. change	FY '24	FY '23	y.o.y. change
Consumer revenue	20.0	18.2	10%	85.0	94.1	-10%
Segment EBITDA				6.8	7.8	-13%
EBITDA margin (%)				8%	8%	
Segment EBIT				6.2	6.9	-11%
EBIT margin (%)				7%	7%	

RESULT FOR THE PERIOD

GROSS MARGIN

The gross margin for the quarter was 87%, down one percentage point with the same quarter last year (Q4 '23: 88%). In the fourth quarter, we experienced a relatively higher proportion of Consumer revenue in our sales mix. Full-year gross margin was 85%, equal to last year (2023: 85%).

OPERATING RESULT

Operating result (EBIT) in the quarter was a loss of €6 million (Q4 '23: loss of €10 million). Total operating expenses in the quarter were €130 million, a decrease of €7 million compared with the same quarter last year (Q4 '23: €137 million), as Q4 '23 included a restructuring charge of €10 million.

Full-year operating result (EBIT) was -€20 million (FY '23: -€20 million), as the decrease in gross profit was offset by lower operating expenses. Total operating expenses were €508 million, versus €516 million in 2023. This year-on-year decrease was mainly explained by lower depreciation and amortization expenses.

FINANCIAL INCOME, EXPENSES AND INCOME TAX

The financial result for the quarter was an income of €1.5 million (Q4 '23: income of €0.3 million). The financial result for the year was an income of €8.7 million (FY '23: income of €6.0 million). In both the quarter and the full year, the year-on-year improvement stemmed from increased interest income on our cash balances, partially offset by foreign exchange losses resulting from the revaluation of balance sheet items.

The income tax expense for the quarter was €1.1 million, compared with €1.6 million in Q4 '23. The income tax expense for the year was €5.7 million, compared with €7.0 million in 2023.

CASH FLOW, LIQUIDITY, AND WORKING CAPITAL

In Q4 '24, free cash flow was an outflow of €5 million versus an inflow of €5 million in the same quarter last year. This year-on-year decrease in free cash flow is mainly explained by an increase in trade receivables and unbilled revenue.

Full-year free cash flow was an outflow of €4 million, versus an inflow of €21 million last year. The year-on-year decline in free cash flow resulted from lower Automotive operational revenue, driven by the dynamics in the automotive industry, in combination with the aforementioned higher receivables position as compared with the position at year-end 2023.

A reconciliation from operating result to free cash flow, to net cash movement is presented below:

(€ in millions)	Q4 '24	Q4 '23	FY '24	FY '23
Operating result (EBIT)	-6.1	-10.4	-20.3	-20.0
Depreciation and amortization	8.9	10.1	35.6	43.6
Equity-settled stock compensation expenses	1.1	3.6	11.2	12.8
Other non-cash items	-4.2	-3.1	-5.6	-4.2
Movements in working capital (excl. deferred revenue)	-7.0	14.6	-19.8	8.7
Movements in deferred revenue	5.0	-6.7	-0.7	-5.4
Interest and tax	-0.5	0.1	1.0	-2.9
Investments in property, plant and equipment, and intangible assets	-2.3	-3.3	-5.6	-11.9
Free cash flow	-5.1	5.1	-4.2	20.8
Lease payments	-2.4	-2.3	-9.0	-11.8
Cash flow from other investing and financing activities	-0.1	-12.1	-38.9	3.3
Exchange rate differences on cash and fixed-term deposits	0.8	-1.0	0.6	-0.9
Net cash movement	-6.8	-10.2	-51.5	11.5

During the fourth quarter, the deferred revenue position increased by €5 million, from €428 million to €432 million. The full-year movement in deferred revenue was a decrease of €1 million, from €433 million at the end of 2023 to €432 million.

The following table presents the deferred revenue including the effect of netting unbilled revenue:

(€ in millions)	31 December 2024	30 September 2024	31 December 2023
Automotive	429.5	420.6	431.8
Enterprise	19.2	22.5	10.3
Consumer	20.8	21.4	19.6
Gross deferred revenue	469.6	464.6	461.7
Less: Netting adjustment to unbilled revenue	37.1	37.0	28.4
Deferred revenue	432.5	427.5	433.3

Both in the fourth quarter and in the full year, investments in property, plant and equipment decreased compared with the same period last year, due to capital expenditures on office refurbishments in 2023.

Cash flow from other investing and financing activities for the full year included cash outflows related to our €50 million share buyback program. Of this program, €39 million was executed in 2024 and €12 million in 2023.

On 31 December 2024, the Group had no outstanding bank borrowings and reported a net cash position of €264 million (Q4 '23: €315 million).

- END -

CONSOLIDATED CONDENSED STATEMENT OF INCOME

(€ in thousands)	Q4 '24 Unaudited	Q4 '23 Unaudited	FY '24 Audited	FY '23 Audited
Revenue	142,239	143,379	574,382	584,760
Cost of sales	17,885	16,511	86,876	88,992
Gross profit	124,354	126,868	487,506	495,768
Research and development expenses - Geographic data	45,690	42,957	176,967	174,596
Research and development expenses - Application layer	46,736	45,485	185,144	184,619
Sales and marketing expenses	16,930	15,760	60,052	57,080
General and administrative expenses	21,067	33,026	85,633	99,481
Total operating expenses	130,423	137,228	507,796	515,776
Operating result	-6,069	-10,360	-20,290	-20,008
Financial result	1,450	332	8,749	6,000
Result before tax	-4,619	-10,028	-11,541	-14,008
Income tax	-1,107	-1,608	-5,744	-7,000
Net result¹	-5,726	-11,636	-17,285	-21,008
Earnings per share (in €):				
Basic	-0.05	-0.09	-0.14	-0.16
Diluted ²	-0.05	-0.09	-0.14	-0.16

¹ Fully attributable to the equity holders of the parent.

² When the net result is a loss, no additional shares from assumed conversion are taken into account as the effect would be anti-dilutive.

CONSOLIDATED CONDENSED BALANCE SHEET

(€ in thousands)	31 December 2024 Audited	31 December 2023 Audited
Goodwill	192,294	192,294
Other intangible assets	2,233	20,275
Property, plant and equipment	22,018	24,313
Lease assets	41,111	44,624
Other contract-related assets	24,688	24,384
Deferred tax assets	1,288	1,206
Total non-current assets	283,632	307,096
Inventories	13,311	14,823
Trade receivables	78,538	69,156
Unbilled receivables	48,441	42,778
Other contract-related assets	6,211	10,635
Prepayments and other receivables	30,632	36,209
Fixed-term deposits	207,740	227,662
Cash and cash equivalents	55,913	87,532
Total current assets	440,786	488,795
Total assets	724,418	795,891
Total equity	138,847	181,588
Lease liabilities	34,552	38,441
Deferred tax liability	0	1,040
Provisions	13,516	14,841
Deferred revenue	285,782	267,059
Total non-current liabilities	333,850	321,381
Trade payables	21,168	21,168
Lease liabilities	8,964	8,272
Provisions	6,883	10,879
Deferred revenue	146,701	166,171
Other contract-related liabilities	14,282	17,078
Income taxes	1,881	1,594
Accruals and other liabilities	51,842	67,760
Total current liabilities	251,721	292,922
Total equity and liabilities	724,418	795,891

CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS

(€ in thousands)	Q4 '24 Unaudited	Q4 '23 Unaudited	FY '24 Audited	FY '23 Audited
Operating result	-6,069	-10,360	-20,290	-20,008
Foreign exchange adjustments	-50	-1,343	547	-1,214
Depreciation and amortization	8,923	10,091	35,553	43,616
Change in provisions	-4,117	-1,754	-6,119	-2,598
Equity-settled stock compensation expenses	1,109	3,622	11,152	12,801
Other non-cash movement	0	0	0	-341
Changes in working capital:				
Change in inventories	1,272	844	3,816	2,288
Change in receivables and prepayments	-22,960	967	-5,154	-303
Change in liabilities ¹ (excluding provisions)	19,597	6,149	-19,202	1,340
Cash flow from operations	-2,295	8,216	303	35,581
Interest received	2,564	3,053	10,882	9,679
Interest paid	-447	-479	-2,425	-1,734
Corporate income taxes paid	-2,638	-2,427	-7,408	-10,831
Cash flow from operating activities	-2,816	8,363	1,352	32,695
Investments in property, plant and equipment	-2,293	-3,281	-5,576	-11,857
Proceeds from sale of investments	0	0	0	14,965
(Increase)/decrease in fixed-term deposits	-1,873	8,192	19,921	-56,662
Cash flow from investing activities	-4,166	4,911	14,345	-53,554
Payment of lease liabilities	-2,379	-2,279	-9,014	-11,766
Proceeds on issue of ordinary shares	0	0	0	368
Purchase of treasury shares	-68	-12,060	-38,880	-12,060
Cash flow from financing activities	-2,447	-14,339	-47,894	-23,458
Net decrease in cash and cash equivalents	-9,429	-1,065	-32,197	-44,317
Cash and cash equivalents at the beginning of period	64,585	89,573	87,532	132,729
Exchange rate changes on foreign cash balances	757	-976	578	-880
Total cash and cash equivalents at the end of the period	55,913	87,532	55,913	87,532
Cash held in fixed-term deposits	207,740	227,662	207,740	227,662
Net cash at the end of the period	263,653	315,194	263,653	315,194

¹ Includes movements in the non-current portion of deferred revenue presented under non-current liabilities.

ACCOUNTING POLICIES

The condensed consolidated financial information for the three- and twelve- month period ended 31 December 2024 and the related comparative information has been prepared using accounting policies and methods of computation which are based on International Financial Reporting Standards (IFRS) as disclosed in the Financial Statements for the year ended 31 December 2024.

The consolidated and company financial statements of TomTom N.V. for the year ended 31 December 2024 have been prepared and audited and are authorized for issue on 4 February 2025. The quarterly condensed consolidated information in this press release is neither audited nor reviewed. Due to rounding, amounts may not add up precisely to totals. All change percentages are calculated before rounding.

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 as 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.

Automotive backlog is the cumulative expected IFRS revenue from all awarded Automotive deals.

Operational revenue is IFRS revenue adjusted for the movement of gross deferred revenue

Gross margin is calculated as gross profit divided by IFRS revenue

EBIT is equal to our operating result

EBIT margin is calculated as operating result divided by IFRS revenue

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

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

Free cash flow is cash from operating activities minus investments in intangible assets and property, plant and equipment

(€ in thousands)	Q4 '24	Q4 '23	FY '24	FY '23
Cash flow from operating activities	-2,816	8,363	1,352	32,695
Investments in intangible assets	0	0	0	0
Investments in property, plant and equipment	-2,293	-3,281	-5,576	-11,857
Free cash flow	-5,109	5,082	-4,224	20,838
Restructuring-related cash flow ¹	0	399	0	11,178
Free cash flow excl. restructuring¹	-5,109	5,481	-4,224	32,016

Net cash is cash and cash equivalents, plus cash held in fixed-term deposits

Gross deferred revenue is deferred revenue² before the netting of unbilled receivables

¹ Restructuring-related cash flows are related to the Maps realignment announced in June 2022.

² Deferred revenue reflects amounts not yet recognized as revenue as services still need to be delivered. Unbilled revenue represents amounts accrued for when a contractual right to invoice exists. When a single contract has both an accrual, based on contractual invoicing terms, and a deferral, because the underlying services are not yet fully delivered, the unbilled and the deferred positions are netted for presentation on the balance sheet.

FOR MORE INFORMATION

TomTom Investor Relations

Email: ir@tomtom.com

Phone: +31 20 757 5194

AUDIO WEBCAST FOURTH QUARTER 2024 RESULTS

The information for our audio webcast is as follows:

Date and time: February 4, 2025 at 13:00 CET

<https://corporate.tomtom.com/investors/financial-publications/quarterly-results>

TomTom is listed at NYSE Euronext Amsterdam in the Netherlands

ISIN: NL0013332471 / Symbol: TOM2

ABOUT TOMTOM

Billions of data points. Millions of sources. Hundreds of communities.

We are the mapmaker bringing it all together to build the world's smartest map. We provide location data and technology to drivers, carmakers, businesses, and developers. Our application-ready maps, routing, real-time traffic, APIs and SDKs enable the dreamers and doers to shape the future of mobility.

Headquartered in Amsterdam with 3,600 employees around the globe, TomTom has been helping people find their way in the world for over 30 years.

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 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 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 specialized 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.

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