



MESSAGE FROM THE CEO

Dear stakeholder,

I am pleased to report that we delivered top-line growth this year, for the first time since 2010. We continued to make further inroads in establishing a multi-product Consumer business with our GPS sport watches and action camera, we saw another record year of new bookings with Automotive customers, we delivered growth in our Licensing business through existing and new customers, and we saw continued strong growth in our fleet management business.

In 2015, we made substantial progress with our core technologies across the group. This gives us confidence that through our skills and expertise in location data and technologies, we are well positioned to capture growing opportunities in the area of Autonomous Driving, Connected Car, Fleet Management services and Consumer Wearables.

WE CONTINUE TO BUILD ON A GROWTH AND PERFORMANCE-ORIENTED CULTURE *that embraces teamwork, strong employee engagement, and the drive for excellence*

Underpinning our growth ambition are our people. We encourage our employees to innovate and bring an entrepreneurial spirit to the company. We have more than 3,500

people in Research & Development, enabling us to deliver continuous innovation. Having the greatest talent enables us to deliver the best and most innovative products to our customers.

We achieved significant milestones with our mapping and navigation technologies this year. We have migrated to our unique transactional mapmaking platform that can deliver updated maps increasingly more frequently, to implement our vision of real-time maps. With this technological innovation, TomTom is uniquely well positioned to address the need for accurate and up-to-date maps, for navigation applications and driver assistance applications, including Autonomous Driving.

We launched RoadDNA, our innovative localisation technology that enables a car to calculate its exact position, which is essential for Autonomous Driving. We continue to partner with leading Automotive OEMs and Tier 1s and to position TomTom as a leading technology supplier for the future of driving.

We made good progress on creating our new modular navigation software stack. We have created maps in a new standard map format (NDS) for our 'on device' and server-based navigation applications. The ability to support incremental updates fits well with our transactional mapmaking capability, making it possible to keep an on-board map continuously up-to-date.

We continued to increase our market share in traffic, increasing our global coverage and enhancing our traffic services. We now offer real-time and historical traffic information in 50 countries around the world. By knowing the traffic situation across the entire road network, including weather conditions, we give drivers more insight about the road ahead, making journeys faster and more predictable.

Our Consumer Drive products held up well in 2015, owed to a resilient PND category and the introduction of niche products. We strengthened our ASP, as our product mix in the year was skewed towards higher priced models. Our strategy is to continue to extract value from the PND category, which we believe will remain an important category for the foreseeable future.

Our Sports products' revenue grew considerably this year, which executes on our strategy to diversify our Consumer business. We launched a new generation GPS sport watch, with integrated music player, built-in heart-rate monitor and a 24/7 activity tracking. We entered the action camera market with the launch of the Bandit, the first action camera with a built-in media server, with a 'shake to edit' feature, making it easy to create and share videos in a matter of minutes. We will continue to diversify our Consumer business and look forward to bringing more innovative products to the market.

**OUR 2015 BOOKINGS IN
AUTOMOTIVE EXCEEDED
€300 MILLION, A NEW
RECORD FOR OUR
AUTOMOTIVE BUSINESS;
together with earlier secured orders,
this will grow Automotive revenue
from 2016 onwards**

This level of bookings is substantially higher than in previous years and is a good indication that our strategy in automotive is taking hold. Our product portfolio delivers scalable, efficient to develop and flexible products to our customers, and is gaining a significant interest in the industry. We continued to strengthen our position as the premium traffic service provider with new contract wins such as with Daimler, Kia, Hyundai, Fiat, and Alfa Romeo.

In Licensing, we renewed and extended our global agreement with Apple for maps and related information. We also announced a global, multi-year agreement to provide maps and traffic data for the Uber driver app.

Our Telematics business continued to perform strongly. The subscriber installed base passed the 600,000 vehicles landmark by the year-end, a 30% growth compared with last year. This was achieved through a combination of organic growth and the acquisition of Finder, the leading fleet management service

provider in Poland. Today, our Telematics business is recognised as the largest and fastest-growing telematics provider in Europe. Our established and scalable technology platform, in combination with our ongoing commitment to innovation, sustained investments in R&D and operational leverage, enables us to continue to capitalise on the favourable industry trends. The extensive vehicle-related data that Telematics technology can deliver is also opening up new opportunities for aftermarket Connected Car services.

The demand for location-based applications is expected to continue to grow globally across many industries and we will continue to look for opportunities to innovate and play a leading role. Each of our business units has its own strategy, which includes developing and launching new products, and addressing new markets. While remaining cautious about the short-term economic outlook in our core markets and closely monitoring the developments in the PND market, we are committed to deliver revenue growth in 2016 for the group. We expect the level of investments (both CAPEX and OPEX) in our core technologies to increase substantially compared with the levels seen in previous years. In particular, we are investing in advanced content and software for the automotive industry (e.g. to enable Autonomous Driving) and in our new mapmaking platform. We have prioritised these investment areas to continue to strengthen our capabilities and competitive position, which we believe is essential to drive growth for TomTom on the medium to long-term horizon.

I would like to thank all of our stakeholders: our shareholders for their continued support and confidence in TomTom as we continue our journey in this dynamic and fast moving industry; our customers for their loyalty and valuable feedback that drives us to constantly innovate; and finally our employees for their dedication, energy and hard work.



Harold Goddijn
Chief Executive Officer
TomTom NV