

Trimble Fourth Quarter and Full Year 2018 Results Summary

Forward-looking statements

Certain statements made in this presentation and any subsequent Q&A period are forward-looking statements, within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are made pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995. These statements include expectations for future financial market and economic conditions, whether the positive trend in financial results will continue through 2019, the impact of acquisitions, the ability to achieve long-term business model targets, including with respect to organic growth, software growth and target net working capital and capex, expectations for future R&D spend, the ability to deliver revenue, earnings per share and other financial projections that Trimble has guided for the first quarter of 2019 and beyond, including the expected tax rate, anticipated impact of stock-based compensation expense, amortization of intangibles related to previous acquisitions, anticipated acquisition costs, restructuring charges, the anticipated number of diluted shares outstanding, our long-term growth targets and operating margins. These forward-looking statements are subject to change, and actual results may materially differ due to certain risks and uncertainties. Trimble's expected tax rate and current expected income are based on current tax law, including current interpretations of the Tax Cuts and Jobs Act of 2017 ("TCJA"), and may be affected by evolving interpretations of TCJA, the jurisdictions in which profits are determined to be earned and taxed, changes in the estimates of credits, benefits and deductions, the resolution of issues arising from tax audits with various tax authorities, including payment of interest and penalties, and the ability to realize deferred tax assets. The company's results may be adversely affected if the company is unable to market, manufacture and ship new products, obtain new customers, or effectively integrate new acquisitions, including our recent acquisition of Viewpoint. The company's results would also be negatively impacted by adverse geopolitical developments, weakening in the macro environment, foreign exchange fluctuations, critical part supply chain shortages, and the imposition of barriers to international trade. Any failure to achieve predicted results could negatively impact the company's revenues, cash flow from operations, and other financial results. The company's financial results will also depend on a number of other factors and risks detailed from time to time in reports filed with the SEC, including its quarterly reports on Form 10-Q and its annual report on Form 10-K. Undue reliance should not be placed on any forward-looking statement contained herein. These statements reflect the Company's position as of the date of this presentation. The Company expressly disclaims any undertaking to release publicly any updates or revisions to any statements to reflect any change in the Company's expectations or any change of events, conditions, or circumstances on which any such statement is based.

To help our investors understand our past financial performance and our future results, as well as our performance relative to competitors, we supplement the financial results that we provide in accordance with generally accepted accounting principles, or GAAP, with non-GAAP financial measures. The specific non-GAAP measures, which we use along with a reconciliation to the nearest comparable GAAP measures can be found on our website at <http://investor.trimble.com>.

Agenda

- CEO Overview
- CFO Review of Results
- Guidance
- Q&A



Trimble Dimensions 2018



Fourth quarter 2018 / fiscal year 2018 overview

Fourth Quarter 2018

- Fourth quarter non-GAAP revenue of \$792.9 million, up 13% total, +4% organic
- Annualized recurring revenue of ≈\$1.05 billion
- 56% operating leverage increased adjusted EBITDA margins to 23.6% and delivered \$0.48 EPS (+30% growth)
- Operating model delivered significant operating leverage, in spite of increased uncertainty

Fiscal Year 2018

- Total year non-GAAP revenue of \$3,132 million, up 18% total, +9% organic
- Software, services, and recurring revenue at 52% of total revenue
- 36% operating leverage delivered adjusted EBITDA margins of 22.6%, running ahead of long-term target model
- Acquisitions performed ahead of plan and reinforced franchise strength
- Portfolio actions taken to exit under-performing / non-core product lines
- Trimble's 40th anniversary; record revenues, ARR, earnings, cash flow

Fourth quarter 2018 financial summary

\$M, Except Per Share	Fourth Quarter of		
	2017	2018	Y/Y Change
Non-GAAP Income Statement Highlights			
Revenue	\$701.1	\$792.9	+13%
Gross Margin % of Revenue	55.3%	59.5%	+420bps
Adjusted EBITDA	\$135.0	\$186.8	+38%
Adjusted EBITDA % of Revenue	19.3%	23.6%	+430bps
Operating Income	\$120.1	\$171.9	+43%
Operating Income % of Revenue	17.1%	21.7%	+460bps
Tax Rate	23.0%	19.0%	-400bps
Net Income	\$93.6	\$122.3	+31%
Diluted Earnings Per Share	\$0.37	\$0.48	+30%
Balance Sheet & Cash Flow Highlights			
Net Debt	\$376.5	\$1,796.0	+377%
Deferred Revenue	\$276.6	\$387.2	+40%
Cash Flow from Operations	\$107.1	\$101.9	-5%

- Non-GAAP Revenue: +13% y/y;
 - Organic +4%
 - Currency translation -1%
 - Acquisitions/divestitures +10%
- Non-GAAP gross margin expansion a combination of revenue mix and acquisitions
- Non-GAAP EPS expansion driven primarily by organic revenue, gross margin and operating income expansion; acquisitions net of interest expense were accretive
- Cash flow from operations impacted by interest payment timing

Fiscal year 2018 financial summary

\$M, Except Per Share	Fiscal Year		
	2017	2018	Y/Y Change
Non-GAAP Income Statement Highlights			
Revenue	\$2,649.3	\$3,132.0	+18%
Gross Margin % of Revenue	55.7%	58.0%	+230bps
Adjusted EBITDA	\$535.6	\$708.2	+32%
Adjusted EBITDA % of Revenue	20.2%	22.6%	+240bps
Operating Income	\$471.5	\$643.9	+37%
Operating Income % of Revenue	17.8%	20.6%	+280bps
Tax Rate	23.0%	19.0%	-400bps
Net Income	\$372.4	\$491.7	+32%
Diluted Earnings Per Share	\$1.45	\$1.94	+34%
Cash Flow Highlights			
Share Repurchases	\$285.3	\$93.0	-67%
Cash Flow from Operations	\$429.7	\$486.7	+13%

- Non-GAAP Revenue: +18% y/y;
 - Organic +9%
 - Currency translation +1%
 - Acquisitions/divestitures +8%
- Non-GAAP gross margin expansion a combination of revenue mix and acquisitions
- Non-GAAP EPS expansion driven by organic revenue, gross margin and operating income expansion, acquisitions, tax rate reduction; offset by higher interest expense

Financial metric highlights

Annualized recurring revenue ≈\$1.05B (+36% growth)

TTM cash flow from operations up +13%

\$1.6B in TTM software, services and recurring revenue (+30% growth)

Approx. \$1.1B YE backlog

\$935M in TTM recurring revenue (+26% growth)

Net working capital 3% of TTM revenue

\$387M deferred revenue balance (+40% growth)

+29% TTM subscription revenue growth

Annualized recurring revenue refers to quarterly, non-GAAP recurring revenue multiplied by four (4).

Net working capital refers to accounts receivable plus inventory minus accounts payable minus accrued compensation and benefits minus deferred revenue (short-term and long-term).

SW, Services, Recurring refers to software, services and recurring revenues. Recurring revenue includes subscription, maintenance and support revenues. Software & services includes perpetual licenses and professional services.

Backlog represents contracted revenue for which goods or services have not been delivered and includes both invoiced amounts in deferred revenue as well as amounts that are not yet invoiced. The backlog excludes recurring billings for a portion of the existing customer base that are billed monthly as services are incurred.

Note: Figures may vary due to rounding.

Non-GAAP revenue by reporting segment

\$M	Q4'18	Q4'18 vs. Q4'17 Growth % ⁽¹⁾				TTM Growth CAGR %		Key Factors
		Revenue	Organic	M&A/ Divestiture	FX	Total	1 Year	
Buildings & Infrastructure	\$287.0	+7%	+34%	-1%	+40%	+31%	+16%	<ul style="list-style-type: none"> Viewpoint and e-Builder acquisitions performed ahead of plan Strong organic growth in building construction
Geospatial	\$178.8	+3%	+0%	-1%	+2%	+10%	+2%	<ul style="list-style-type: none"> End-market strength in survey Lower than expected results in OEM and government sales
Resources & Utilities	\$130.1	-0%	+0%	-2%	-2%	+18%	+14%	<ul style="list-style-type: none"> OEM revenue up based on new partners and variable rate technology Aftermarket business up in N. America and S. America, down in Europe and APAC
Transportation	\$197.0	+4%	+2%	< -1%	+4%	+11%	+11%	<ul style="list-style-type: none"> Mobility and enterprise subscription growth Comparable in Q4'17 had peak of phase 1 ELD hardware implementation demand
Trimble Total	\$792.9	+4%	+10%	-1%	+13%	+18%	+11%	

1. Figures represent approximate values.

TTM refers to trailing twelve months.

CAGR refers to compound annual growth rate.

Growth rates reflect values rounded to the nearest percentage point. Figures may vary due to rounding.

FY16 and FY17 reflect the retrospective adoption of ASC 606, Revenue from Contracts with Customers. FY15 was accounted for under the prior revenue recognition standard.

M&A performance



- Revenue and profitability entering FY19 ahead of plan
- FY18 total bookings⁽¹⁾ growth +35%; subscription bookings⁽²⁾ growth +60%
- 70% subscription revenue in FY18
- FY18 net dollar retention >100%⁽³⁾



- Revenue and profitability entering FY19 ahead of plan
- FY18 total bookings⁽⁴⁾ growth +20%; subscription bookings⁽²⁾ growth +45%;
- >70% recurring revenue in 2H18
- >30% subscription revenue in 2H18
- FY18 net dollar retention >100%⁽³⁾



- Customer engagement - direct and indirect sales team initiatives
- Innovation and product & workflow integration - subcontractor to general contractor to owner
- Organizational alignment - customer-centric reorganization of teams

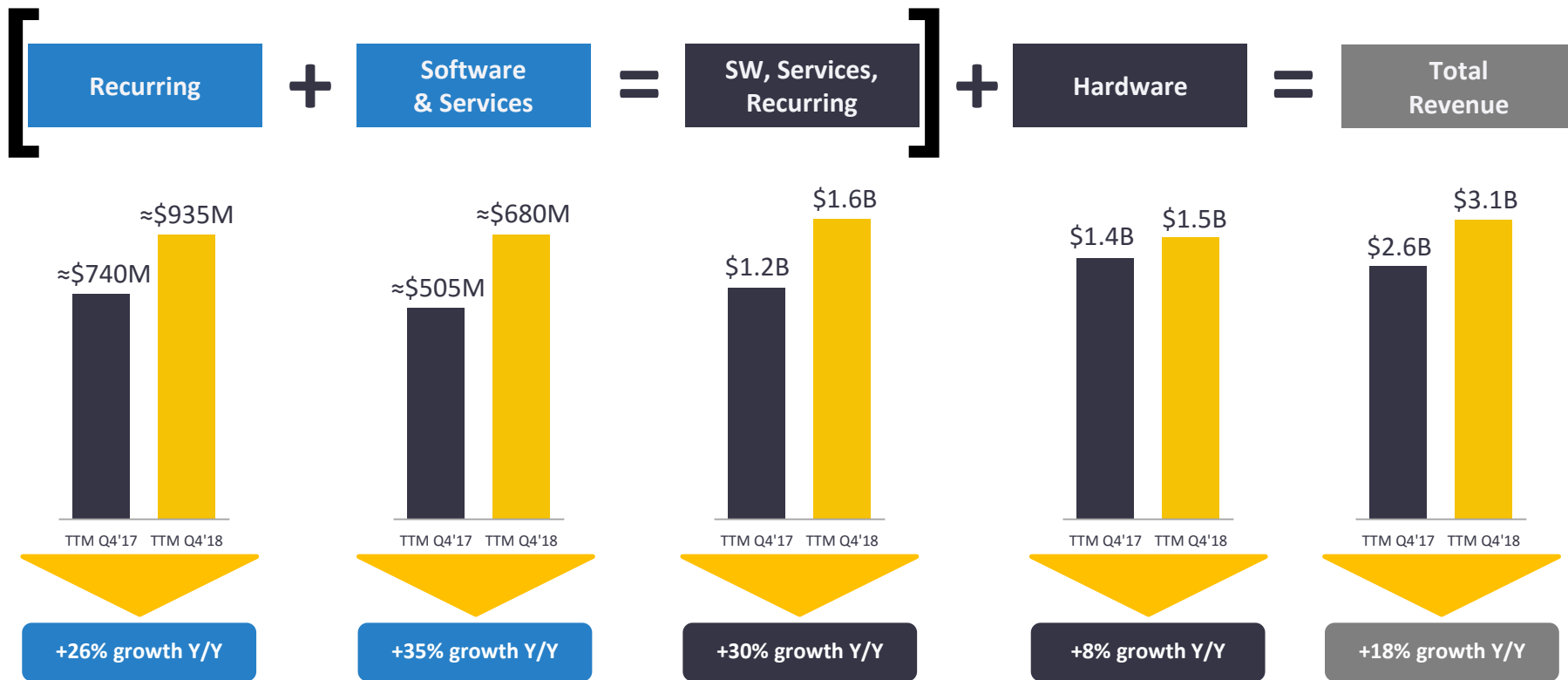
Non-GAAP revenue by region

	% of Total		% Change	
	Q4'17	Q4'18	Y/Y Quarterly	Y/Y TTM
North America	51%	53%	+16%	+18%
Europe	27%	28%	+15%	+27%
Asia-Pacific	15%	13%	-0%	+10%
Rest of World	7%	6%	+11%	+0%
Total	100%	100%	+13%	+18%

FY17 reflect the retrospective adoption of ASC 606, Revenue from Contracts with Customers.

Note: Figures may vary due to rounding.

Non-GAAP revenue mix, trailing 12 month growth



Recurring revenue includes subscription, maintenance and support revenues.
 Note: Figures may vary due to rounding.

Non-GAAP operating income by reporting segment

\$M, Non-GAAP	Q4'18			TTM Q4'18		TTM Growth CAGR %		Q4'18 Y/Y Key Factors
	Operating income \$	Operating income %	Growth vs. Q4'17	Operating income \$	Operating income %	1 Year	3 Year	
Buildings & Infrastructure	\$72.5	25.3%	+73%	\$256.7	23.6%	+46%	+33%	<ul style="list-style-type: none"> Mix transitioning to higher software / services / recurring Gross margin expansion from product mix and pricing Portfolio adjustment ongoing Continued operating expense management Acquisition profitability exceeding expectations
Geospatial	\$40.1	22.4%	+13%	\$166.4	23.0%	+29%	+7%	
Resources & Utilities	\$35.3	27.1%	+8%	\$168.2	29.6%	+22%	+15%	
Transportation	\$44.5	22.6%	+26%	\$143.3	19.0%	+25%	+10%	
Corporate ¹	-\$20.5	--	--	-\$90.7	--	--	--	
Trimble Total	\$171.9	21.7%	+43%	\$643.9	20.6%	+37%	+18%	

FY16 and FY17 reflect the retrospective adoption of ASC 606, Revenue from Contracts with Customers. FY15 was accounted for under the prior revenue recognition standard.

1. Represents unallocated corporate expense.

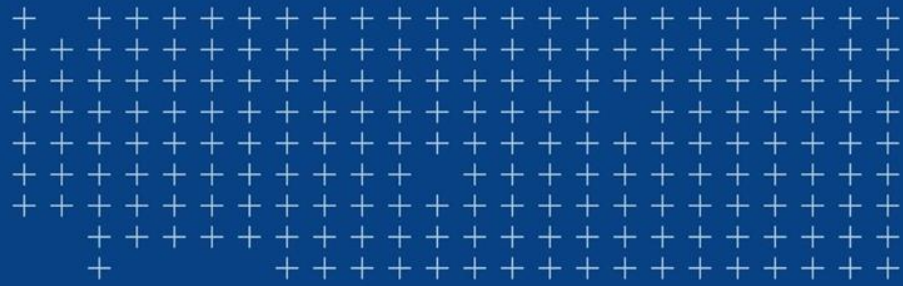
Guidance and outlook

First Quarter 2019

- Non-GAAP revenue of \$795-\$820 million
- +7-10% total growth; +3-5% organic, +6-7% M&A, -2% FX
- Non-GAAP EPS of \$0.44 to \$0.48
- Income from equity method investments ≈\$8M
- Net interest expense ≈\$22M
- Non-GAAP tax rate of 20%, 254M shares outstanding

Fiscal Year 2019

- +6-10% total growth; +4-7% organic, +3-4% M&A, -1% FX
- Total year high single-digit non-GAAP EPS growth, accelerating through the year
- Income from equity method investments ≈\$35M
- Net interest expense ≈\$80M; decreasing through the year
- Ahead of de-leveraging plan
- Cash flow from operations > non-GAAP net income; reduced capital expenditures
- Non-GAAP tax rate of 20%, 254M shares outstanding



Q&A

