



## **Trimble Reports First Quarter 2005 Revenue and Earnings**

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**SUNNYVALE, Calif., April 21, 2005** -- Trimble (Nasdaq: TRMB) today announced results for its first quarter of 2005, ended April 1, 2005. Revenue for the first quarter was \$195.4 million, up approximately 25 percent from revenue of \$156.5 million in the first quarter of fiscal 2004.

Operating income for the first quarter of 2005 was \$30.2 million, up 66 percent when compared to operating income of \$18.2 million in the first quarter of 2004. Net income for the first quarter of 2005 was \$17.4 million, or \$0.31 per share, up approximately 36 percent when compared to net income of \$12.8 million, or \$0.24 per share, for the first quarter of fiscal 2004.

Net income in the first quarter of 2004 was based on a 15 percent effective tax rate, compared to an effective tax rate of 34 percent for the first quarter of 2005. The 2004 effective tax rate benefited from a research and development tax credit and net operating loss carry-forwards. These should be factored into year-over-year comparisons.

"Trimble's results reflect our strategic emphasis on providing high-value productivity solutions for targeted applications in construction, agriculture, and the mobile work force markets. Our ability to combine industry domain knowledge, together with positioning technologies, applications software, and wireless communications, enables us to meet emerging market needs," said Steven W. Berglund, Trimble's president and chief executive officer. "Our emphasis on providing productivity, combined with our strong product portfolio, should enable us to make a significant contribution to the technological transformation of our markets throughout 2005."

#### **Trimble Results by Business Segment**

Trimble experienced growth across its business segments, as follows:

Engineering and Construction (E&C) revenue in the first quarter of fiscal 2005 was \$120.2 million, up approximately 17 percent compared to revenue of \$102.5 million in the first quarter of fiscal 2004. Demand for the recently announced Trimble S6 Total Station for survey was strong in the quarter, as was machine control sales. Operating margins for E&C were 17.9 percent, up from 16.1 percent in the first quarter of 2004.

Trimble Field Solutions (TFS) revenue in the first quarter was \$45.4 million, a growth of approximately 84 percent compared to the first quarter of 2004. TFS growth was driven primarily by sales of precision agricultural solutions, including the AgGPS EZ-Guide™ Plus, the AgGPS EZ-Steer™, and the AgGPS Autopilot™ systems. Operating margins were at 34.3 percent, compared to 24.5 percent in the first quarter of 2004.

Component Technologies (CT) revenue was \$14.2 million, down from \$16.4 million in the same period of 2004, primarily due to softness in its in-vehicle navigation and timing products. As a result, CT operating margins were at 18.3 percent in the first quarter of 2005, compared to 23.9 percent in the first quarter of 2004. During the quarter, Trimble began shipments of its TrimTrac™ Locator, which is expected to contribute meaningfully to CT revenue throughout 2005.

Trimble Mobile Solutions (TMS) revenue for the first quarter was \$7.4 million, up 41 percent from revenue of \$5.3 million in the first quarter of 2004. Operating losses were down to \$0.6 million, compared to losses of \$1.6 million in the first quarter of fiscal 2004. Subscriber growth was up over 300 percent from the first quarter of 2004, and up 22 percent versus the previous quarter.

Portfolio Technologies revenue was \$8.2 million, up slightly from revenue of \$7.7 million in the first quarter of fiscal 2004. Operating margins were down from 11.8 percent in the first quarter of 2004, to 7.7 percent in the first quarter of 2005.

#### **Non-GAAP vs. GAAP Financials**

The Company provides non-GAAP financial measures called "non-GAAP net income" and "non-GAAP EPS" to supplement its consolidated financial statements presented in accordance with GAAP. These non-GAAP financial measures are intended to supplement the user's overall understanding of the Company's current financial performance and its prospects for the future. In many cases, non-GAAP financial measures are used by analysts and investors to evaluate the Company.

The Company excluded amortization of purchased intangibles, restructuring charges, and the amortization of acquisition related inventory step-up charges because the chief executive officer excludes these items when budgeting and evaluating the business. The Company uses a fully-taxed rate of 35 percent for non-GAAP net income and earnings per share because it is used by outside analysts and investors, as well as for internal analysis, to provide comparable information for use in evaluating Trimble's performance versus prior periods and other companies. However, these non-GAAP financial measures are not intended to supersede or replace the Company's GAAP results. Please see the supplemental financial statements, attached to this press release, for a reconciliation of GAAP to Non-GAAP results.

### **Non-GAAP Net Income and Earnings Per Share**

Non-GAAP net income for the first quarter of fiscal 2005 was \$19.0 million, up approximately 69 percent compared to non-GAAP net income of \$11.2 million in the first quarter of fiscal 2004. Non-GAAP earnings per share for the first quarter of fiscal 2005 were \$0.34, up approximately 62 percent from \$0.21 per share in the first quarter of fiscal 2004.

GAAP and non-GAAP earnings per share for the first quarter of 2005 were calculated on a diluted basis using approximately 56.4 million shares.

### **Forward Looking Guidance**

For the second quarter of fiscal 2005, the company is raising guidance from a baseline of 12 to 15 percent revenue growth to 14 to 17 percent revenue growth, versus the prior year. This represents revenue of \$205 to \$210 million, with operating margins of approximately 16.0 to 16.3 percent of revenue. Non-operating expenses are expected to be approximately \$3.3 million. The Company expects to use a 34 percent effective tax rate for GAAP income tax provision. Trimble expects GAAP earnings per share between \$0.34 and \$0.37 per share, using approximately 56.8 million shares outstanding. Included in the assumptions regarding our GAAP earnings per share projections is approximately \$2.3 million for amortization of purchased intangibles.

### **Investor Conference Call / Webcast Details**

The Company will hold a conference call on Thursday, April 21, 2005 at 1:30 p.m. PDT to review its first quarter 2005 results. It will be broadcast live on the Web at [www.trimble.com/investors.shtml](http://www.trimble.com/investors.shtml). A replay of the call will be available for seven days beginning at 8:00 p.m., PDT. The replay number is (800) 642-1687 (U.S.), or (706) 645-9291 (international), and the passcode is 5580216.

### **About Trimble**

Trimble is a leading innovator of Global Positioning System (GPS) technology. In addition to providing advanced GPS components, Trimble augments GPS with other positioning technologies as well as wireless communications and software to create complete customer solutions. Trimble's worldwide presence and unique capabilities position the Company for growth in emerging applications including surveying, automobile navigation, machine guidance, asset tracking, wireless platforms, and telecommunications infrastructure. Founded in 1978 and headquartered in Sunnyvale, Calif., Trimble has more than 2,000 employees in more than 20 countries worldwide.

Certain statements made in this press release 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 the revenue, non-operating expenses, operating margins, effective tax rate, and earnings per share estimates for the second fiscal quarter of 2005, as well as expectations for revenue from the TrimTrac Locator and improved profit margins in TMS, in 2005. These forward-looking statements are subject to change, and actual results may materially differ from those set forth in this press release due to certain risks and uncertainties. For example, recent strong demand for the Company's products may not continue because of a decline in the overall health of the economy and international markets, which may result in reduced capital spending. In addition, the Company's results may be adversely affected if its joint ventures and recent acquisitions do not achieve anticipated results or if the Company is unable to market, manufacture and ship new products such as the TrimTrac locator. Any failure to achieve predicted results could negatively impact the Company's revenues, gross margin and other financial results. Whether the Company achieves its guidance for the second fiscal quarter of 2005 will also depend on a number of other factors, including the 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 release. 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.

### **Financial Tables**

- [Consolidated Statements of Operations](#)
- [Reconciliation of GAAP to Non-GAAP](#)
- [Consolidated Balance Sheet](#)
- [Consolidated Statements of Cash Flows](#)

- [Summary Financial Information](#)
- [EBITDA Reconciliation](#)

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