

Investor Frequently Asked Questions - March 17, 2020

- **Describe the highlights of your capital structure and liquidity**
 - Investment grade ratings by both Moody's and Standard and Poor's
 - Net debt to Adjusted EBITDA as of 1/3/2020: 2.2x
 - 2018 Credit Facility maximum leverage ratio covenant: 3.75x
 - 3.50x starting in Q1' 2021
 - Net Debt: \$1,654 million
 - Total Debt: \$1,843 million
 - Total Cash & ST Investments: \$189 million
 - Total Debt:
 - Fixed Interest Rate Bonds: \$1,300 million
 - Variable Interest Rate, Prepayable Bank Debt: \$543 million
 - Liquidity:
 - Cash and short term investments: \$189 million
 - Total Available Funds Under Credit Facility: \$1,250 million
 - Borrowings Under Credit Facility as of 12/31/19: \$110 million
 - Maturity Year of Revolving Credit Facility: 2023
 - Debt Maturities
 - 2020: \$219 million
 - 2021: \$225 million
 - 2022: --
 - 2023: \$410 million
 - 2024: \$400 million
 - Thereafter: \$600 million

- **Describe the resiliency of your business model in the face of macroeconomic uncertainty**
 - Reporting segment balance
 - Both revenue and operating income more balanced today than in 2012
 - Less reliance on Geospatial and Resources & Utilities
 - See table below:

Non-GAAP Operating Income (1, 2)	2012	2019
Buildings & Infrastructure	14%	43%
Geospatial	40%	18%
Resources & Utilities	36%	23%
Transportation	10%	16%
Total	100%	100%

(1) Represents non-GAAP operating income before unallocated corporate expenses.

(2) FY12 figures are estimates due to re-segmentation in FY17, operating income % reflects % of segment operating income (before corporate expenses). The company is not able to reconcile this segment information to GAAP without unreasonable effort.

Note: Investors are encouraged to review the reconciliation of our non-GAAP financial measures to the comparable GAAP Results, which can be found here: [link here](#). Additional financial information about our use of non GAAP results can be found on the investor relations page of our web site at: <http://investor.trimble.com>.

Investor Frequently Asked Questions - March 17, 2020 (cont.)

- **Describe the resiliency of your business model in the face of macroeconomic uncertainty (cont.)**
 - End market balance
 - Geospatial business less exposed to oil & gas
 - In 2014, roughly estimated 30% of geospatial business was related to oil & gas
 - In 2019, roughly estimated 15% of geospatial business was related to oil & gas, or <5% of Trimble revenue
 - Agriculture business more geographically balanced
 - In 2013, our largest geographic market was the United States
 - In 2019, our largest geographic market was Europe, followed by the United States, followed by Brazil (which has been growing rapidly in recent years)
 - Revenue mix
 - Higher mix of recurring revenue
 - In 2012, 32% of overall Trimble revenue was software/services/recurring, and 19% of overall revenue was recurring
 - In 2019, 57% of overall Trimble revenue was software/services/recurring, and 34% of overall revenue was recurring
 - Trimble's annualized recurring revenue (ARR), composed primarily of subscription, maintenance, and support revenue, was \$1.13B at the end of FY19. Trimble also recognized an additional \$75 million in term licenses in FY19, which are also considered recurring in nature, but not currently accounted for as ARR
 - Cash flow generation
 - Asset light business model
 - 2019 net working capital: ~3% of revenue
 - 2019 capital expenditures: ~2% of revenue
 - Strong cash flow generation
 - 2019 operating cash flow of \$585 million, representing 1.16x non-GAAP net income

Investor Frequently Asked Questions - March 17, 2020 (cont.)

- **What new product offerings were highlighted at the ConExpo show?**
 - Trimble announced the Trimble® Platform as a Service, an offering that gives contractors the ability to purchase select civil construction hardware and software solutions and continually upgrade those solutions with the latest innovations from Trimble. Bundled solutions include the Trimble Earthworks Grade Control Platform, Trimble Siteworks Positioning Systems, Trimble Correction Services and select office software. See [link here](#)
 - Trimble introduced the latest versions of its Tekla software solutions for advanced Building Information Modeling (BIM), structural engineering and steel fabrication management—Tekla Structures 2020, Tekla Structural Designer 2020, Tekla Tedds 2020 and Tekla PowerFab 2020. See [link here](#)
 - Trimble announced Trimble® Earthworks Grade Control Platform version 2.0 with new features for all machine types, along with the release of the Trimble Earthworks Assistant App for in-cab learning material. See [link here](#)
 - Trimble previewed Trimble® WorksOS, a new Software-as-a-Service (SaaS) operating system which will integrate data from Trimble and third-party providers across the entire civil construction project lifecycle, including estimating, scheduling, designs and the field. See [link here](#)
 - Trimble and Hyundai Construction Equipment announced the availability of Trimble® LOADRITE® L3180 SmartScale as an option on Hyundai Wheel Loaders across the European Union. See [link here](#)
- **Describe the restructuring of the VSS Joint Venture (JV) with Caterpillar (CAT)**
 - Trimble’s relationship with CAT is a 20+ year relationship, and there is no change to the primary joint venture that develops machine control and guidance technologies and no change to the SITECH distribution channel.
 - The construction telematics joint venture (VirtualSite Solutions) is financially immaterial to Trimble's results.
 - Both CAT and Trimble each have their own unique digital strategies as it relates to the future development of the product/technology roadmap, and the restructuring of the JV will essentially allow each of the two companies to pursue and prioritize their own respective roadmaps with respect to solution development.
 - With the change, Trimble will be able to focus on providing customers with telematics solutions tied to geospatial-based services that can work with mixed fleet machinery assets as well as non-machine assets.
 - The JV restructuring will also allow Trimble to accelerate development around productivity solutions geared toward the site and office through WorksOS (see [link here](#)). WorksOS is indicative of our civil construction software strategy where we will bring together design, production, condition monitoring and ERP elements such as job costing into an overall “operating system” view. (see video [here](#) from Conexpo)