



Trimble Reports First Quarter 2006 Revenue Growth of 16 Percent and Earnings Per Share Growth of 45 Percent

SUNNYVALE, Calif., April 19, 2006 - Trimble (NASDAQ: TRMB) today announced results for its first quarter 2006, ended March 31, 2006. Revenue for the first quarter of 2006 was \$225.9 million, up approximately 16 percent from revenue of \$195.4 million in the first quarter of 2005.

Operating income for the first quarter of 2006 was \$33.1 million, up 10 percent over operating income of \$30.2 million in the first quarter of 2005. For year-over-year comparisons, it should be noted that for the first time operating income reflects the impact of stock-based compensation resulting from the adoption of FAS 123[®] of \$3.2 million. Additionally, the quarter was the first in which transactions with the Caterpillar joint venture, Caterpillar Trimble Control Technologies (CTCT), which were \$5.2 million, were reflected in operating results, versus non-operating results. On a comparative basis, adjusting for the above factors, operating income in the first quarter of 2006 was up 38 percent compared to the first quarter of 2005.

Net income for the first quarter of 2006 was \$25.8 million, up 48 percent when compared to net income of \$17.4 million in the first quarter of 2005. Earnings per share for the first quarter of 2006 were \$0.45, up approximately 45 percent compared to earnings per share of \$0.31 in the first quarter of 2005. Earnings per share were negatively impacted by \$0.04 due to the adoption of FAS 123[®]. It should be noted that the tax rate for the first quarter of 2006 was 28 percent, compared to a first quarter 2005 tax rate of 34 percent, due to the favorable outcome of an income tax audit.

Trimble's results in the first quarter of 2006 demonstrate continuing progression in both our strategic and financial development, said Steven W. Berglund, Trimble's president and chief executive officer. We continue to see robust demand for position-centric productivity solutions as we convert traditional work techniques to new solutions enabled by technology. Our outlook for the full year remains positive in each of our segments.

Trimble Results by Business Segment

The impact of the adoption of FAS-123[®], discussed above, should be considered in all year-over-year segment comparisons as first quarter 2005 results did not include stock-based compensation expense.

Engineering and Construction

Revenue for Engineering and Construction (E&C) was \$146.7 million for the first quarter of 2006, up approximately 22 percent compared to revenue of \$120.2 million in the first quarter of 2005.

On a reported basis, operating margins in E&C were 18 percent in the first quarter of 2006, flat when compared to the first quarter of 2005. Excluding the impact of FAS 123[®] adoption and the CTCT joint venture, discussed above, E&C operating margins were up significantly year-over-year.

E&C growth was driven by a steady market and upgrade cycle, as well as continued sales of products introduced in the last year. Margins were positively impacted by higher gross margins, as well as strong operating leverage.

Field Solutions

Revenue for Field Solutions (TFS) was \$43.0 million in the first quarter of 2006, down 5 percent compared to \$45.4 million in revenue in the first quarter of 2005. Given an 84 percent year-over-year revenue growth in TFS in the first quarter of 2005, year-over-year comparisons were expected to be lower for the first quarter of 2006. During the first quarter of 2006, sales in agriculture products were less than the previous year, while geographical information system products demonstrated growth.

TFS operating margins for the first quarter of 2006 were 32 percent, compared to 34 percent in the first quarter of 2005 due to shifts in product mix.

Advanced Devices

Advanced Devices, a newly reported segment, combines Trimble's previous Component Technologies and Portfolio segments. This combination is recognition of the small size of each of the businesses comprising these two former segments relative to the total company. Year-over-year comparisons combine the two former segments in the first quarter of 2005. Most of the businesses in the Advanced Devices segment will continue to focus primarily on products which embed technologies that can be utilized in a number of different markets.

First quarter 2006 revenue in the segment was \$23.5 million, up 5 percent from revenue of \$22.4 million in the first quarter of 2005.

Advanced Devices operating margins were 10 percent, compared to 14 percent in the first quarter of 2005. The decline is mainly due to the impact of product mix and higher spending for new product development and roll-out.

Mobile Solutions

First quarter 2006 revenue for Mobile Solutions (TMS), was \$12.6 million, up 70 percent from revenue of \$7.4 million in the first quarter of 2005. Revenue growth resulted from organic growth, as well as from the acquisitions of MobileTech Solutions, Inc. and Advanced Public Safety, Inc.

TMS operating margins were 2 percent for the first quarter of 2006, compared to a negative 9 percent in the first quarter of 2005. The Company achieved break-even in this segment in the fourth quarter of 2005 and expects to maintain profitability going forward.

Non-GAAP Net Income and Earnings Per Share

Non-GAAP net income for the first quarter of 2006 was \$29.8 million, up 57 percent compared to non-GAAP net income of \$19.0 million in the first quarter of fiscal 2005.

Non-GAAP earnings per share for the first quarter of 2006 was \$0.52 up approximately 53 percent from \$0.34 per share in the first quarter of 2005.

GAAP and non-GAAP earnings per share for the first quarter of 2006 were calculated on a diluted basis using approximately 57.9 million shares.

Forward Looking Guidance

In the second quarter of 2006 the Company expects revenue to grow 13 to 16 percent compared to the second quarter of 2005, with revenue between \$231 million and \$237 million. At a 34 percent tax rate, with 58.7 million shares outstanding, the Company expects second quarter 2006 GAAP earnings per share between \$0.43 and \$0.46 cents.

The above GAAP guidance includes stock-based compensation due to the adoption of FAS 123[®]. On a post-tax basis, the Company expects stock-based compensation for the second quarter of 2006 to be \$2.1 million, or approximately \$0.04 per share. For comparative purposes, in the second quarter of 2005 the pro forma stock-based compensation expense was \$2.5 million, or \$0.05 per share.

Using a 34 percent tax rate excluding the amortization of intangibles of \$2.3 million and the impact of stock-based compensation expense of \$3.1 million the Company expects non-GAAP earnings per share between \$0.49 and \$0.52.

Non-GAAP vs. GAAP Financials

The Company provides non-GAAP financial measures called non-GAAP net income, non-GAAP earnings per share, non-GAAP operating income, and non-GAAP E&C operating margins 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 excludes the amortization of purchased intangibles, restructuring charges, the amortization of acquisition related inventory step-up charges, and the impact of stock-based compensation in computing non-GAAP measures because the chief executive officer excludes these items when budgeting and evaluating the business. 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.

Investor Conference Call / Webcast Details

The Company will hold a conference call on April 19, 2006 at 1:30 p.m. PT to review its first quarter 2006 results. It will be broadcast live on the Web at www.trimble.com/investors.aspx. A replay of the call will be available for thirty days beginning at 8:00 p.m., PT. The replay number is (800) 642-1687 (U.S.), or (706) 645-9291 (international), and the pass code is 7751380.

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, agriculture, machine guidance, asset and fleet management, wireless platforms, and telecommunications infrastructure. Founded in 1978 and headquartered in Sunnyvale, California, Trimble has more than 2,400 employees in more than 18 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, operating margins, effective tax rate,

stock-based compensation, amortization of purchased intangibles and earnings per share estimates for the second fiscal quarter of 2006 and the Company's outlook for the remainder of the year. 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, 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. Fuel and other operating costs could remain high or increase, which could weaken sales into the agricultural market. In addition, the Company's results may be adversely affected if the growth rates and profitability expectations for each of its four segments are not achieved, or its joint ventures and recent acquisitions do not achieve anticipated results, or if the Company is unable to market, manufacture and ship new products. 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 2006 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

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[Reconciliation of GAAP to Non-GAAP](#)

[Consolidated Balance Sheet](#)

[Consolidated Statements of Cash Flows](#)

[Summary Financial Information](#)

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