



Trimble Fourth Quarter and Full Year 2019 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 2020, 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 capital expenditures, 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 2020 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, and 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 the Company's tax structure under current law, including where the Company's assets are deemed to reside for tax purposes, evolving interpretations of US and other applicable tax laws, changes in the estimates of credits, benefits and deductions, the resolution of issues by various tax authorities, and other factors. 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. 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 following pages contain non-GAAP measures including non-GAAP revenue, non-GAAP annualized recurring revenue, Adjusted EBITDA, non-GAAP operating income, non-GAAP gross margins, non-GAAP tax rate, non-GAAP net income, and non-GAAP diluted earnings per share. 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>.

Fourth quarter and full year 2019 highlights

Financial Highlights – Q4 and 2019

- Fourth quarter non-GAAP revenue of \$827 million, +4.3% total, +4% organic (+3% 14th week), +1% M&A, -1% FX
- Total year non-GAAP revenue of \$3.27B, +4.4% total, +2% organic, +4% M&A, -1.5% FX
- Annualized recurring revenue of ≈\$1.13 billion, up 6%
- Fourth quarter non-GAAP operating margins of 21.6%, adjusted EBITDA margins of 23.4%
- Total year operating cash flow \$585 million, up 20%; total year free cash flow \$516 million, up 23%

Operational Highlights – Q4

- Company reorganization brings operational focus to construction, natural resources, geospatial, transportation, and autonomy
- Cityworks acquisition (software business model) provides company-wide platform for enterprise asset management with initial focus in local government and utilities
- Announced acquisitions of Can-Net and iBase virtual reference station networks (subscription business model), adding 1.1m square kilometers to our GNSS correction services coverage in Canada and New Zealand
- New product innovation in all reporting segments
- Cost containment and reduction, in addition to exiting two businesses

Financial metric highlights

**Annualized recurring revenue ≈\$1.13B
(+6% growth)**

**TTM free cash
flow up +23%**

**\$1.9B in TTM software, services
and recurring revenue
(+15% growth)**

**TTM research & development
14.4% of revenue
(>65% of R&D in software)**

**Net working capital
3% of TTM revenue**

**\$542M deferred
revenue balance
(+40% growth,
impacted by FYE timing)**

**+24% TTM subscription
revenue growth**

TTM refers to trailing twelve months.

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

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).

Figures may vary due to rounding.

Kuebix Acquisition Highlights (Q1 2020)



Global reach with deep domain knowledge and applied transportation expertise in the back office, in-cab, routing and final mile.



The leading shipping community in North America with >21,000 shipper participants and 12 years of operating experience.

Transformative Combination of Complementary Strengths

Industry's largest connected network of shippers and carriers in the North American supply chain.

Market Segment

Large and medium size carriers, private fleet and intermediaries

Small and medium size shippers and intermediaries

Expand TAM: carriers + private fleet + shippers + intermediaries

Technology

Combination of on-premise and cloud TMS, telematics devices, and visibility software

Native cloud-based multi-tenant SaaS

Technology advantage: Combined, cloud-based platform for carrier/shipper TMS and transaction execution

Value Proposition

Optimize carrier operations

Lower landed cost of goods

Mutually beneficial value proposition for shippers and carriers: higher asset utilization, capacity availability and network optimization

Acceleration Drivers

Current install base of 1.3M carrier assets increasingly looking for cloud-based TMS solutions

Rapid market adoption through strategic channel partnerships

Network effect: combining critical mass of supply and demand into a single platform TMS/market



Cityworks Acquisition Highlights (Q4 2019)

Cityworks

Cityworks Overview

- Leading provider of Enterprise Asset Management (EAM) software for local governments and utilities in North America.
- Software provides system of record (SoR) for managing assets, infrastructure and associated work activities including maintenance, construction permits and licensing for water and electric utilities, municipalities, transportation, and public works organizations.
- Over 700 customers in North America, Europe, Australia, Middle East
- Business model with recurring annual software contracts, low churn, and implementation handled by third-party partner network
- Privately held, launched in 1996. HQ in Sandy, Utah.

Trimble Utilities and Local Government Capabilities

- Trimble's utilities and local government solutions include a range of mobility, IoT, software, and analytics offerings for electric, gas, water, and local governments.
- Solutions include mapping, design, construction management, asset condition assessment, mobile work management, wireless remote monitoring, and advanced utility network and distribution management.
- Serving global customer base of government and utilities organizations, industry manufacturers, AEC firms, industry contractors, and service providers.



Strategic Rationale

- Expands Trimble capabilities for accelerating digital transformation across utilities, public works, and asset-intensive industries.
- Brings together Cityworks' best-in-class EAM solution with Trimble's full suite of mobile, IoT, and infrastructure lifecycle technology solutions.
- Provides comprehensive digital platform with asset analytics and insights for transforming the design-build-operate (DBO) lifecycle in government and utilities.
- Integrated offerings enable improved return-on-investment and reduced risk on infrastructure construction and operation.

Cityworks Solutions Overview

- Cityworks provides a comprehensive software solution to assist with key asset and infrastructure operations in government and utilities organizations:

Manage Infrastructure

Lifecycle Asset Management • Risk Analysis • Asset Repair
Predictive Maintenance • Materials Management

Manage Development

Land Development • Building Construction • Inspection
Planning and Zoning • Fees and Assessments

Manage Regulations

Permitting • Code Enforcement • Licensing
Code Compliance • Citizen Requests



Recent Innovation

XR10 Mixed Reality Hardhat



The only worksite ready mixed reality HoloLens device in the world

X7 3D Laser Scanner



High-speed 3D laser scanning system with new innovations to simplify adoption, increase efficiency and provide confidence in the field

Weedseeker 2 Spot Spray System



Next-gen system, reducing the amount of herbicide usage by up to 90%

R12 GNSS Receiver



Improved performance in challenging GNSS conditions with ground-breaking signal management and rugged durability

Fourth quarter 2019 financial summary

\$M, Except Per Share	Fourth Quarter of		
Non-GAAP Income Statement Highlights	2018	2019	Y/Y Change
Revenue	\$792.9	\$826.7	+4%
Gross Margin % of Revenue	59.5%	59.0%	-50bps
Adjusted EBITDA	\$186.8	\$193.2	+3%
Adjusted EBITDA % of Revenue	23.6%	23.4%	-20bps
Operating Income	\$171.9	\$178.2	+4%
Operating Income % of Revenue	21.7%	21.6%	-10bps
Tax Rate	19.0%	19.0%	+0bps
Net Income	\$122.3	\$134.1	+10%
Diluted Earnings Per Share	\$0.48	\$0.53	+10%
Balance Sheet & Cash Flow Highlights			
Net Debt	\$1,796.0	\$1,654.0	-8%
Deferred Revenue	\$387.2	\$541.9	+40%
Cash Flow from Operations	\$101.9	\$122.2	+20%
Free Cash Flow	\$87.4	\$107.8	+23%

- Non-GAAP Revenue: +4.3% y/y;
 - Organic +4% (+3% 14th week)
 - Currency translation -1%
 - Acquisitions/divestitures +1%
- Non-GAAP gross margin down due to Transportation, all other segments were up
- Non-GAAP EPS up \$0.05/share, driven by higher revenue and cost containment
- Free cash flow growth driven by EBITDA growth and reduced working capital requirements
- Deferred revenue balance impacted by timing of fiscal year end and billing of subscription/software maintenance

Adjusted EBITDA refers to non-GAAP operating income plus depreciation plus income from equity method investments, net.

Net debt refers to total debt minus total cash and cash equivalents.

Free cash flow refers to cash flow from operations minus capital expenditures.

Figures may vary due to rounding.

Fiscal year 2019 financial summary

\$M, Except Per Share	Fiscal Year		
	2018	2019	Y/Y Change
Non-GAAP Income Statement Highlights			
Revenue	\$3,132.0	\$3,271.3	+4%
Gross Margin % of Revenue	58.0%	57.7%	-30bps
Adjusted EBITDA	\$708.2	\$743.0	+5%
Adjusted EBITDA % of Revenue	22.6%	22.7%	+10bps
Operating Income	\$643.9	\$667.8	+4%
Operating Income % of Revenue	20.6%	20.4%	-20bps
Tax Rate	19.0%	19.5%	+50bps
Net Income	\$491.7	\$502.6	+2%
Diluted Earnings Per Share	\$1.94	\$1.99	+3%
Cash Flow Highlights			
Share Repurchases	\$93.0	\$179.8	+93%
Cash Flow from Operations	\$486.7	\$585.0	+20%
Free Cash Flow	\$419.1	\$516.0	+23%

- Non-GAAP Revenue: +4.4% y/y;
 - Organic +2%
 - Currency translation -1.5%
 - Acquisitions/divestitures +4%
- Non-GAAP gross margin down due to revenue mix
- Non-GAAP EPS up \$0.05/share
- Free cash flow growth driven by reduced working capital requirements and lower M&A expenses

Non-GAAP revenue by reporting segment

\$M	Q4'19	Q4'19 vs. Q4'18 Growth %				TTM Growth CAGR %		Key Factors
		Revenue	Organic	M&A/ Divestiture	FX	Total	1 Year	
Buildings & Infrastructure	\$313.8	+10%	+0%	-1%	+9%	+16%	+19%	<ul style="list-style-type: none"> ▪ Growth in building and civil construction ▪ +4% from 14th week ▪ Subscription conversion ahead of expectations ▪ Viewpoint, e-Builder, civil engineering and construction double digit growth
Geospatial	\$168.7	-5%	+0%	-1%	-6%	-10%	+1%	<ul style="list-style-type: none"> ▪ Improved trend from recent quarters ▪ Minimal impact from 14th week ▪ Survey and OEM sales remain down
Resources & Utilities	\$138.1	+1%	+7%	-1%	+6%	+1%	+13%	<ul style="list-style-type: none"> ▪ Growth in positioning services, forestry, and utilities businesses ▪ +2% from 14th week ▪ Agriculture down primarily due to OEM weakness
Transportation	\$206.1	+5%	+0%	-1%	+5%	+5%	+10%	<ul style="list-style-type: none"> ▪ Growth in mobility and mapping businesses; mobility churn increased ▪ +4% from 14th week
Trimble Total	\$826.7	+4%	+1%	-1%	+4%	+4%	+11%	

CAGR refers to compound annual growth rate.

Organic growth is approximate and includes revenue from acquisitions completed in, or before, the corresponding prior year quarter.

Fiscal 2015, used in the 3 year TTM growth metric, was accounted for under the prior revenue recognition standard.

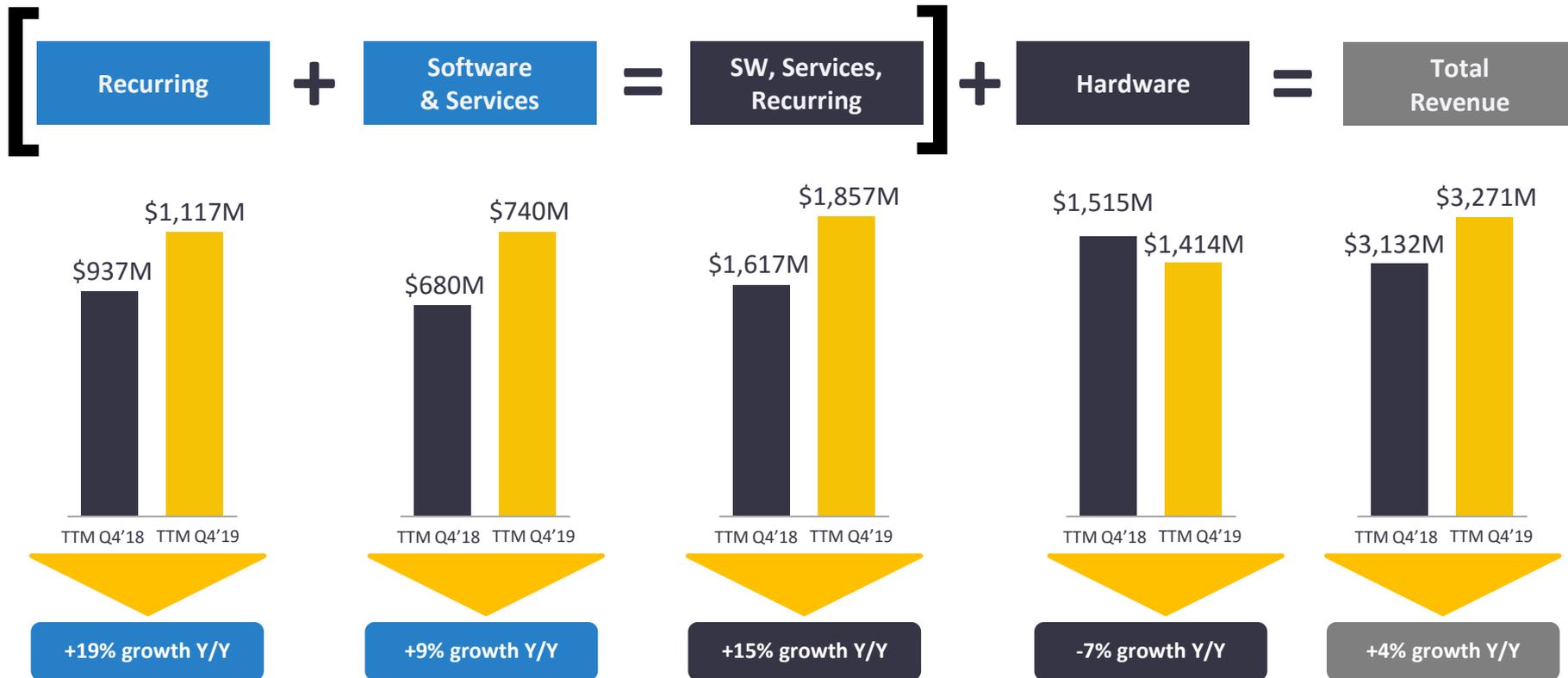
Figures may vary due to rounding.

Non-GAAP operating income by reporting segment

\$M, Non-GAAP	Q4'19			2019			Q4'19 Y/Y Key Factors
	Operating income \$	Operating income %	Growth vs. Q4'18	Operating income \$	Operating income %	Growth vs. 2018	
Buildings & Infrastructure	\$91.1	29.0%	+26%	\$319.9	25.4%	+25%	<ul style="list-style-type: none"> Software revenue mix and cost reduction impact driving margins
Geospatial	\$41.1	24.4%	+2%	\$132.2	20.4%	-21%	<ul style="list-style-type: none"> Cost reduction impact
Resources & Utilities	\$38.0	27.5%	+8%	\$169.1	29.6%	+1%	<ul style="list-style-type: none"> Software revenue mix in utilities and positioning services driving margins
Transportation	\$30.6	14.8%	-31%	\$125.9	15.9%	-12%	<ul style="list-style-type: none"> ELD negatively impacting margins
Corporate ¹	-\$22.6	--	--	-\$79.3	--	--	
Trimble Total	\$178.2	21.6%	+4%	\$667.8	20.4%	+4%	<ul style="list-style-type: none"> Revenue mix, cost containment, and lower incentive compensation expense

1. Represents unallocated corporate expense.
 Figures may vary due to rounding.

Non-GAAP revenue mix, trailing 12 month growth



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

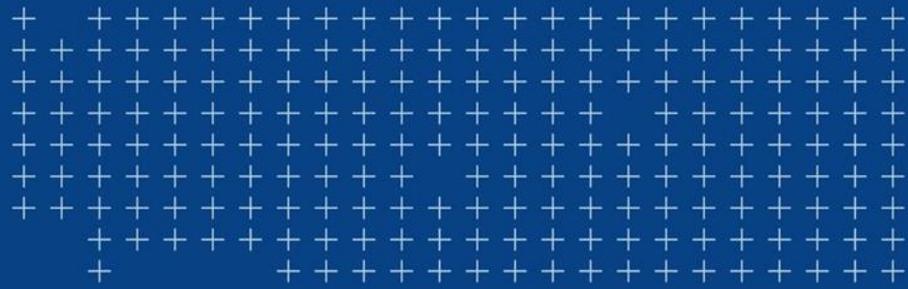
Guidance and outlook

First Quarter 2020

- Non-GAAP revenue of \$780 to \$810 million
- -3% to +1% total growth; -4% to 0% organic, +1% M&A, -1% FX
- Non-GAAP EPS of \$0.40 to \$0.45 per share
- Income from equity method investments ≈\$7M
- Net interest expense ≈\$20M
- Non-GAAP tax rate of 17-18%, 252M shares outstanding

Fiscal Year 2020

- +1-4% total growth; +0-3% organic, +1% M&A
- Flat to mid single digit EPS growth
- High single digit ARR growth
- Income from equity method investments ≈\$30-\$35M
- Net interest expense ≈\$80M; decreasing through the year
- Cash flow from operations > 1.1x non GAAP net income
- Non GAAP tax rate of 17-18%, 252M shares outstanding



Q&A

