



Portable Navigation: The Future is Bright for Connectivity

Minneapolis – January 3, 2008 – Mobile phone-based navigation is remaking the GPS market. While Garmin and TomTom remain the worldwide market leaders for portable navigation devices today, mobile phone makers Nokia, Motorola, LG and Samsung are expected to lead the way in the near future. This will happen as the worldwide portable navigation market grows from 50 million units in 2007 to more than 500 million units in 2015, according to Telematics Research Group.

The change in market leadership derives from the increasing importance of connectivity. Wireless connectivity, either to the Internet or the cellular network, is opening up new applications and services by bringing together accurate location-based data with advanced POI data including pricing, inventory and user-generated content such as ratings of local businesses.

TRG estimates 30M dedicated PNDs were sold last year and about 20M navigation-enabled mobile phones for a total of 50M units. Both segments will grow rapidly over the next few years but navigation-enabled mobile phones will start outselling dedicated PNDs next year. TRG projects the combined segments will reach total annual sales of more than 220M by the end of 2012, a number that is likely to surpass 500M units by the end of 2015.

Navigation Device Sales Estimates: 2007 vs. 2015

Company	2007 Estimated Sales	Company	2015 Potential Sales
TomTom	9M+	Nokia	180M+
Garmin	8M+	Samsung	70M+
Mitac	7M+	Motorola	70M+
Nokia	5M+	LG	60M+
Mio/Navman	4M+	TomTom	25M+
Others	17M+	Garmin	25M+
Total 2007	50M+	Total 2015	500M+

Source: Telematics Research Group, Inc. (TRG)

"In the years to come navigation-enabled mobile phones will be used for auto navigation, pedestrian navigation and many other types of location-based services," says Dr. Egil Juliussen, principal analyst for TRG. "This opens up a new world of services and capabilities."

The pieces are in place and the players are making their moves. Recent acquisitions by TomTom and Nokia point the way toward the coming battle for the GPS consumer. Required for success in the GPS market of the future will be connectivity, inexpensive maps and rich point-of-interest content – addresses alone will not be enough.

Garmin and TomTom are adding connectivity to their devices. Mobile phone makers are adding maps. "A large volume market for inexpensive, dedicated navigation devices will live on past 2008," Juliussen says, but survival for TomTom and Garmin may mean finding a way to compete for smartphone users. "Dedicated PNDs are mobile devices optimized for navigation while mobile phones with navigation are optimized for communications, which gives them an advantage in the emerging new world order for navigation," Juliussen concludes.

About TRG:

Telematics Research Group tracks, analyzes and forecasts the market for automotive telematics, navigation, and digital entertainment. TRG's Automotive and Portable Devices Research Portals provide global intelligence on market demand, supplier opportunities, and technology trends. For more information, go to TRG's web site or Contact:

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