



Q1 2010 Earnings Call Webcast

May 5, 2010



Safe Harbor Statement

These materials include forward-looking statements. These statements are based on the current expectations of Garmin Ltd. and are naturally subject to uncertainty and changes in circumstances. Forward-looking statements include, without limitation, statements containing words such as "proposed" and "intends" or "intended" and "expects" or "expected". By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. These factors include those discussed or identified in the filings by Garmin Ltd. with the U.S. Securities and Exchange Commission in its Annual Report on Form 10-K, and its quarterly reports on Form 10-Q. Garmin Ltd. does not undertake any obligation to update publicly or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.



Business Update

Cliff Pemble
President and COO

Delivered 1st quarter pro forma earnings growth with strong margins

- Revenue growth in outdoor/fitness, marine and aviation during the quarter
- Pro forma earnings per share of \$0.38, a 52% year-over-year growth
- Gross and operating margin expansion to 54% and 19%
- Generated \$196 million in free cash flow

Announced planned redomestication to Switzerland and 2010 annual dividend payment of \$1.50 per share

1st Quarter Business Highlights

- 9% year-over-year revenue increase; in-line with full year expectation of 5-10% revenue growth
- Industry shows signs of recovery
- Continued focus on new product introductions, new opportunities, and enhanced data content/cartography

Product Introductions

- GPSMAP® 6000 and 7000 series
 - Large touchscreen chartplotters for the large boat market - sport fishing and cruising yachts



- **GPSMAP 700**
 - 7" touchscreen stand-alone chartplotter
 - Appealing features and price point
- **2010 BlueChart® cartography**
 - Enhanced detail, coverage, and chart-like graphics
 - Recurring revenue opportunity with our installed base of marine customers



Raymarine Offer

- **Offer Summary**

- On April 28, Garmin announced a cash offer of 15 pence per share for Raymarine PLC
- Total consideration to Raymarine shareholders of approximately £12.5 million, implying an enterprise value of £107.4 million (based upon Raymarine's latest published net debt figure of £94.9m as at 31 December 2009)
- Regulatory approvals will be necessary; filing has already begun

- **Acquisition Rationale**

- Marine is a strategic core market
- Combination of Garmin and Raymarine is highly complementary
- Expanded product offerings and resources
- Potential to contribute at least \$150 million in revenue during the first full year of ownership

1st Quarter Business Highlights

- 12% year-over-year revenue increase as the retrofit market improved; ahead of full year expectation of 5-10% revenue growth
- Operating margins improved to 29% from 24% in 1st quarter 2009
- Full industry recovery will lag the broader economic recovery
- Continued investment in growth strategies including expanded presence in the business jet, helicopter and experimental aircraft markets

Product Introductions

- G500H
 - All glass avionics panel optimized for the helicopter market
 - Dual screen solution allowing for improved versatility and situational awareness



- **Helicopter Terrain Awareness and Warning System**
 - Provides terrain and obstacle warnings both visually and audibly
 - Available on new systems, as well as an upgrade to existing customer base
- **Synthetic Vision Update**
 - Synthetic vision specifically designed for experimental and light sport aircraft

1st Quarter Business Highlights

- 28% year-over-year revenue increase; exceeding full year expectation of 5-10% revenue growth
- Strong operating margin at 38%
- Global growth with North America, Europe and Asia each contributing
- Efforts focused on expanded distribution and product offerings

Product Introductions

- Forerunner® 110
 - Affordable and easy-to-use GPS-enabled running watch



- **Golf Market**

- Approach G3: Affordable golf GPS with all of the essential features
- Stat Tracking for the Approach G5: Calculates average distance per club, tracks fairways hit, greens in regulation and putts per round
- Expanded distribution by launching versions for Europe and Australia



1st Quarter Business Highlights

- 15% year-over-year revenue decline as sell-in volumes were weak due to destocking
- According to NPD, 1st quarter sell-out trends in the US were up slightly over 2009 with Garmin gaining market share
- European market share is stable
- Asia showing over 50% unit growth year-over-year on expanded market share on improved OEM performance

Market Outlook

- Expect global market size to be flat in 2010 with North America and Asia contributing growth offset by declines in Europe
- Expect market share gains in Europe and emerging markets
- Expect sell-in to normalize with sell-through for the remainder of the year
- Focus on mobile handset launches and connected services

Automotive/Mobile

- **Nüvi® 3700 series**
 - Award-winning product design is razor thin at under 9mm
 - Zoom, pinch, press and drag with capacitive multi-touch display
 - Auto screen rotation for portrait or landscape use
 - trafficTrends™ recommends routes using historical traffic data and recurring trends collected about traffic in your area
 - myTrends™ predicts your destination displaying arrival time and best route based on relevant traffic information.



reddot award
product design

Mobile Handset Update

- **Garmin-Asus Garminfone™ A50**
 - Launching with T-Mobile in the United States and O2 in Germany
 - Availability and pricing details coming soon
- **Garmin-Asus nüvifone™ A10**
 - Launching with KPN in the Netherlands
 - Additional carrier announcements coming
- **Garmin-Asus nüvifone M10**
 - Selling in 9 countries including: Germany, France, Taiwan, Malaysia, Singapore and India



	2010 Range
Revenue	\$2.9 - \$3.1B
Gross Margin	46-48%
Operating Income	\$675M - \$725M
Operating Margin	23-24%
EPS (Pro Forma)	\$2.75 - \$3.15



Financial Update

Kevin Rauckman
CFO and Treasurer

Q1 Income Statement

(\$ Millions)	Q1 2010	Q1 2009	Change
Revenue	\$431	\$437	(1%)
Gross Profit	\$231	\$196	18%
Gross Margin	53.6%	44.9%	870 bps
Advertising	\$17	\$23	(25%)
Other SG&A	\$68	\$60	13%
R&D	\$63	\$55	14%
Total Operating Expense	\$148	\$138	7%
Operating Income	\$83	\$58	43%
Operating Margin	19.3%	13.3%	600 bps
Other Income / (Expense)	(\$38)	\$2	NA
Income Tax	\$8	\$11	(27%)
Net Income	\$37	\$49	(24%)
Earnings Per Share (GAAP)	\$0.19	\$0.24	(21%)
Pro-Forma EPS (excl. FX)	\$0.38	\$0.25	52%
Units Shipped (K)	2,137	2,416	(12%)

Pro Forma Net Income

Garmin Ltd. And Subsidiaries
Net income per share (Pro Forma)
(in thousands, except per share information)

	13-Weeks Ended	
	March 27, 2010	March 28, 2009
Net Income (GAAP)	\$37,329	\$48,538
Foreign currency (gain) / loss, net of tax effects	\$38,160	\$1,975
Net income (Pro Forma)	\$75,489	\$50,513
Net income per share (GAAP):		
Basic	\$0.19	\$0.24
Diluted	\$0.19	\$0.24
Net income per share (Pro Forma):		
Basic	\$0.38	\$0.25
Diluted	\$0.38	\$0.25
Weighted average common shares outstanding:		
Basic	199,926	200,352
Diluted	201,091	200,725

Management believes that net income per share before the impact of foreign currency translation gain or loss is an important measure.

Revenue by Segment

(\$ millions)	Q1 2010	Q1 2009	Change
Auto/Mobile	\$221	\$260	-15%
Outdoor/Fitness	\$103	\$80	28%
Aviation	\$66	\$59	12%
Marine	\$41	\$38	9%
Total Revenue	\$431	\$437	-1%

Revenue by Geography

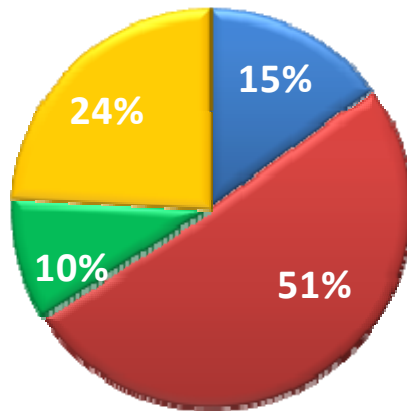
(\$ millions)	Q1 2010	Q1 2009	Change
North America	\$243	\$265	-8%
Europe	\$145	\$144	1%
Asia	\$43	\$28	54%
Total Revenue	\$431	\$437	-1%

Revenue and Operating Income by Segment

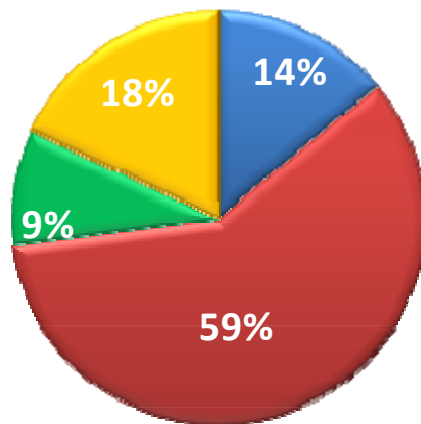
Revenue

- Aviation
- Auto/Mobile
- Marine
- Outdoor/Fitness

Q1 2010

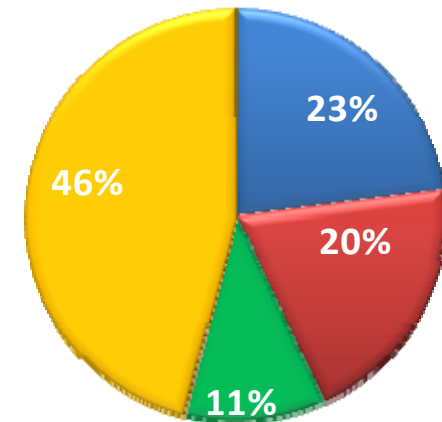


Q1 2009

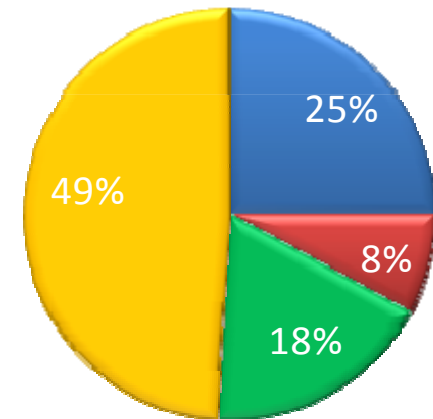


Operating Income Q1 2010

- Aviation
- Auto/Mobile
- Marine
- Outdoor/Fitness

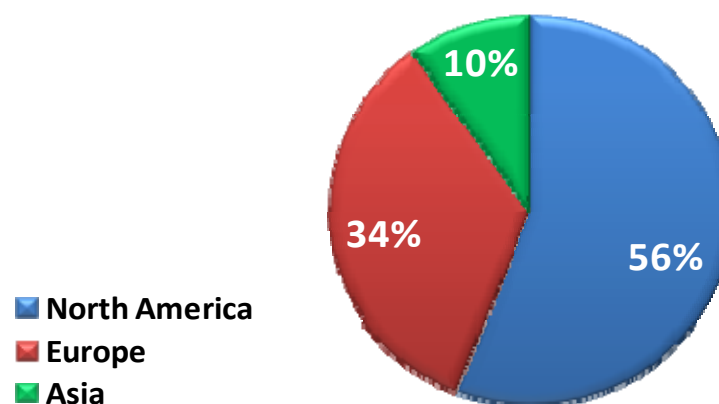


Q1 2009

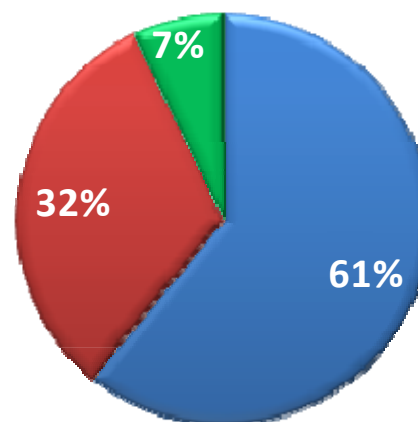


Revenue by Geography

Q1 2010

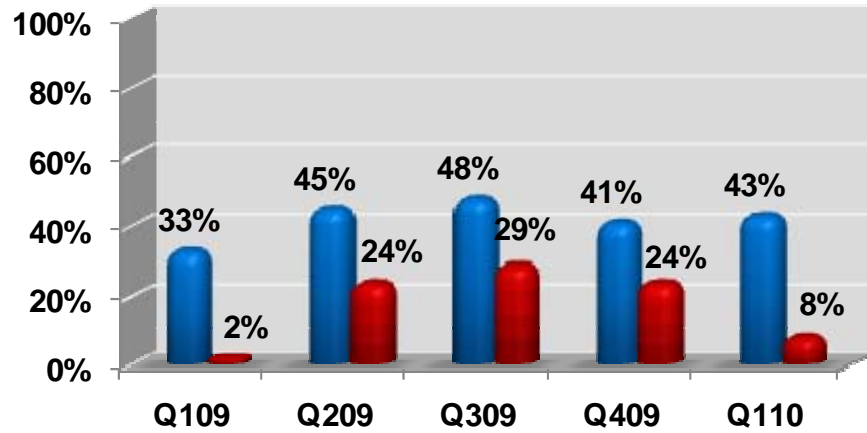


Q1 2009

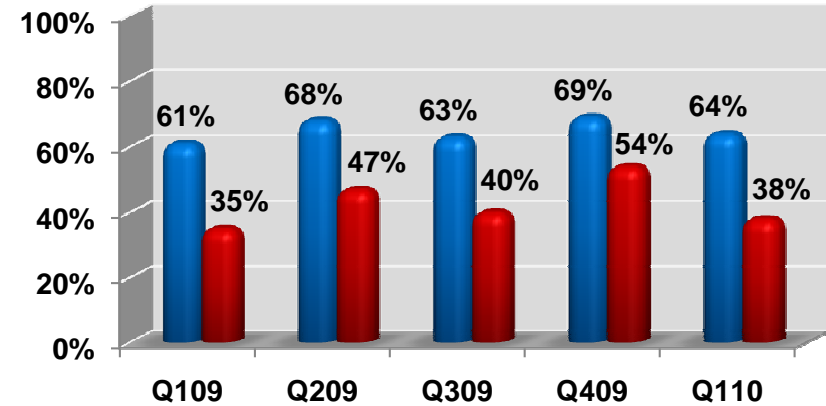


Margin by Segment

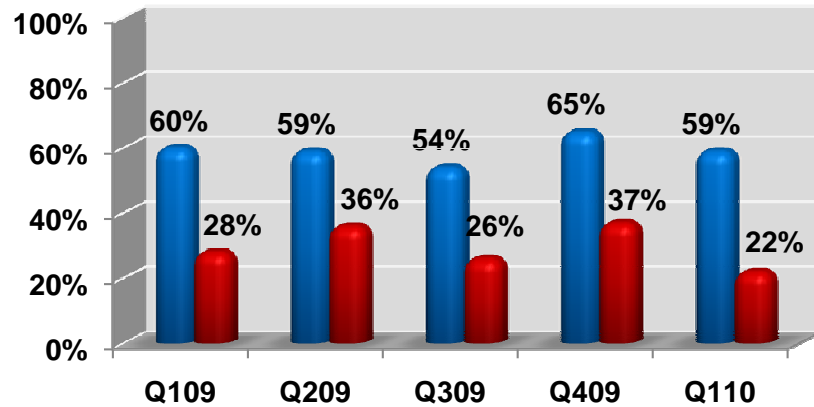
Auto / Mobile



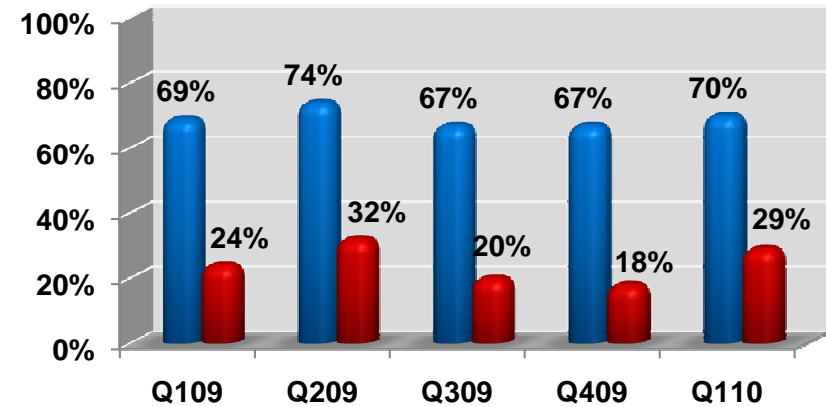
Outdoor / Fitness



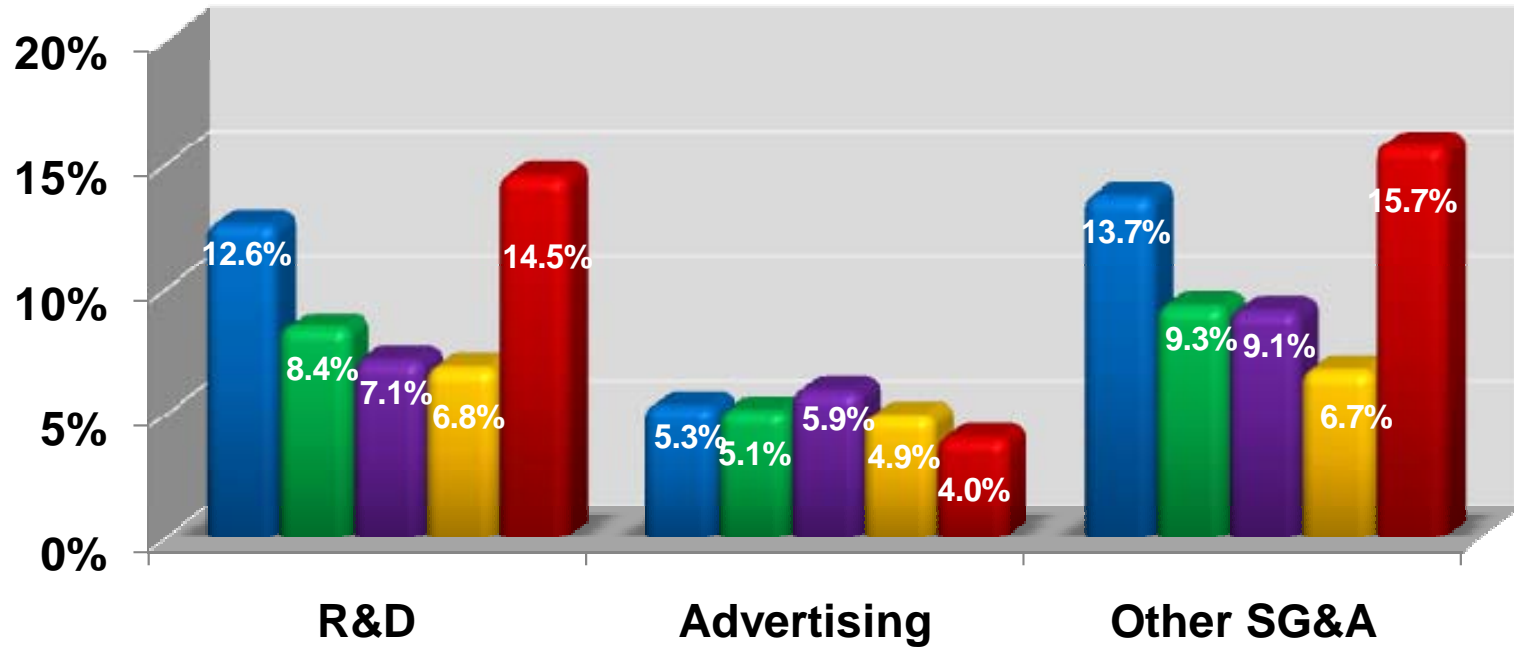
Marine



Aviation



Operating Expenses - % of Sales



■ Q109 ■ Q209 ■ Q309 ■ Q409 ■ Q110

Balance Sheet

(\$ Millions)	FY 2008	FY 2009	Q1 2010
Cash & Marketable Securities	\$973	\$1,860	\$1,993
Accounts Receivable	\$741	\$874	\$419
Inventory	\$425	\$310	\$356
Deferred Income Taxes	\$59	\$80	\$81
Prepaid Assets	\$25	\$39	\$63
Property, Plant & Equipment	\$445	\$441	\$433
Other Assets / Goodwill	\$266	\$222	\$207
Total Assets	\$2,934	\$3,826	\$3,552
Accounts Payable	\$160	\$203	\$110
Other Accrued Liabilities	\$299	\$431	\$209
Income Taxes Payable	\$234	\$279	\$286
Dividend Payable	\$0	\$0	\$300
Deferred Revenue	\$1	\$67	\$81
Deferred Income Taxes	\$14	\$10	\$11
Shareholders Equity	\$2,226	\$2,836	\$2,555
Total Liabilities / Equity	\$2,934	\$3,826	\$3,552

Cash Flow

(\$ Millions)	Fiscal 2008	Fiscal 2009	Q1 2010
Net Income	\$733	\$704	\$37
Depreciation / Amortization	\$78	\$98	\$22
Accounts Receivable	\$206	(\$132)	\$436
Inventory	\$83	\$61	(\$50)
Accounts Payable	(\$236)	\$38	(\$95)
Deferred Revenue	\$1	\$66	\$14
Other Cash from Operations	(\$3)	\$259	(\$164)
Net Cash Flow from Operations	\$862	\$1,094	\$200
Investing Activities	(\$56)	(\$547)	\$64
Financing Activities	(\$808)	(\$161)	(\$43)
Exchange Rate Changes	(\$9)	\$9	(\$21)
Net Increase / (Decrease) in Cash	(\$11)	\$395	\$200
Cash at End of Period	\$697	\$1,092	\$1,292
Marketable Securities	\$276	\$768	\$701
Total Cash & Marketable Securities	\$973	\$1,860	\$1,993

Uses of Cash

- Annual 2010 dividend increased on a one-time basis to \$1.50 paid in April 2010; approximately \$300 million use of cash
- Repurchased approximately 1,440,000 shares; approximately \$47.1 million use of cash; \$252.9 million remains available in the authorized repurchase plan for \$300 million expiring December 31, 2011
- Continue to evaluate various acquisition opportunities in addition to Raymarine

Taxes

- Tax rate was 18% for first quarter. We expect the rate to be approximately 15-18% in 2010.

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