



Q1 2011 Earnings Call Webcast

May 4, 2011



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 filing by Garmin Ltd. with the U.S. Securities and Exchange Commission in its Annual Report on Form 10-K. 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

1st Quarter 2011 Highlights

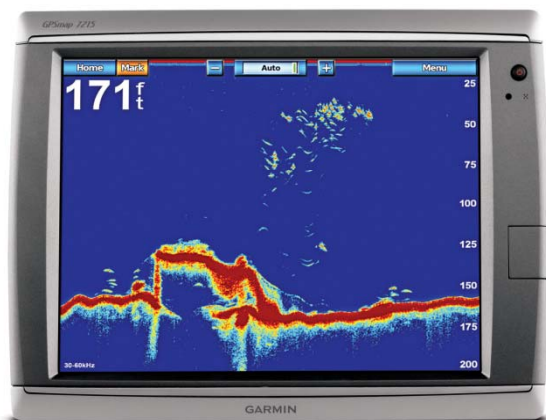
Revenue growth of 18% with all segments contributing including fitness at 30% and marine at 24%

- Traditional market segments contributed 16% revenue growth and 10% operating income growth
- Pro forma EPS improved to \$0.43
- Sold 2.5 million units
- Generated \$200 million of free cash flow

1st Quarter Business Highlights

- Revenue growth of 24%
- Operating income growth of 69%, from \$9 million in 2010 to \$15 million in 2011
- Revenue gains driven by industry improvements and new OEM accounts announced throughout 2010 and early 2011





Market & Product Update

- Improved market share
- Ongoing emphasis on OEM market through enhanced marine line and strategic alliance with Volvo Penta
- Black box digital sonars focused on the larger boat segment



1st Quarter Business Highlights

- Revenue growth of 5%
- OEM market activity remains low with growth driven by improved product mix in retrofit and portable markets
- Operating income down 6% as research and development increased 14% with certification of G2000, G3000 & G5000



Market/Product Update

- Some OEM recovery expected in back half of 2011
- GTN650/750 –first touchscreen-based navigation and communication system for aircraft
- G2000 - touchscreen-controlled integrated flight deck designed for high performance piston aircraft
- Numerous helicopter OEM wins: Robinson, MD Helicopters, Eurocopter and Bell Helicopters



1st Quarter Business Highlights

- 12% Revenue growth and 2% operating income growth
- Key products contributing to growth include GPSMAP 62 and the Astro dog tracking system

Market/Product Update

- Capitalize on long term growth opportunities through new product introductions and exploring adjacent markets



1st Quarter Business Highlights

- Revenue growth of 30% and operating income growth of 9%
- Global growth with high-end cycling contributing significantly in Europe

Market/Product Update

- Ongoing opportunities for global penetration in both running and cycling
- Forerunner 610 - touchscreen sports watch



red**dot**



Automotive / Mobile



1st Quarter Business Highlights

- Revenue growth of 20% driven by OEM business, mobile phone inventories and slight growth in PND
- Prominent position at Geneva Auto Show with Garmin featured with five auto manufacturers
- Opening of auto OEM office in Detroit area under leadership of industry veteran, Matthew Munn

Market/Product Update

- Dēzl navigator series – specifically designed to meet the needs of the over-the-road trucking industry
- Continue to expect PND market to decline driving overall revenue declines in-line with prior expectations for the year but improving profitability throughout year
- Global market share of 38% in 2010 and plan to grow on that leadership position





Financial Update

Kevin Rauckman
CFO and Treasurer

Q1 Income Statement

(\$ Millions)	Q1 2011	Q1 2010	Change
Revenue	\$508	\$431	18%
Gross Profit	238	231	3%
Gross Margin %	46.9%	53.6%	(670 bps)
Advertising	20	17	18%
SG&A	73	69	6%
R&D	70	62	13%
Total Operating Expense	163	148	10%
Operating Income	75	83	(10%)
Operating Margin %	14.7%	19.3%	(460 bps)
Other Income/(Expense)	22	(38)	N/A
Income Tax	1	8	(88%)
Net Income	96	37	159%
EPS (GAAP)	\$0.49	\$0.19	160%
Pro-Forma EPS (excl. FX)	\$0.43	\$0.38	13%
Units Shipped (k)	2,518	2,137	18%

Pro Forma Net Income

	13-Weeks Ended	
	March 26, 2011	March 27, 2010
Net Income (GAAP)	\$95,482	\$37,329
Foreign currency (gain) / loss, net of tax effects	(\$11,959)	\$38,160
Net income (Pro Forma)	\$83,523	\$75,489
Net income per share (GAAP):		
Basic	\$0.49	\$0.19
Diluted	\$0.49	\$0.19
Net income per share (Pro Forma):		
Basic	\$0.43	\$0.38
Diluted	\$0.43	\$0.38
Weighted average common shares outstanding:		
Basic	193,922	199,926
Diluted	194,720	201,091

Note: Tax effects are based on respective periods' effective tax rate.

Deferred Revenue Impact

Deferred Revenue Impact*	Q1 2011	Q1 2010
Sales (\$M)	(\$22)	(\$15)
Operating Income (\$M)	(\$18)	(\$12)
Net Income (\$M)	(\$18)	(\$10)
EPS	(\$0.09)	(\$0.05)

*All figures are net of current year amortization

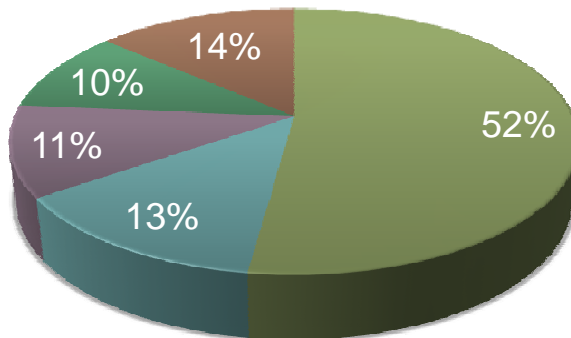
Revenue by Segment & Geography

(\$ Millions)	Q1 2011	Q1 2010	Change
Auto / Mobile	\$265	\$221	20%
Outdoor	67	60	12%
Fitness	56	43	30%
Marine	51	41	24%
Aviation	69	66	5%
Total Revenue	\$508	\$431	18%

(\$ Millions)	Q1 2011	Q1 2010	Change
North America	\$280	\$243	15%
Europe	171	145	18%
Asia Pacific	57	43	34%
Total Revenue	\$508	\$431	18%

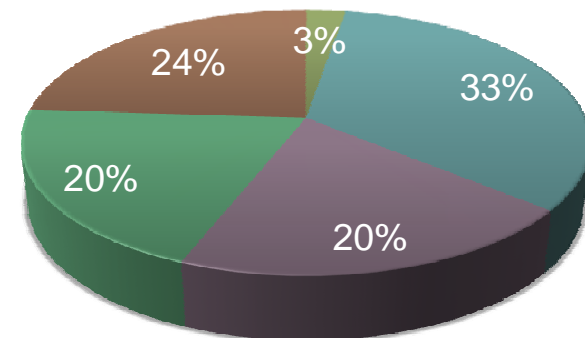
Revenue & Operating Income

Q1 2011 Revenue



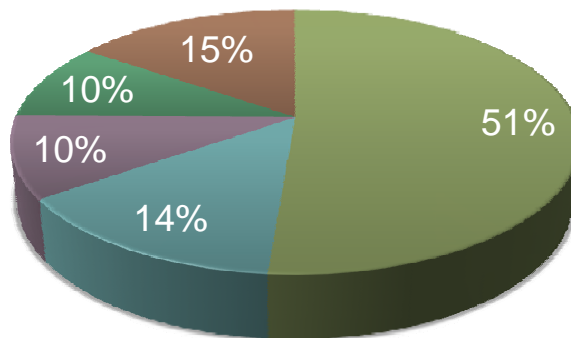
■ Auto/Mobile ■ Outdoor ■ Fitness ■ Marine ■ Aviation

Q1 2011 Operating Income



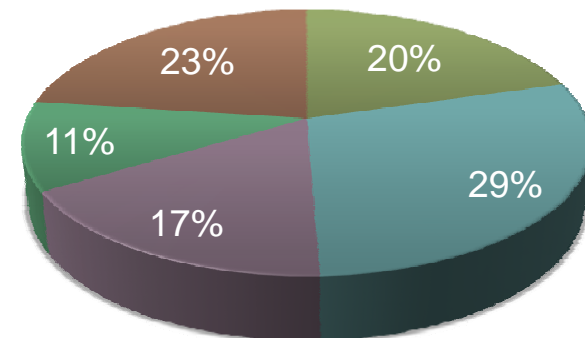
■ Auto/Mobile ■ Outdoor ■ Fitness ■ Marine ■ Aviation

Q1 2010 Revenue



■ Auto/Mobile ■ Outdoor ■ Fitness ■ Marine ■ Aviation

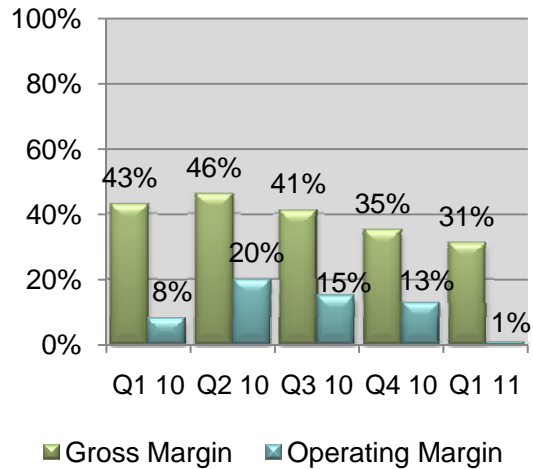
Q1 2010 Operating Income



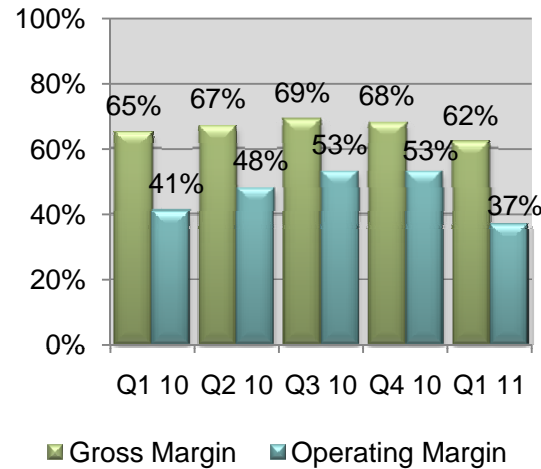
■ Auto/Mobile ■ Outdoor ■ Fitness ■ Marine ■ Aviation

Margin by Segment

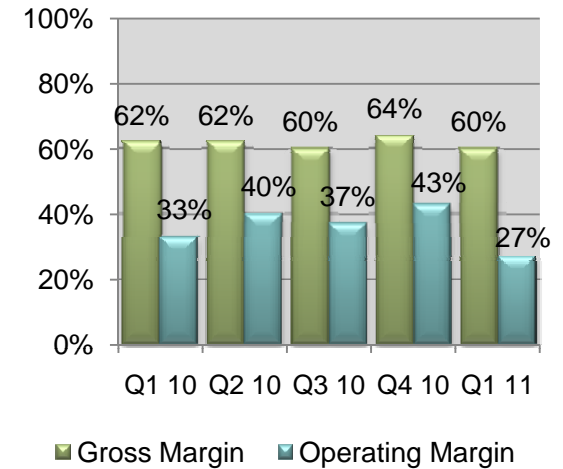
Auto / Mobile



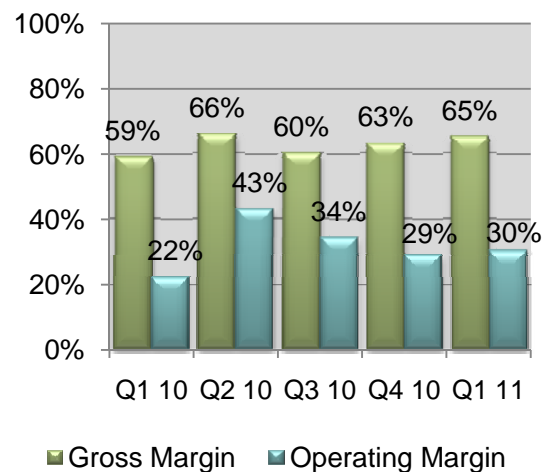
Outdoor



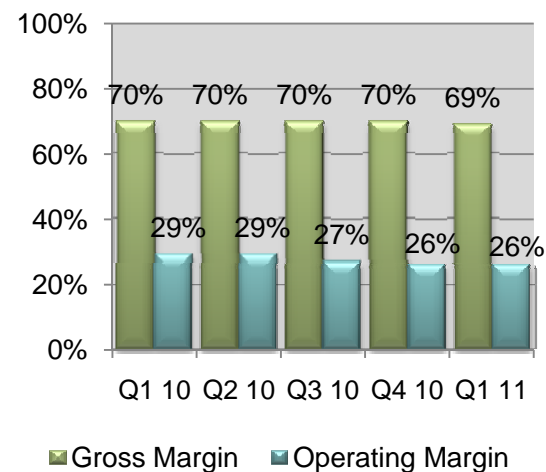
Fitness



Marine

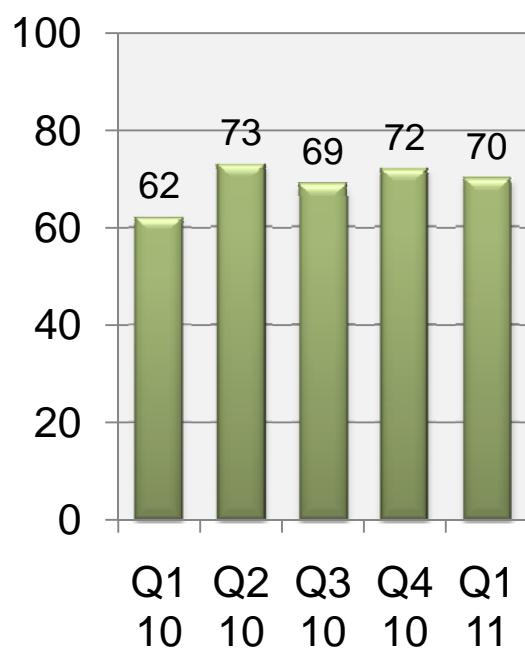


Aviation

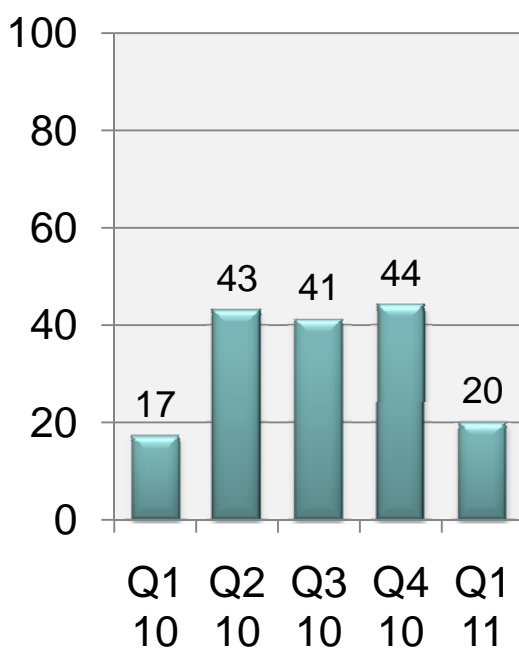


Operating Expenses

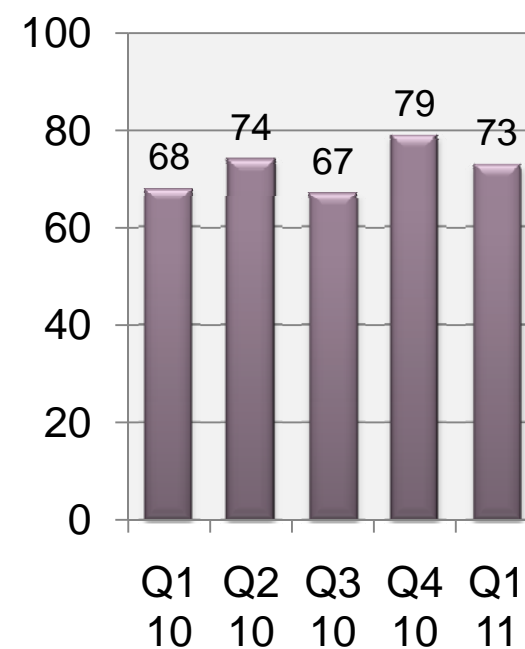
R&D (\$M)



Advertising (\$M)



SG&A (\$M)



Q1 Balance Sheet

(\$ Millions)	FY 2010	Q1 2011
Cash & Marketable Securities	2,063	2,280
Accounts Receivable	747	435
Inventory	388	411
Deferred Income Taxes	107	108
Prepaid Assets	25	38
Property, Plant & Equipment	428	427
Other Assets / Goodwill	231	239
Total Assets	3,989	3,938
Accounts Payable	132	119
Other Accrued Liabilities	387	218
Income Taxes Payable	210	177
Dividend Payable	0	0
Deferred Revenue	198	220
Deferred Income Taxes	12	11
Shareholders Equity	3,050	3,193
Total Liabilities / Equity	3,989	3,938

Cash Flow

(\$ Millions)	FY 2010	Q1 2011
Net Income	585	95
Depreciation / Amortization	95	22
Accounts Receivable	130	327
Inventory	(77)	(11)
Accounts Payable	(81)	(18)
Deferred Revenue	131	22
Income Taxes	52	(17)
Other Cash from Operations	(64)	(212)
Cash Flow from Operations	771	208
Investing Activities	(73)	(275)
Financing Activities	(511)	4
Exchange Rate Changes	(18)	13
Net Increase / (Decrease) in Cash	169	(50)
Cash at End of Period	1,260	1,210
Marketable Securities	802	1,070
Total Cash and Marketable Securities	2,062	2,280

Uses of Cash, Taxes

Uses of Cash

- Expect continued strong free cash flow generation throughout 2011
- Dividend of \$2.00 per share; \$1.60 distributed in 2011 and \$0.40 distributed in Q1 of 2012
- Increased focus on acquisitions including recently announced distributors in South Africa and Chile

Taxes

- Tax rate was 1.5% for first quarter. We expect the rate to be approximately 12% in 2011.

2011 Guidance

	2011
Revenue	\$2.4 – 2.5 B
Gross Margin	50 – 51%
Operating Income	\$500 – 560
Operating Margin	21 – 22%
EPS (Pro Forma)	\$2.25 – 2.50

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