



Q3 2011 Earnings Call Webcast

November 2, 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

3rd Quarter 2011 Highlights

**Revenue growth of 13% in traditional segments
highlights strength of diversification**

- Traditional market segments contributed 42% of total company revenue and 62% of total company operating income
- Consolidated revenue of \$667M, down 4%
- Pro forma EPS of \$0.71, up 1%
- Sold 3.5 million units
- Generated \$174 million of free cash flow



3rd Quarter Business Highlights

- Revenue growth of 4%
- Margins compressed as we invest in OEM business

Market Update

- Americas' market remains flat, offset by growth in EMEA and APAC
- Garmin selected as the official supplier of marine navigation systems to the 34th America's Cup

3rd Quarter Business Highlights

- Revenue growth of 18% driven primarily by strength in the retrofit market
- Operating income increased 20% as revenue growth outpaced growth in operating expenses



Cessna Latitude Cockpit



Market/Product Update

- Chosen by Cessna for the M2 (G3000) and Latitude (G5000)
- Delivered the aera 795 and 796 portable touchscreen navigators
- OEM market conditions remain soft, timing of recovery is uncertain
- On track to meet or exceed full year revenue targets

3rd Quarter Business Highlights

- Revenue growth of 5%
- Growth restrained by limited availability of new products



Market/Product Update

- Significant growth in golf category driven by high demand for our Approach S1 watch
- Feature-rich Montana series resonating well with our high-end outdoor consumers
- New Astro and Rino products are experiencing robust demand



3rd Quarter Business Highlights

- Revenue growth of 29% with continued operating income growth
- Edge 800 and Forerunner 610 outperforming expectations



Market/Product Update



- Introduced the Forerunner 910XT for the triathlete market
- Introduced the Edge 200 and Vector power solution
- Number of competitors growing with Garmin remaining #1 in GPS-enabled fitness



Automotive / Mobile

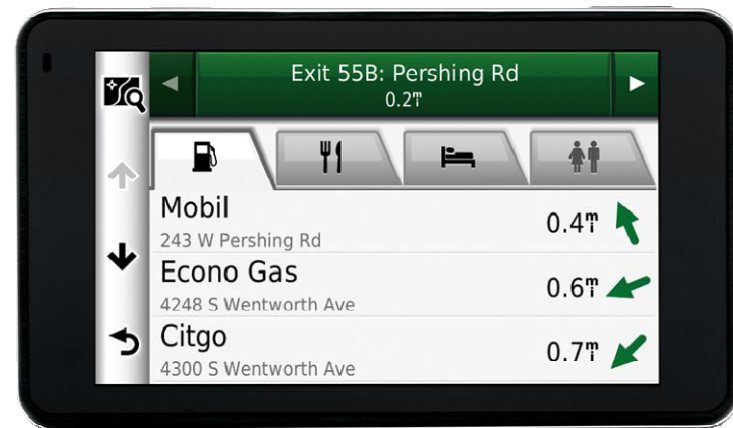
3rd Quarter Business Highlights



- Maintained strong 60%+ market share in the US, mid 30% in EFIGS
- Operating margin of 15% (GAAP), 18% (EX deferred revenues)
- Revenue declined 13%, ahead of expectations, as EMEA growth was offset by declines in the rest of the world
- ASPs stable in the quarter

Market/Product Update

- Introduced 2012 nüvi lineup designed for every budget and lifestyle with the Essential, Advanced and Prestige categories
- PND market performing to expectation with approximately 20% contraction of US market; approximately 10% contraction of EMEA markets



OEM Update

- Announced Navigon as the exclusive navigation provider for the Volkswagen UP
- Announced our continued relationship with Suzuki; providing connected navigation in the Grand Vitara and SX4
- Showcased Garmin infotainment solutions at 18th ITS World Congress



2011 Guidance Update

	Updated Full Year 2011	Prior Full Year 2011
Revenue	\$2.6 B	\$2.5 - \$2.6 B
Gross Margin	47-48%	45-46%
Operating Margin	18-19%	16-17%
Effective Tax Rate	12%	12%
EPS (Pro Forma)	\$2.30-\$2.40	\$2.00-\$2.15



Financial Update

Kevin Rauckman
CFO and Treasurer

Q3 Income Statement

(\$ Millions)	Q3 2011	Q3 2010	Change
Revenue	\$667	\$692	(4%)
Gross Profit	344	344	0%
Gross Margin %	51.6%	49.6%	200 bps
Advertising	35	41	(15%)
SG&A	89	67	33%
R&D	73	69	6%
Total Operating Expense	197	177	11%
Operating Income	147	167	(12%)
Operating Margin %	22.1%	24.1%	(200 bps)
Other Income/(Expense)	28	44	(36%)
Income Tax/(Credit)	25	(69)	NA
Net Income (GAAP)	150	280	(46%)
Net Income (Pro-Forma)	138	137	1%
EPS (GAAP)	\$0.77	\$1.43	(46%)
EPS Pro-Forma (excl. FX / tax)	\$0.71	\$0.70	1%
Units Shipped (k)	3,457	3,811	(9%)

Pro Forma Net Income

	13-Weeks Ended		39-weeks Ended	
	Sept 24, 2011	Sept 25, 2010	Sept 24, 2011	Sept 25, 2010
Net Income (GAAP)	\$150,381	\$279,552	\$355,340	\$451,696
Foreign currency (gain) / loss, net of tax effects	(\$12,795)	(\$27,784)	(\$11,062)	\$43,745
One-time tax adjustment	-	(\$114,605)	-	(\$114,605)
Net income (Pro Forma)	\$137,586	\$137,163	\$344,278	\$380,836
Net income per share (GAAP):				
Basic	\$0.77	\$1.44	\$1.83	\$2.28
Diluted	\$0.77	\$1.43	\$1.82	\$2.27
Net income per share (Pro Forma):				
Basic	\$0.71	\$0.71	\$1.77	\$1.93
Diluted	\$0.71	\$0.70	\$1.77	\$1.91
Weighted average common shares outstanding:				
Basic	194,112	194,482	194,028	197,785
Diluted	194,828	195,305	194,809	198,891

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

Deferred Revenue Impact

Deferred Revenue Impact*	Q3 2010	Q3 2011
Sales (\$M)	(\$29)	(\$24)
Operating Income (\$M)	(\$25)	(\$17)
Net Income (\$M)	(\$20)	(\$15)
EPS	(\$0.10)	(\$0.08)

*All figures are net of current year amortization

Revenue by Segment

(\$ Millions)	Q3 2011	Q3 2010	Change
Auto / Mobile	\$384	\$442	(13%)
Outdoor	95	90	5%
Fitness	69	54	29%
Marine	48	46	4%
Aviation	71	60	18%
Total Revenue	\$667	\$692	(4%)

(\$ Millions)	YTD 2011	YTD 2010	Change
Auto / Mobile	\$1,012	\$1,110	(9%)
Outdoor	242	230	5%
Fitness	203	159	28%
Marine	179	162	10%
Aviation	213	191	12%
Total Revenue	\$1,849	\$1,852	0%

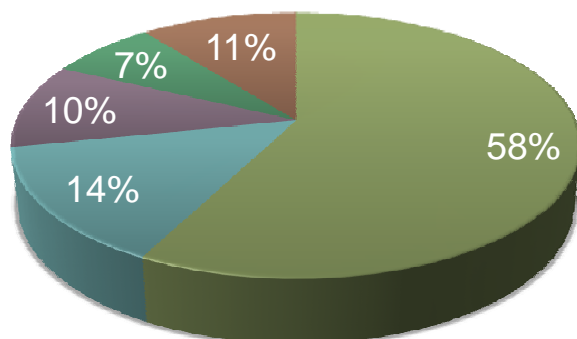
Revenue by Geography

(\$ Millions)	Q3 2011	Q3 2010	Change
Americas	\$352	\$413	(15%)
EMEA	258	216	19%
APAC	57	63	(10%)
Total Revenue	\$667	\$692	(4%)

(\$ Millions)	YTD 2011	YTD 2010	Change
Americas	\$990	\$1,109	(11%)
EMEA	682	588	16%
APAC	177	155	14%
Total Revenue	\$1,849	\$1,852	0%

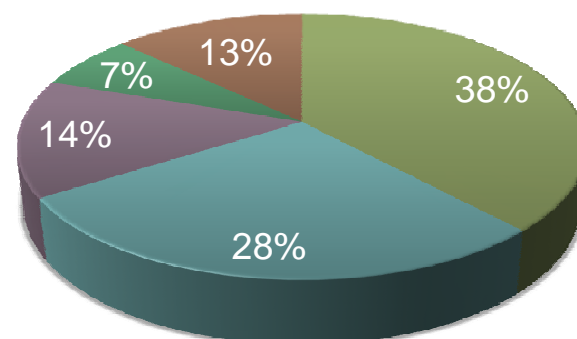
Revenue & Operating Income

Q3 2011 Revenue



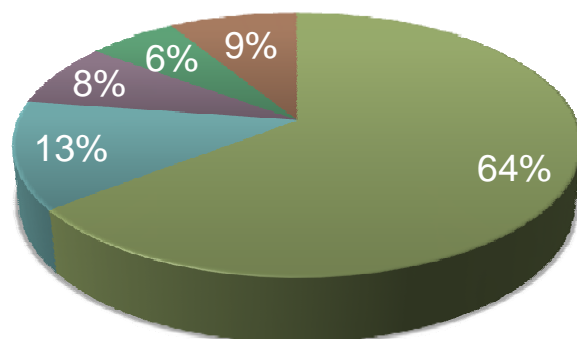
■ Auto/Mobile ■ Outdoor ■ Fitness ■ Marine ■ Aviation

Q3 2011 Operating Income



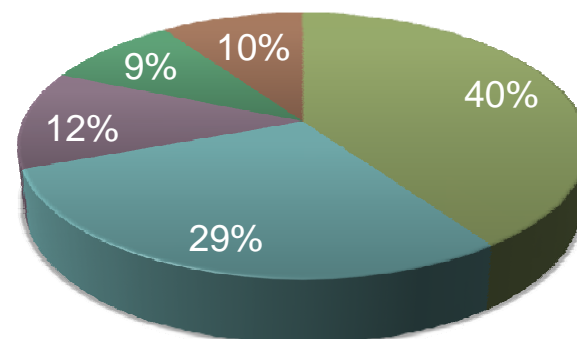
■ Auto/Mobile ■ Outdoor ■ Fitness ■ Marine ■ Aviation

Q3 2010 Revenue



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

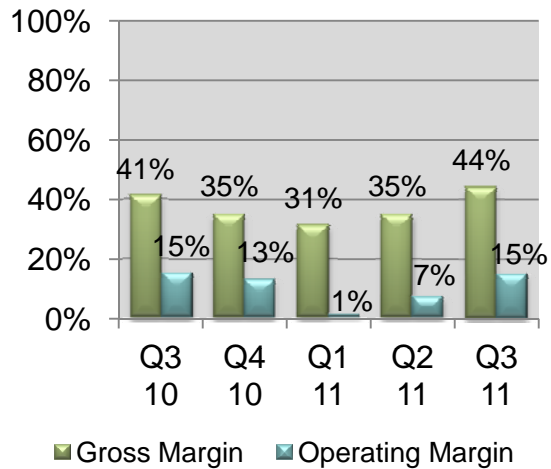
Q3 2010 Operating Income



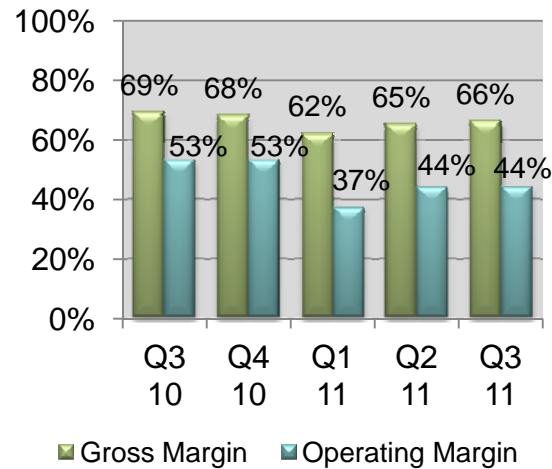
■ Auto/Mobile ■ Outdoor ■ Fitness ■ Marine ■ Aviation

Margin by Segment

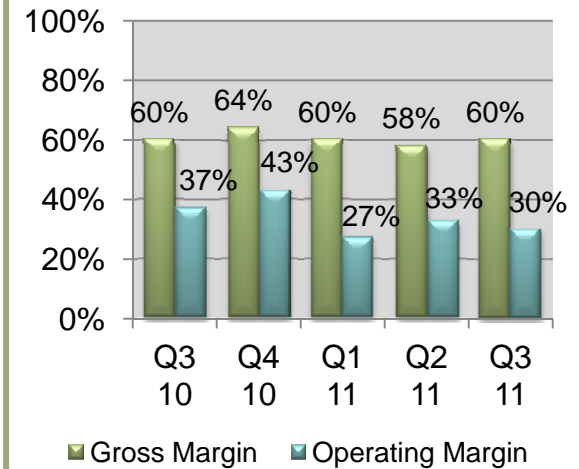
Auto / Mobile



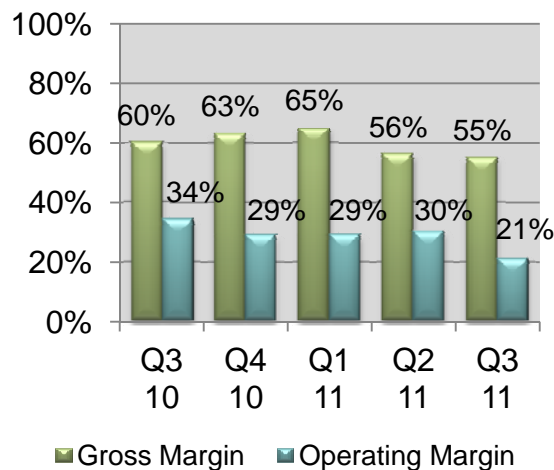
Outdoor



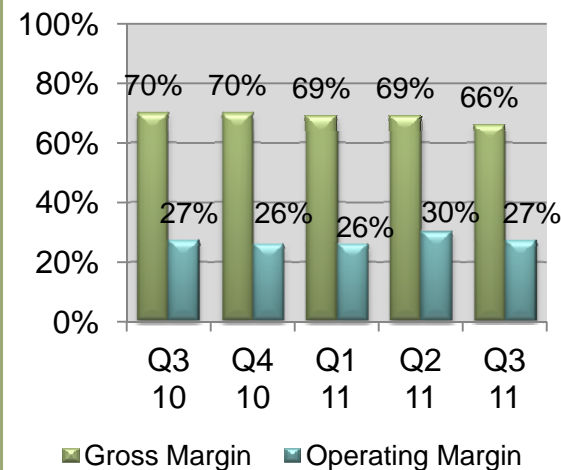
Fitness



Marine

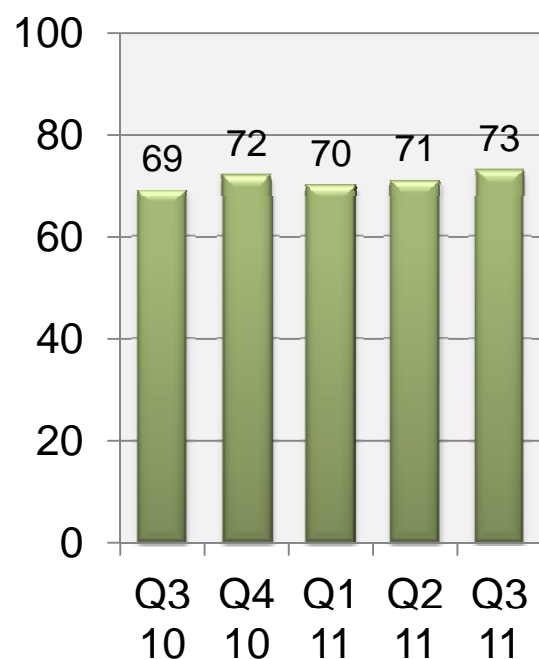


Aviation

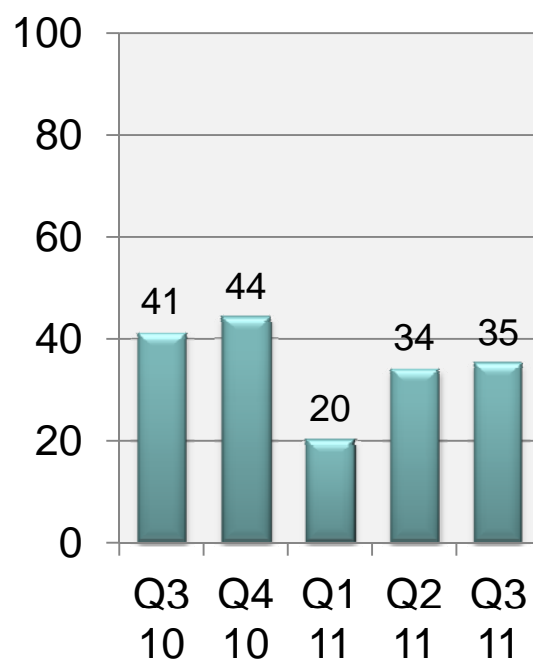


Operating Expenses

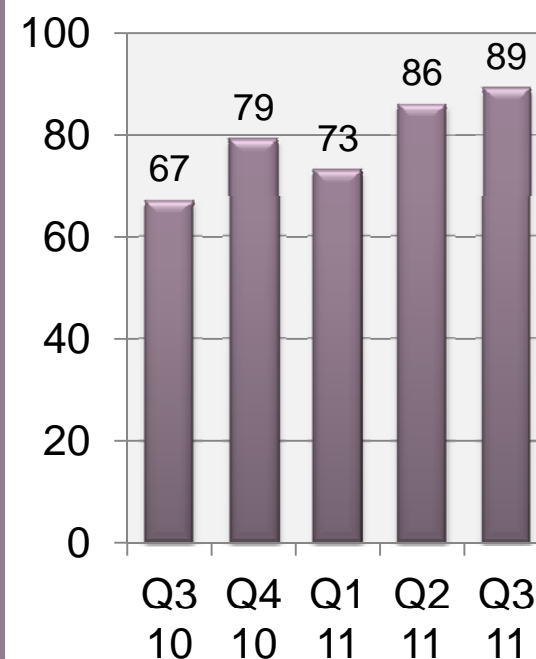
R&D (\$M)



Advertising (\$M)



SG&A (\$M)



Q3 Balance Sheet

(\$ Millions)	FY 2010	Q1 2011	Q2 2011	Q3 2011
Cash & Marketable Securities	2,064	2,281	2,500	2,446
Accounts Receivable	747	435	493	519
Inventory	388	411	386	461
Deferred Income Taxes	107	107	101	100
Prepaid Assets	25	38	43	53
Property, Plant & Equipment	428	427	424	423
Other Assets / Goodwill	230	239	249	333
Total Assets	3,989	3,938	4,196	4,335
Accounts Payable	132	119	126	183
Other Accrued Liabilities	483	213	251	336
Income Taxes Payable	210	177	169	186
Dividend Payable	0	0	388	233
Deferred Revenue	198	220	281	312
Deferred Income Taxes	12	15	18	17
Shareholders Equity	3,050	3,193	2,963	3,068
Total Liabilities / Equity	4,085	3,937	4,196	4,335

Cash Flow

(\$ Millions)	FY 2010	Q1 2011	Q2 2011	Q3 2011	YTD 2011
Net Income	585	95	109	150	355
Depreciation / Amortization	95	22	16	22	60
Accounts Receivable	130	327	(62)	(8)	257
Inventory	(77)	(11)	32	(79)	(59)
Accounts Payable	(81)	(18)	4	7	(6)
Deferred Revenue	131	22	62	31	115
Income Taxes	52	(17)	(13)	8	(22)
Other Cash from Operations	(64)	(212)	55	55	(103)
Cash Flow from Operations	771	208	203	186	597
Investing Activities	(73)	(275)	0	(50)	(324)
Financing Activities	(511)	4	2	(153)	(148)
Exchange Rate Changes	(18)	13	3	(12)	4
Net Increase / (Decrease) in Cash	169	(50)	208	(29)	129
Cash at End of Period	1,260	1,210	1,418	1,389	1,389
Marketable Securities	802	1,070	1,082	1,057	1,057
Total Cash and Marketable Securities	2,062	2,280	2,500	2,446	2,446

Uses of Cash, Taxes

Uses of Cash

- Expect continued strong free cash flow generation in Q4 2011
- Dividend of \$0.40 per share paid at close of September; additional \$0.40 per share approved for December 2011 and March 2012
- Continued focus on acquisitions with additional niche markets and tuck-in technologies under evaluation

Taxes

- Tax rate was 14.1% for third quarter. We expect the rate to be approximately 12% in 2011

Guidance Update

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