THIRD QUARTER 2010

Highlights from third quarter 2010 include:

- Revenues of 946 MNOK (856 MNOK in third quarter 2009). Up 15% after adjustment for currency change
- Gross contribution 42%, up from 38% in third quarter 2009 (in local currencies)
- Operating profit before other items of 172 MNOK (132 MNOK in third quarter 2009). Up 46% currency adjusted
- All time high operating margins in both IPT (21%) and Material handling (14%)
- Accrued NOK 226 million for EU penalty. Decision to be appealed
- Strong cashflow from operations of 180 MNOK (194 MNOK in third quarter 2009)
- Signed EUR 70 million contract for reverse vending systems with European retailer

CONSOLIDATED FINANCIALS

Revenues in the third quarter 2010 amounted to 946 MNOK compared to 856 MNOK in third quarter last year. After adjustment for currency changes, revenue growth was 15 percent. The increase was driven by significantly higher activity within Industrial Processing Technology and Material Handling.

Gross margin was 42 percent in the quarter, up from 39 percent in the corresponding period last year (up from 38% currency adjusted). The increase was mainly driven by improved margins in Material Handling West Coast (California).

Operating profit before other items was 172 MNOK in third quarter 2010 versus 132 MNOK in the third quarter 2009, up 46% currency adjusted.

All time high operating margins reported in both Industrial Processing Technology (21%) and Material handling (14%).

226 MNOK related to the EU penalty was expensed in third quarter 2010.

Cashflow from operations in third quarter 2010 equaled 180 MNOK, compared to 194 MNOK in third quarter 2009.

Equity ratio remained strong at 52 percent at the end of third quarter 2010. Net interestbearing debt increased by 105 MNOK from second quarter 2010, partly due to the accrual for the EU Penalty.

SEGMENT REPORTING

Collection Technology – Deposit Solutions

Revenues in the segment equaled 471 MNOK in the third quarter 2010, down from 494 MNOK in third quarter last year. After adjustment for currency change, revenues were up 1 percent. Gross margin was 47%, flat from last year. Operating expenses increased to 124 MNOK from 110 MNOK in third quarter 2009, due to increased R&D and marketing activities, as well as the establishment of operations in China.

Amounts in NOK million	3q10	3q09	9m10	9m09
Revenues	471	494	1312	1398
- Nordic	*109*	*124*	*348*	*386*
- Central Europe	*247*	*279*	*651*	*736*
- Rest of Europe	*1*	*1*	*3*	*7*
- US East & Canada	*113*	*89*	*307*	*266*
- Rest of the world	*1*	*1*	*3*	*3*
Gross contribution	220	233	610	656
- in %	*47%*	*47%*	*46%*	*47%*
Operating expenses	124	110	375	359
Operating profit	96	123	235	297
- in %	*20%*	*25%*	18%	*21%*

Europe

Somewhat weaker performance in Europe in third quarter 2010, with fewer machine sales. This was partly offset by a strong service business.

In August a European retailer signed a contract with Tomra as its main supplier of reverse vending machine systems and placed an order which is expected to generate revenues of approximately EUR70 million in 2011 and 2012.

US East & Canada

Revenues in third quarter 2010 were 113 MNOK, up 27 percent from 89 MNOK last year. Measured in local currency, revenues were up 26 percent. Sales of RVMs as well as throughput volumes developed positively.

During 2009 both Connecticut and New York expanded their existing bottle-bills by including water bottles. Within these states, most installed reverse vending machines are on through-put leases, where Tomra's income is based on the number of containers going through the machines.

The expansion has lead to higher volumes through the existing infrastructure, thereby increasing utilization and revenues.

EU Penalty

In 2001, the EU Commission performed an investigation of Tomra's competition law compliance. Based on this investigation, the Commission concluded in March 2006 that TOMRA in their opinion had foreclosed competition in the period 1998 to 2002 in the market for reverse vending machines in Austria, Germany, the Netherlands, Norway and Sweden by implementing an exclusionary strategy.

TOMRA appealed the decision to the European General Court in 2006. In September 2010, the Court issued their judgment where they dismissed Tomra's appeal both on the substance and on the amount of the fine.

TOMRA has consequently accrued a total of 28.2 MEUR (246 MNOK) for the fine and accumulated interest in the third quarter financial statement.

TOMRA will appeal to the European Court of Justice. This process is expected to take 18-24 months.

Material Handling

Revenues in the business area were 280 MNOK in third quarter 2010, up from 236 MNOK last year. In USD, revenues were up 18%. Gross margin was 26%, up from 13% in the same period last year. The increase was a result of higher commodity prices, reinstated handling fees and efficiency gains in California.

Amounts in NOK million	3q10	3q09	9m10	9m09
Revenues	280	236	741	679
- US East & Canada	*154*	*132*	*401*	*371*
- US West	*126*	*104*	*340*	*308*
Gross contribution	73	31	173	79
- in %	*26%*	*13%*	*23%*	*12%*
Operating expenses	33	28	87	91
Operating profit	40	3	86	(12)
- in %	*14%*	*1%*	*12%*	-

US East & Canada

Revenues were 25.0 MUSD in third quarter 2010, compared with 21.6 MUSD in third quarter 2009. The increase was due to higher volumes following the deposit expansion in Connecticut and New York.

US West

Revenues were 20.4 MUSD in third quarter 2010, up 20% from 17.0 MUSD in third quarter 2009. Performance has been significantly improved due to a combination of higher aluminum prices, reinstated handling fees and efficiency gains.

The state of California passed their 2010/2011 budget in the beginning of October 2010. Financing of handling fees for the current fiscal year seems, therefore, to be in place.
To further improve performance, a new program has been launched in California, aiming to increase efficiency by at least 3 MUSD yearly.

Industrial Processing Technology

Revenues in the quarter increased to 195 MNOK from 126 MNOK last year. This represents a 55 percent increase, driven by significant increased activity in both TiTech and Orwak.
Adjusted for currency change and the divestment of Presona (sold in second quarter 2010), revenues were up 76 percent.

Gross margin maintained stable at 52 percent, but operating margin increased from 8% in third quarter 2009 to 21% in third quarter 2010 due to higher volumes.

Compared to last year, order intake improved in both companies and the order book in the segment increased from 134 MNOK at the end of third quarter 2009 to 186 MNOK at the end of third quarter 2010.

Amounts in NOK million	3q10	3q09	9m10	9m09
Revenues	195	126	504	351
- Nordic	*8*	*12*	*38*	*40*
- Central Europe & UK	*89*	*75*	*203*	*170*
- Rest of Europe	*8*	*14*	*52*	*56*
- US East & Canada	*42*	*5*	*86*	*19*
- US West	*9*	*9*	*31*	*26*
- Rest of the World	*39*	*11*	*94*	*40*
Gross contribution	101	66	262	183
- in %	*52%*	*52%*	*52%*	*52%*
Operating expenses	61	56	179	193
Operating profit	40	10	83	(10)
- in %	*21%*	*8%*	*16%*	-

Recognition & sorting platform

Revenues within the TiTech Group were significantly up in third quarter 2010 compared to third quarter 2009 (up 80% in local currencies).

TiTech is experiencing positive momentum in all segments, particularly the mining business, which is currently increasing its relative share of the segment's revenues. Also geographically the expansion continues with more activity in the regions outside the traditional main markets in Central Europe.

Terra Vision, a small Canadian developer of ore-sorting solutions was acquired during third quarter, expanding TiTech's presence in the Canadian mining market.

Volume reduction platform

Orwak also experienced increased revenues in third quarter 2010, up 30% from third quarter 2009, currency adjusted.

A closer integration with Collection Technology companies is currently taking place, utilizing Tomra's local relationships with retail chains in the deposit markets to promote sales of Orwak balers.

MARKET OUTLOOK

In Collection Technology, TOMRA expects a somewhat slower development into 4Q10, but increased activity in 2011 as a result of higher product sales.

In Industrial Processing Technology, activities are assumed to increase in 2011. Quarterly development might be somewhat volatile due to little recurring business in the segment. Overall performance is however linked to macro drivers, particularly commodity prices. Due to the portfolio mix with more mining orders, the lead time before installation is expected to be longer, with part of the orderbook as of end September 2010 to be installed in 2011. Expanding into new segments in sensor based sorting is being evaluated. This would increase activity in the segment if successful.

Compared to fourth quarter 2009, Material Handling on the East Coast will still benefit somewhat from the deposit expansion into water bottles in fourth quarter 2010, but activity will be down compared to third quarter 2010 due to seasonality.

On the West Coast operations will continue to gain from higher aluminium prices, reinstated handling fees and efficiency gains. A long term fix for the financing of the bottle fund is however currently not in place, and TOMRA's handling fee revenues could in the long run be at risk

Increased activity in R&D (IPT and Coll Tech), Sales and marketing (IPT) and the establishment of China operations will slightly increase operating expenses.

SHARES AND SHAREHOLDERS

The total number of issued shares at the end of third quarter 2010 was 148,020,078 shares, including 32,883 treasury shares.

The total number of shareholders decreased from 8,032 at the end of second quarter 2010 to 7,905 at the end of third quarter 2010. 46.8 percent of the shares were held by Norwegian residents at the end of third quarter 2010.

TOMRA's share price increased from NOK 27.30 to NOK 35.00 during third quarter 2010. The number of shares traded at the Oslo Stock Exchange in the period was 25 million shares compared to 36 million in the same period in 2009.

Asker, 18 October 2010

The Board of Directors
TOMRA SYSTEMS ASA

Svein Rennemo	Stefan Ranstrand
Chairman of the Board	President & CEO

FINANCIAL STATEMENT – THIRD QUARTER 2010

INCOME STATEMENT (Amounts in NOK million)	Note	3rd Quarter		Year-to-Sept		Full year
		2010	2009	2010	2009	2009
Operating revenues	4)	945.8	855.6	2556.6	2428.1	3321.3
Cost of goods sold		529.6	503.6	1449.6	1445.2	2001.3
Depreciations/write-down		23.2	22.2	62.6	64.9	107.1
Gross contribution		*393.0*	*329.8*	*1044.4*	*918.0*	*1212.9*
Operating expenses		198.4	178.3	584.7	591.2	830.2
Depreciations/write-down		22.6	19.9	68.2	64.2	91.2
Operating profit before other items	4)	*172.0*	*131.6*	*391.5*	*262.6*	*291.5*
Loss on sale of Presona AB		-	-	18.5	-	-
EU penalty		226.1	-	226.1	-	-
Operating profit		*(54.1)*	*131.6*	*146.9*	*262.6*	*291.5*
Net financial income		(3.3)	11.9	(9.6)	72.0	99.0
Profit before taxes		*(57.4)*	*143.5*	*137.3*	*334.6*	*390.5*
Taxes		52.5	49.8	113.9	114.4	122.2
Net profit for the period		*(109.9)*	*93.7*	*23.4*	*220.2*	*268.3*
Minority interest		(12.6)	(6.9)	(32.4)	(16.3)	(19.5)
Earnings per share (NOK)		*(0.83)*	*0.58*	*(0.06)*	*1.36*	*1.67*

BALANCE SHEET (Amounts in NOK million)	30 September		31 Dec
	2010	2009	2009
ASSETS			
Intangible assets	925.1	922.9	874.8
Leasing equipment	166.8	98.3	111.8
Other fixed assets	623.4	666.4	627.4
Inventory	531.1	555.7	505.6
Short-term receivables	1081.6	1033.9	923.8
Cash and cash equivalents	57.1	3.6	68.1
TOTAL ASSETS	*3385.1*	*3280.8*	*3111.5*
LIABILITIES & EQUITY			
Equity	1749.1	1818.1	1844.8
Minority interests	72.4	64.7	57.9
Deferred taxes	29.2	35.2	28.6
Long-term interest-bearing liabilities	556.6	475.7	350.0
Short-term interest-bearing liabilities	12.0	32.8	38.9
Other liabilities	965.8	854.3	791.3
TOTAL LIABILITIES & EQUITY	*3385.1*	*3280.8*	*3111.5*

CASH FLOW STATEMENT (Amounts in NOK million)		3rd Quarter		Year-to-Sept		Full year
		2010	2009	2010	2009	2009
Profit before taxes		(57.4)	143.5	137.3	334.6	390.5
Changes in working capital		(11.3)	18.3	(72.3)	(81.9)	47.0
Other operating changes		249.1	32.5	235.1	(30.6)	19.3
Total cash flow from operations		180.4	194.3	300.1	222.1	456.8
Total cash flow from investments		(52.4)	(46.4)	(172.0)	(122.1)	(162.6)
Cashflow from repurchase of shares	3)	-	(9.1)	(4.3)	(37.6)	(47.0)
Dividend paid out	2)	-	-	(81.4)	(74.7)	(74.7)
Other cashflow from financing		(100.1)	(152.6)	(55.0)	(95.7)	(215.9)
Total cash flow from financing		(100.1)	(161.7)	(140.7)	(208.0)	(337.6)
Total cash flow for period		*27.9*	*(13.8)*	*(12.6)*	*(108.0)*	*(43.4)*
Exchange rate effect on cash		5.3	0.0	1.6	(2.5)	(2.6)
Opening cash balance		23.9	17.4	68.1	114.1	114.1
Closing cash balance		57.1	3.6	57.1	3.6	68.1

FINANCIAL STATEMENT – THIRD QUARTER 2010
(Continued)

EQUITY *(Amounts in NOK million)*	**3rd Quarter**		**Year-to-Sept**		**Full year**
	2010	**2009**	**2010**	**2009**	**2009**
Opening balance	*1988.1*	*1881.8*	*1844.8*	*2019.2*	*2019.2*
Net profit	(122.5)	86.8	(9.0)	203.9	248.8
Translation difference	(116.5)	(141.4)	(1.0)	(292.7)	(301.5)
Dividend paid	-	-	(81.4)	(74.7)	(74.7)
Net purchase of own shares	-	(9.1)	(4.3)	(37.6)	(47.0)
Closing balance	*1749.1*	*1818.1*	*1749.1*	*1818.1*	1844.8

STATEMENT OF OTHER COMPREHENSIVE INCOME *(Amounts in NOK million)*	**3rd Quarter**		**Year-to-Sept**		**Full year**
	2010	**2009**	**2010**	**2009**	**2009**
Net profit	(109.9)	93.7	23.4	220.2	268.3
Other comprehensive income					
Translation differences	(122.9)	(146.8)	(0.4)	(303.8)	(313.0)
Total comprehensive income	*(232.8)*	*(53.1)*	*23.0*	*(83.6)*	*(44.7)*
Attributable to:					
Minority interest	6.1	1.2	33.0	4.9	8.1
Shareholders of the parent company	(238.9)	(54.3)	(10.0)	(88.5)	(52.8)
Total comprehensive income	*(232.8)*	*(53.1)*	*23.0*	*(83.6)*	*(44.7)*

INTERIM RESULTS *(Amounts in NOK million)*	**3rd Quarter 2010**	**2nd Quarter 2010**	**1st Quarter 2010**	**4th Quarter 2009**	**3rd Quarter 2009**
Operating revenues (MNOK)	945.8	879.5	731.3	893.2	855.6
EBITDA (MNOK)	217.8	179.7	124.8	98.1	173.7
Operating profit before other items (MNOK)	172.0	135.0	84.5	28.9	131.6
Sales growth (year-on-year) (%)	10.5	7.5	(3.1)	(17.0)	(2.9)
Gross margin (%)	41.6	40.7	40.1	33.0	38.5
Operating margin before other items (%)	18.2	15.4	11.6	3.2	15.4
EPS (NOK)	(0.83)	0.44	0.33	0.31	0.58
EPS (NOK) fully diluted	(0.83)	0.44	0.33	0.31	0.58

NOTE 1 Disclosure

The 2010 and 2009 financial figures have been prepared and presented based upon International Financial Reporting Standards (IFRS). This quarterly report has been prepared in accordance with IAS34, and in accordance with the principles used in the annual accounts for 2009. The quarterly figures do not however include all information required for a full annual financial statement of the Group and should be read in conjunction with the annual financial statement for 2009. The quarterly figures have not been audited. The quarterly reports require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in preparing these condensed consolidated interim financial statements in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as of and for the year ending 31 December 2009.

A number of new standards, amendments to standards and interpretations are not effective for the company for the period ending 30 September 2010, and have not been applied in preparing these consolidated financial statements:

IAS 32 (R 2009) Classification of Rights Issues
IFRS 9 Financial Instruments
IFRIC 14 (amended 2009) Prepayments of a Minimum Funding Requirement
IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments
IAS 24 (R 2009) and IFRS 8 (R2009) Related Party Disclosure

Revenue recognition: Revenues from sales and sales-type leases of the company's products are generally recognized at the time of installation. Revenues from service contracts and operating leases of the company's products are recognized over the duration of the related agreements. Other service revenues are recognized when services are provided.
Use of financial instruments: The Group does not apply hedge accounting in accordance with IAS39 on any contracts as of 30 September 2010.

Seasonality: The Material Handling operations, and to some extent the US Collection Technology operations, are influenced by seasonality. The seasonality mirrors the beverage consumption pattern in the US, which normally is higher during the summer (2Q and 3Q) than during the winter (1Q and 4Q).

Financial exposures: TOMRA is exposed to currency risk, as only ~3% of its income is nominated in NOK. A strengthening/ weakening of NOK toward other currencies of 10% would normally decrease/increase operating profit with 15-20%. An increase in NIBOR with 1 percentagepoint, would increase financial expenses with NOK 3 million per year.

Commodity exposures: TOMRA are exposed to the change in commodity prices. Most important are aluminum, where a USD100 decrease in the LME will have an USD 800,000 to 1,000,000 negative impact on operating profit per year.

Oil prices: Even though high energyprices in general benefits recycling, TOMRA is hit, particularly with higher operating costs in the Material Handling Segment, when oilprices increase due to the cost of diesel to the truck fleet. 1 USD increase in the price per gallon of diesel, will reduce the EBIT by USD 1,300,000 per year.

Segment reporting: TOMRA has divided its primary reporting format into four business segments: Collection Technology, Material Handling and Industrial Processing Technology. In addition, the corporate overhead costs are reported in a separate column. The split is based upon the risk- and return profile of the Group's different activities; also taking into consideration TOMRA's internal reporting structure.

- Collection Technology consists of the sale, lease and servicing of RVMs to retail stores in Europe and North America plus related data management systems, which monitor container collection volumes and related cash flows.
- Material Handling consists of pick-up, transportation and processing of empty beverage containers on behalf of beverage producers/fillers on the US East Coast and in Canada. In addition, this segment includes the collection activities in California, where TOMRA owns and operates a number of collection centers outside retail stores.
- Industrial Processing Technology consists of TiTech, CommoDaS and Ultrasort, which provide advanced optical sorting systems, and Orwak Group, a leading provider of compaction solutions for recyclables such as cardboard, paper and plastic.
- Group Functions consist of costs related to corporate functions at TOMRA's headquarters.

Assets and liabilities are distributed on the different business segments, except for cash, interest-bearing debt and tax-positions, which are allocated to Group Functions. There are no material segment revenues from transactions with other segments. There are no material related party transactions in 2010.

NOTE 2 Dividend paid

Paid out May 2009: 0.50 NOK x 149.3 million shares = NOK 74.7 million
Paid out May 2010: 0.55 NOK x 148.0 million shares = NOK 81.4 million

NOTE 3 Net purchase of own shares

	# shares	Average price	TOTAL
3Q 2009			
Gross purchased	362,500	NOK 25.70	NOK 9.1 million
Sold to employees	-	-	-
Net purchased	**362,500**	**NOK 25.70**	**NOK 9.1 million**
3Q 2010			
Gross purchased			
Sold to employees			
Net purchased			
9 months 2009			
Gross purchased	1,678,450	NOK 24.01	NOK 40.3 million
Sold to employees	-110,717	NOK 24.02	NOK – 2.7 million
Net purchased	**1,567,733**	**NOK 24.01**	**NOK 37.6 million**
9 months 2010			
Gross purchased	239,000	NOK 29.65	NOK 6.7 million
Sold to employees	-87,096	NOK 28.00	-NOK 2.4 million
Net purchased	**151.904**	**NOK 28.20**	**NOK 4.3 million**

NOTE 4 SEGMENT FINANCIALS

SEGMENT	**Collection Technology**		**Material Handling**		**Industrial Processing Technology**		**Group Functions**		**Total**	
(Amounts in NOK million)	**3rd Quarter**		**3rd Quarter**		**3rd Quarter**		**3rd Quarter**		**3rd Quarter**	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Revenues	471	494	280	236	195	126	-	-	946	856
- Nordic	*109*	*124*	-	-	*8*	*12*	-	-	*117*	*136*
- Central Europe & UK	*247*	*279*	-	-	*89*	*75*	-	-	*336*	*354*
- Rest of Europe	*1*	*1*	-	-	*8*	*14*	-	-	*9*	*15*
- US East & Canada	*113*	*89*	*154*	*132*	*42*	*5*	-	-	*309*	*226*
- US West	-	-	*126*	*104*	*9*	*9*	-	-	*135*	*113*
- Rest of the World	*1*	*1*	-	-	*39*	*11*	-	-	*40*	*12*
Gross contribution	220	233	73	31	101	66	-	-	394	330
- in %	*47%*	*47%*	*26%*	*13%*	*52%*	*52%*	-	-	*42%*	*39%*
Operating expenses	124	110	33	28	61	56	4	4	222	198
Operating profit before o.i.	96	123	40	3	40	10	(4)	(4)	172	132
- in%	*20%*	*25%*	*14%*	*1%*	*21%*	*8%*	-	-	*18%*	*15%*

SEGMENT	**Collection Technology**		**Material Handling**		**Industrial Processing Technology**		**Group Functions**		**Total**	
(Amounts in NOK million)	**Year-to-Sep**		**Year-to-Sep**		**Year-to-Sep**		**Year-to-Sep**		**Year-to-Sep**	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Revenues	1312	1398	741	679	504	351	-	-	2 557	2 428
- Nordic	*348*	*386*	-	-	*38*	*40*	-	-	*386*	*426*
- Central Europe & UK	*651*	*736*	-	-	*203*	*170*	-	-	*854*	*906*
- Rest of Europe	*3*	*7*	-	-	*52*	*56*	-	-	*55*	*63*
- US East & Canada	*307*	*266*	*401*	*371*	*86*	*19*	-	-	*794*	*656*
- US West	-	-	*340*	*308*	*31*	*26*	-	-	*371*	*334*
- Rest of the World	*3*	*3*	-	-	*94*	*40*	-	-	*97*	*43*
Gross contribution	610	656	173	79	262	183	0	0	1045	918
- in %	*46%*	*47%*	*23%*	*12%*	*52%*	*52%*	-	-	*41%*	*38%*
Operating expenses	375	359	87	91	179	193	12	12	653	655
Operating profit before o.i.	235	297	86	(12)	83	(10)	(12)	(12)	392	263
- in%	*18%*	*21%*	*12%*	-	*16%*	-	-	-	*15%*	*11%*
Assets	1496	1490	737	736	967	940	185	115	3385	3 281
Liabilities	611	577	82	75	162	113	708	633	1563	1 398