



## **FIRST QUARTER 2009**

### **Highlights from first quarter 2009 include:**

- Revenues of 754 MNOK (791 MNOK in first quarter 2008).  
Positive currency impact of 14 %
  
- Operating expenses of 222 MNOK (224 MNOK in first quarter 2008).  
Down 8 % when adjusted for currency change
  
- Operating profit of 51 MNOK (83 MNOK in first quarter 2008).  
Positive currency impact of 25 %
  
- Pretax profit of 116 MNOK (79 MNOK in first quarter 2008)  
Including 70 MNOK in currency gain
  
- Cash flow from operations of 4 MNOK (22 MNOK in first quarter 2008)
  
- Strong performance in Collection Technology Deposit
  
- Industrial Processing Technology and California hit by financial downturn

## TOMRA FIRST QUARTER 2009

### CONSOLIDATED FINANCIALS

Revenues in the first quarter 2009 amounted to 754 MNOK compared to 791 MNOK in first quarter last year. After adjusting for currency changes, organic revenue growth was minus 19 percent. The decrease was driven by significantly lower activity within Industrial Processing Technology as well as lower revenues in the Californian operations within the Material Handling business area.

Gross margin equaled 36 percent in the quarter, down from 39 percent in the corresponding period last year. The decrease was solely driven by reduced margins in California, due to lower commodity prices.

Operating expenses were down from 224 MNOK in first quarter 2008 to 222 MNOK in first quarter 2009. After adjusting for currency changes, operating expenses were down 8 percent.

Operating profit for the quarter was 51 MNOK versus 83 MNOK in the first quarter 2008.

TOMRA took advantage of the strong EUR during fourth quarter 2008 and secured most of the predicted 2009 EUR cashflow. By the end of December 2008, 70 MEUR was booked at an exchange rate of 9.86 vs NOK in first quarter 2009. As of 31 March EUR 47 million remains of this hedge, booked at rate of 8.89 NOK per EUR. Consequently a currency gain of 70 MNOK has been booked on the finance line in first quarter 2009.

Cashflow from operations in first quarter 2009 equaled 4 MNOK, compared to 22 MNOK in first quarter 2008.

Equity ratio remains strong at 58 percent, up from 56 percent at the end of 2008. During first quarter 2009 TOMRA purchased 723,743 own shares. Net interestbearing debt was 508 MNOK at the end of first quarter 2009, down from 591 MNOK at the end of fourth quarter 2008.

### SEGMENT REPORTING

#### Collection Technology – Deposit Solutions

Revenue in the segment equaled 412 MNOK in the first quarter, versus 372 MNOK in the first

quarter last year. After adjusting for currency changes, organic revenue growth was minus 2 percent.

Gross margin improved and was up to 49 percent in first quarter 2009, from 47 percent in first quarter last year, mainly due to stronger EUR and USD vs. NOK.

The benefits of the reorganization of the central support function within this business area implemented in third quarter 2008 began to materialize. Adjusted for currency effects, operating expenses in the segment were down 15 percent.

Operating profit increased from 60 MNOK in first quarter 2008 to 92 MNOK in first quarter 2009.

Amounts in NOK million	1q09	1q08
Revenues	412	372
- Nordic	129	158
- Central Europe	201	150
- US East & Canada	82	64
Gross contribution	202	173
- in %	49%	47%
Operating expenses	110	113
Operating profit	92	60
- in %	22%	16%

#### Europe

The strong demand in Germany continued, and service revenues increased along with the installed base.

The German discount chain NORMA chose Tomra as its main supplier of reverse vending machine systems for non-refillable beverage containers. Tomra received an order for 400 reverse vending machines systems. Installations will be carried out during 2009 in NORMA's discount stores in Germany.

Nordic revenues were down in first quarter 2009 compared to first quarter 2008 because the automation of stores in Finland after the introduction of deposit on one-way containers in January 2008 was completed.

#### US East & Canada

Revenue in the quarter was up 28 percent from 64 MNOK last year to 82 MNOK this year. Measured in local currency revenues were down 1 percent. Both sales of RVM's as well as throughput volumes were relatively flat.

During the quarter both Connecticut and New York expanded their existing bottle-bills by

including water bottles. Within these states, most installed machines are on through-put leases, where Tomra's income is based on the number of containers going through the machines.

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

## Material Handling

Revenues in the first quarter were up by 9 percent versus first quarter last year measured in NOK. Measured in USD, revenues were down 16 percent.

Gross margin decreased from 15 percent in the first quarter last year to 6 percent this year. Operating profit decreased from 6 MNOK last year to a loss of 18 MNOK this year, mainly due to lower aluminum and PET prices in California.

Amounts in NOK million	1q09	1q08
Revenues	216	199
- US East & Canada	117	91
- US West	99	108
Gross contribution	14	31
- in %	6%	15%
Operating expenses	32	25
Operating profit	(18)	6
- in %	-	3%

### US East & Canada

Revenues were down 1% from 17.1 MUSD in first quarter 2008 to 17.0 MUSD in first quarter 2009. Improved operational efficiencies, reduced fuel cost and reduced operating expenses resulted in improved overall performance compared with 2008.

### US West

Revenues were down 29% from 20.4 MUSD in first quarter 2008 to 14.4 MUSD in first quarter 2009. Lower commodity prices - for both aluminum and PET - accounted for 52 % of the drop.

Volumes collected at TOMRA's centers declined by 12 percent versus first quarter 2008. The reasons were first that TOMRA closed some low performing sites, and second that operating hours at many centers were reduced during the winter season in order to reduce supply chain costs given extreme market conditions. TOMRA will gradually adjust operating hours as the summer season approaches.

## Industrial Processing Technology

Revenues in the first quarter 2009 amounted to 107 MNOK compared to 195 MNOK in first quarter last year. Revenues were significantly down in all three units within the segment.

Gross margin was stable at 50 percent, not influenced by lower volumes.

As a consequence of lower revenues and consequently lower gross contribution, operating profit fell from 37 MNOK in first quarter 2008 to a loss of 9 MNOK in first quarter 2009.

Order backlog in the segment has been stable from 31 December 2008 to 31 March 2009 measured in local currencies, but down from 102 MNOK to 94 MNOK measured in NOK.

Amounts in NOK million	1q09	1q08
Revenues	107	195
- Nordic	15	19
- Central Europe & UK	40	98
- Rest of Europe	21	27
- US East & Canada	9	9
- US West	8	5
- Rest of World	14	37
Gross contribution	54	98
- in %	50%	50%
Operating expenses	63	61
Operating profit	(9)	37
- in %	-	19%

### Recognition & sorting platform

Revenues within the TiTech Group were materially down in first quarter 2009. Falling commodity prices had a negative impact on the recycling industry, as well as the mining industry. Customers were more reluctant to place orders. Legislative driven recycling was less affected.

### Volume reduction platform

Orwak and Presona also experienced material falls in revenues in first quarter 2009, with Presona being hit harder than Orwak. Presona is mainly a supplier to the recycling industry, while Orwak has a more diversified customer base.

### Restructuring

In response to reduced orders and activity, a significant cost reduction program was initiated in all three units within IPT.

This includes a headcount reduction of 55 people which should lead to a 40 MNOK yearly cost saving when fully implemented. In 2009 net cost reduction effect is estimated to be 10 MNOK.

## Collection Technology – Non-Deposit Solutions

Revenues in the first quarter amounted to 19 MNOK, mainly coming from the installation of 7 ARCs at Tesco. Gross margin was 16 % compared to 20 % in first quarter 2008. Operating expenses were 13 MNOK, down from 21 MNOK in first quarter 2008.

Amounts in NOK million	1q09	1q08
Revenues	19	25
- Central Europe & UK	17	24
- Rest of Europe	1	-
- Rest of World	1	1
Gross contribution	3	5
- in %	16%	20%
Operating expenses	13	21
Operating profit	(10)	(16)

The cost reduction program initiated in third quarter 2008 had a positive impact on operating expenses, and further reductions in operating expenses are expected.

## OUTLOOK

TOMRA is benefitting from the underlying macro trends supporting the environment and thereby recycling. However, the current recession in the world economy is impacting TOMRA negatively, but in different ways in the various business areas.

Within Collection Technology – Deposit, where service represents close to 50% of total revenue, there has so far been limited effects of the current recession.

Material Handling on the US East Coast is not affected as long as beverage consumption holds up, as it did during first quarter 2009.

In California, TOMRA takes ownership of the processed material and is thereby exposed to the decrease in commodity prices, particularly aluminum.

Within Industrial Processing Technology, demand has fallen significantly. Ongoing cost reduction programs will have a positive impact on performance during the current phase of the business cycle.

The main contribution to the improved performance within Collection Technology – Non-deposit in 2009 will primarily come from reduced operational cost. Long term revenue growth will depend on Tomra's ability to build sustainable business models with relevant stakeholders, utilizing existing technology combined with applicable branding concepts.

## MANAGEMENT CHANGE

The Board of Tomra Systems ASA appointed in March Stefan Ranstrand as new President and CEO for the Group. Stefan Ranstrand (age 48) is a leader with broad international business experience. He is currently Senior Vice President and head of the High Voltage Products business unit within ABB. Ranstrand, who is Swedish, has held a variety of positions within ABB since 1991, including overseas assignments in several countries. He will assume his new appointment as soon as he is released from ABB, by 1 October 2009 at the latest.

The present President and CEO, Amund Skarholt, has chosen to resign at his own wish after completing the comprehensive assignment to streamline Tomra's organization. As requested by the Board, he will however continue as President and CEO until Stefan is ready to assume the appointment.

## SHARES AND SHAREHOLDERS

The total number of issued shares at the end of first quarter 2009 was 155,020,078 shares, including 5,719,989 treasury shares. The Board will ask for a cancellation of 5,000,000 treasury shares at the Annual General Meeting today, and at the same time ask for a new authorisation to acquire up to a further 10,000,000 treasury shares.

The total number of shareholders decreased from 8,772 at the end of fourth quarter 2008 to 8,731 at the end of first quarter 2009. 53.7 percent of the shares were held by Norwegian residents at the end of first quarter 2009.

TOMRA's share price increased from NOK 23.60 to NOK 24.90 during first quarter 2009. The number of shares traded at the Oslo Stock Exchange in the period was 22 million shares compared to 71 million in the same period in 2008.

Asker, 21 April 2009

The Board of Directors  
TOMRA SYSTEMS ASA

Jo Lunder  
Chairman of the Board

Amund Skarholt  
President & CEO

## FINANCIAL STATEMENT – FIRST QUARTER 2009

<b>INCOME STATEMENT</b> <i>(Amounts in NOK million)</i>	<b>1<sup>st</sup> Quarter</b>		<b>Full year</b>
	<b>2009</b>	<b>2008</b>	<b>2008</b>
Operating revenues	754.4	790.7	3621.9
Cost of goods sold	460.0	467.1	2170.6
Depreciations/write-down	21.9	16.2	75.0
<i>Gross contribution</i>	<i>272.5</i>	<i>307.4</i>	<i>1376.3</i>
Operating expenses	199.3	203.9	839.1
Depreciations/write-down	22.7	20.3	81.0
<i>Operating profit</i>	<i>50.5</i>	<i>83.2</i>	<i>456.2</i>
Net financial income	65.1	(3.9)	(24.1)
<i>Profit before taxes</i>	<i>115.6</i>	<i>79.3</i>	<i>432.1</i>
Taxes	38.7	26.6	140.3
<i>Net profit for the period</i>	<i>76.9</i>	<i>52.7</i>	<i>291.8</i>
Minority interest	(3.5)	(1.2)	(13.6)
<i>Earnings per share (NOK)</i>	<i>0,49</i>	<i>0.33</i>	<i>1.82</i>

<b>BALANCE SHEET</b> <i>(Amounts in NOK million)</i>	<b>31 March</b>		<b>31 Dec</b>
	<b>2009</b>	<b>2008</b>	<b>2008</b>
<b>ASSETS</b>			
Intangible assets	919.1	696.3	941.4
Leasing equipment	114.2	75.6	110.6
Other fixed assets	665.5	530.5	703.4
Inventory	596.1	519.1	624.4
Short-term receivables	1046.0	845.4	1099.9
Cash and cash equivalents	28.2	101.2	114.1
<i>TOTAL ASSETS</i>	<i>3369.1</i>	<i>2768.1</i>	<i>3593.8</i>
<b>LIABILITIES &amp; EQUITY</b>			
Equity	1959.6	1599.5	2019.2
Minority interests	66.6	52.9	65.2
Deferred taxes	37.3	24.3	38.3
Long-term interest-bearing liabilities	482.1	342.0	567.1
Short-term interest-bearing liabilities	53.8	18.6	23.4
Other liabilities	769.7	734.8	880.6
<i>TOTAL LIABILITIES &amp; EQUITY</i>	<i>3369.1</i>	<i>2768.1</i>	<i>3593.8</i>

<b>CASH FLOW STATEMENT</b> <i>(Amounts in NOK million)</i>	<b>1<sup>st</sup> Quarter</b>		<b>Full year</b>
	<b>2009</b>	<b>2008</b>	<b>2008</b>
Profit before taxes	115.6	79.3	432.1
Changes in working capital	(100.4)	(27.4)	(121.7)
Other operating changes	(11.0)	(30.1)	64.4
Total cash flow from operations	4.2	21.8	374.8
Total cash flow from investments	(37.5)	(36.6)	(325.9)
Net cashflow from repurchase of shares	(17.2)	(15.6)	(191.5)
Dividend paid out	-	-	(69.8)
Other cashflow from financing	(34.3)	(54.9)	133.1
Total cash flow from financing	(51.5)	(70.5)	(128.2)
<i>Total cash flow for period</i>	<i>(84.7)</i>	<i>(85.3)</i>	<i>(79.3)</i>
Exchange rate effect on cash	(1.5)	(4.3)	2.6
Opening cash balance	114.4	190.8	190.8
Closing cash balance	28.2	101.2	114.1

## FINANCIAL STATEMENT – FIRST QUARTER 2009 (Continued)

<b>EQUITY</b> <i>(Amounts in NOK million)</i>	<b>1<sup>st</sup> Quarter</b>		<b>Full year</b>
	<b>2009</b>	<b>2008</b>	<b>2008</b>
Opening balance	2019.2	1623.8	1623.8
Net profit	73.4	51.5	278.2
Translation difference	(115.8)	(65.2)	378.5
Dividend paid	-	-	(69.8)
Net purchase of own shares	(17.2)	(14.6)	(191.5)
Closing balance	1959.6	1595.5	2019.2

<b>STATEMENT OF RECOGNIZED INCOME AND EXPENSES</b> <i>(Amounts in NOK million)</i>	<b>1<sup>st</sup> Quarter</b>		<b>Full year</b>
	<b>2009</b>	<b>2008</b>	<b>2008</b>
Translation differences	(118.7)	(67.8)	395.0
Net profit	76.9	52.7	291.8
<i>Total recognized for the period</i>	<i>(41.8)</i>	<i>(15.1)</i>	<i>686.8</i>
Attributed to majority	(42.4)	(13.7)	656.7
Attributed to minorities	0.6	(1.4)	30.1
<i>Total recognized for the period</i>	<i>(41.8)</i>	<i>(15.1)</i>	<i>686.8</i>
Minority interest in profit and loss	3.5	1.2	13.6
Translation differences minorities	(2.9)	(2.6)	16.5
<i>Total minorities</i>	<i>0.6</i>	<i>(1.4)</i>	<i>30.1</i>

<b>INTERIM RESULTS</b> <i>(Amounts in NOK million)</i>	<b>1<sup>st</sup> Quarter</b>	<b>4<sup>th</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>	<b>2<sup>nd</sup> Quarter</b>	<b>1<sup>st</sup> Quarter</b>
	<b>2009</b>	<b>2008</b>	<b>2008</b>	<b>2008</b>	<b>2008</b>
Operating revenues (MNOK)	754.4	1076.4	880.9	873.9	790.7
EBITDA (MNOK)	95.1	182.8	152.2	157.4	119.7
Operating profit (MNOK)	50.5	136.0	115.4	121.6	83.2
Sales growth (year-on-year) (%)	(4.6)	13.6	2.3	(1.5)	(0.4)
Gross margin (%)	36.1	35.3	38.5	40.0	38.9
Operating margin (%)	6.7	12.6	13.1	13.9	10.5
EPS (NOK)	0.49	0.57	0.45	0.47	0.33
EPS (NOK) fully diluted	0.49	0.57	0.45	0.47	0.33

### NOTE 1 Disclosure

The 2009 and 2008 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 2008. 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 2008. 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 2008.

A number of new standards, amendments to standards and interpretations are not effective for the period ending 31 March 2009, and have not been applied in preparing these consolidated financial statements:

Revised IFRS 3 Business Combinations and amended IAS 27 Consolidated and Separate Financial Statements

Revised version of IFRS 1

IFRIC 15 Agreements for the Construction of Real Estate

IFRIC 16 Hedges of a Net Investment in a Foreign Operation

IFRIC 17 Distributions of Non-Cash assets to Owners

IFRIC 18 Transfer of Assets

Amendments to IAS 39 Financial Instruments: Recognition and Measurement – Eligible Hedged Items

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 31 March 2009.

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 5 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.

EU Commission: In September 2004, TOMRA received the EU Commission's Statement of Objections (SO) relating to the EU Commission investigation in 2001. The Commission was of the opinion that TOMRA had exploited its dominant market position in several European markets by entering into certain supply agreements with customers. The alleged abuse is partly due to having entered into exclusive purchase agreements with customers and partly due to use of loyalty rebate schemes. In November 2004, TOMRA filed its written response to the Statement of Objections where TOMRA rejected the Commission's arguments. The EU Commission concluded in March 2006 that TOMRA in their opinion had foreclosed competition in the period 1998 to 2002 on the market for reverse vending machines in Austria, Germany, the Netherlands, Norway and Sweden by implementing an exclusionary strategy. Consequently, the Commission decided to fine TOMRA EUR 24 million. TOMRA has appealed the decision into the European Court of Justice. The court case is expected to take place during 2009. Supported by legal opinions, TOMRA believe it is more likely than not that we will win the appeal. Consequently, no accrual has been made in the balances as of 31 March 2009 related to the penalty.

Segment reporting: TOMRA has divided its primary reporting format into four business segments: Collection Technology – Deposit Solutions, Material Handling, Industrial Processing Technology and Collection Technology – Non-Deposit Solutions. 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 - Deposit Solutions 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.
- Collection Technology – Non-Deposit Solutions consist of general business development activities and projects in e.g. Japan and UK. The segment includes activities related to the Automated Recycling Center (ARC), a fully automated low cost recycling center for non-deposit markets.
- 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 2009.

## NOTE 2 Dividend paid

Paid out May 2008: 0.45 NOK x 155.1 million shares = NOK 69.8 million

## NOTE 3 Net purchase of own shares

	# shares	Average price	TOTAL
1Q 2008			
Gross purchased	497,100	NOK 37.22	NOK 18.5 million
Sold to employees	-106,776	NOK 36.47	NOK 3.9 million
<b>Net purchased</b>	<b>390,324</b>	<b>NOK 37.40</b>	<b>NOK 14.6 million</b>
1Q 2009			
Gross purchased	793,300	NOK 23.70	NOK 18.8 million
Sold to employees	-69,557	NOK 23.20	NOK 1.6 million
<b>Net purchased</b>	<b>723,743</b>	<b>NOK 23.77</b>	<b>NOK 17.2 million</b>

## APPENDIX: SEGMENT FINANCIALS

SEGMENT <i>(Amounts in NOK million)</i>	Collection Technology – Deposit Solutions		Materials Handling		Industrial Processing Technology		Collection Technology – Non-Deposit Solutions		Group Functions		Total	
	1 <sup>st</sup> Quarter		1 <sup>st</sup> Quarter		1 <sup>st</sup> Quarter		1 <sup>st</sup> Quarter		1 <sup>st</sup> Quarter		1 <sup>st</sup> Quarter	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Revenues	412	372	216	199	107	195	19	25	-	-	754	791
- Nordic	129	158	-	-	15	19	-	-	-	-	144	177
- Central Europe & UK	201	150	-	-	40	98	17	24	-	-	258	272
- Rest of Europe	-	-	-	-	21	27	1	-	-	-	22	27
- US East & Canada	82	64	117	91	9	9	-	-	-	-	208	164
- US West	-	-	99	108	8	5	-	-	-	-	107	113
- Rest of World	-	-	-	-	14	37	1	1	-	-	15	38
Gross contribution	202	173	14	31	54	98	3	5	0	0	273	307
- in %	49%	47%	6%	15%	50%	50%	16%	20%	-	-	36%	39%
Operating expenses	110	113	32	25	63	61	13	21	4	4	222	224
Operating profit	92	60	(18)	6	(9)	37	(10)	(16)	(4)	(4)	51	83
- in%	22%	16%	-	3%	-	19%	-	-	-	-	7%	10%
Assets	1447	1229	836	589	905	713	50	83	131	154	3369	2768
Liabilities	437	500	64	50	97	124	50	21	695	425	1343	1120