



## **FIRST QUARTER 2002**

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## FINANCIAL STATEMENTS - FIRST QUARTER 2002

PROFIT & LOSS STATEMENT <i>(Figures in NOK million)</i>	1st Quarter						Full Year		
	2002			2001			2001		
	Cont.	Disc.	Total	Cont.	Disc.	Total	Cont.	Disc.	Total
Operating revenues	629.5	7.1	636.6	550.6	98.2	648.8	2591.5	332.9	2924.4
Cost of goods sold	365.3	5.4	370.7	262.7	97.1	359.8	1489.4	340.9	1830.3
Lease depreciation	20.0	0.0	20.0	21.5	0.0	21.5	89.1	0.0	89.1
<i>Gross contribution</i>	<i>244.2</i>	<i>1.7</i>	<i>245.9</i>	<i>266.4</i>	<i>1.1</i>	<i>267.5</i>	<i>1013.0</i>	<i>-8.0</i>	<i>1005.0</i>
Operating expenses	157.0	1.0	158.0	149.5	2.9	152.4	597.7	10.0	607.7
Depreciation & write-downs	34.4	0.5	34.9	28.2	1.6	29.8	432.1	5.6	437.7
<i>Operating profit</i>	<i>52.8</i>	<i>0.2</i>	<i>53.0</i>	<i>88.7</i>	<i>-3.4</i>	<i>85.3</i>	<i>-16.8</i>	<i>-23.6</i>	<i>-40.4</i>
Affiliated companies	-0.5	0.0	-0.5	-0.8	0.0	-0.8	-2.4	0.0	-2.4
Net financial items	28.3	-0.2	28.1	18.3	-5.0	13.3	119.7	-14.4	105.3
<i>Ord. profit before tax</i>	<i>80.6</i>	<i>0.0</i>	<i>80.6</i>	<i>106.2</i>	<i>-8.4</i>	<i>97.8</i>	<i>100.5</i>	<i>-38.0</i>	<i>62.5</i>
Losses related to WMG	0.0	0.0	0.0	0.0	0.0	0.0	-42.1	0.0	-42.1
Losses related to Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0	54.2	54.2
Taxes	25.0	0.0	25.0	33.6	-3.3	30.3	70.8	-36.8	34.0
<i>Net profit</i>	<i>55.6</i>	<i>0.0</i>	<i>55.6</i>	<i>72.6</i>	<i>-5.1</i>	<i>67.5</i>	<i>71.8</i>	<i>-55.4</i>	<i>16.4</i>
Minority interest	-3.8	0.0	-3.8	-3.8	0.0	-3.8	-31.1	0.0	-31.1

BALANCE SHEET <i>(Figures in NOK million)</i>	31 March		
	2002	2001	31 December 2001
<b>ASSETS</b>			
Intangible assets	555.1	674.9	579.4
Leasing equipment	248.8	269.3	263.4
Other fixed assets	971.3	935.8	981.9
Other current assets	965.8	1125.0	970.7
Cash and cash equivalents	715.9	474.8	697.6
<b>TOTAL ASSETS</b>	<b>3456.9</b>	<b>3479.8</b>	<b>3493.0</b>
<b>LIABILITIES &amp; EQUITY</b>			
Equity	2656.1	2809.8	2630.5
Minority interests	153.2	92.5	160.5
Deferred taxes	87.0	77.3	86.5
Long-term interest-bearing liabilities	39.5	39.5	37.8
Short-term interest-bearing liabilities	17.8	0.0	18.4
Other short-term liabilities	503.3	460.7	559.3
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>3456.9</b>	<b>3479.8</b>	<b>3493.0</b>

CASH FLOW STATEMENT <i>(Figures in NOK million)</i>	1st Quarter		Full Year
	2002	2001	2001
Ordinary profit before taxes	80.6	97.8	62.5
Changes in working capital	-84.9	-14.1	113.2
Other operating changes	51.1	-37.6	383.8
<i>Total from operations</i>	<i>46.8</i>	<i>46.1</i>	<i>559.5</i>
<i>Total from investments</i>	<i>-41.6</i>	<i>-406.7</i>	<i>-652.6</i>
<i>Total from financing</i>	<i>16.5</i>	<i>118.3</i>	<i>83.3</i>

INTERIM RESULTS <i>(Continuing operations)</i>	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter
	2001	2001	2001	2001	2002
Operating revenues	550.6	647.6	696.8	696.5	629.5
EBITDA	138.4	161.2	180.6	127.4	107.2
Operating profit	88.7	111.6	112.4	-329.5	52.8
Sales growth (%)	6.9	15.4	14.1	9.3	14.3
Operating margin (%)	16.1	17.2	16.1	-47.3	8.4
Earnings per share (NOK)	0.36	0.46	0.34	-1.24	0.29

## HIGHLIGHTS

- Revenues from continuing operations 630 MNOK (+14%)
  - Europe 224 MNOK (+17%)
  - North America (continuing) 309 MNOK (-6%)
  - South America 97 MNOK (+213%)
- Profit before tax 81 MNOK (-24%)
- Court case decision in Germany – government announced deposit on non-refillable containers starting 1 January 2003
- Denmark lifted ban on non-refillable containers - installations of RVMs started in March
- Californian restructuring has developed according to plan
- Currency gain of 18 MNOK

## FINANCIALS

Due to the sales and closing of material parts of TOMRA's operations in North America during 2001, the financial statement has been prepared separately for continuing and discontinued operations. Revenues from continuing operations in the first quarter 2002 amounted to 630 MNOK, up 14% from 551 MNOK in 2001. Operating profit came out at 53 MNOK for the quarter. Currency exchange gains, primarily from EURO and USD, gave strong results from finance.

Earnings per share came out at NOK 0.29 for the first quarter 2002. Total assets have decreased by 1% since the end of 2002 to 3,457 MNOK. The liquidity remains good and the equity ratio stands at 77%.

## MARKETS

### EUROPE

Revenues in Europe amounted to 224 MNOK for first quarter 2002 against 192 MNOK in 2001 - an increase of 17%. Denmark and Sweden had strong growth, while The Netherlands, due to exceptional growth in 2001 related to the preparation for the EURO introduction from 1 January 2002, declined by 55%.

### Sales by market

Figures in NOK million	1Q02	1Q01
Norway	14	21
Sweden	39	27
Finland	25	22
Denmark	55	14
The Netherlands	15	33
Germany	45	46
Austria	12	10
Switzerland	9	10
Belgium	7	7
Others	3	2
Total Europe	224	192

### Sales by activity

Figures in NOK million	1Q02	1Q01
Sales, lease	148	128
Service	73	61
Adm. & Promotion	3	3
Total Europe	224	192

### Germany

On 22 February 2002 the High Administrative Court in Berlin decided in favor of the German Government regarding the 1997 measurement of the refillable quota. After a cabinet meeting on 20 March 2002, the Ministry of Environment announced that the refillable statistics for the confirmation periods for 1997 and 1998 will officially be published in July 2002. As a consequence of the publishing, deposit on non-refillable containers for beer, carbonated soft drinks and mineral water will be implemented as of 1 January 2003.

Industry has filed new lawsuits in the Constitutional Court in Karlsruhe and in the Administrative Courts in all sixteen Bundesländer. According to statements made by the German Ministry of Environment, the court cases will not have suspensive effects on the implementation of deposit.

TOMRA has decided to maintain its expanded capacity tied to the German deposit start-up. The preparedness measures will cost approximately 12 MNOK in the second quarter 2002. TOMRA will await enquiries from the German retail and beverage industry before committing additional resources to servicing of the market.

After a strong fourth quarter 2001 stemming from upgrades and machine placements related to the EURO introduction, the German market had a flat development in the first quarter of 2002 compared to 2001. Due to the uncertainty in the market this trend is expected to continue also in the second quarter.

### Denmark

The Danish government announced on 23 January 2002 that it would open the market for non-refillable containers for carbonated drinks with immediate effect. A ban on these containers has been in effect for the past decade and was challenged by the EU court. The start-up of automated handling of non-refillable containers through RVMs will be 1 June 2002.

Revenue in Denmark in the first quarter increased by 296% to 55 MNOK driven by new installations and upgrades connected to the start-up. In the first quarter TOMRA installed and upgraded approximately 550 machines in Danish supermarkets. TOMRA is well positioned in the market and expects an even higher activity level in Denmark in the second quarter.

## Sweden

Revenue in Sweden in the first quarter increased by 44% to 39 MNOK. The increase was driven by replacement of machines, as well as the need for software upgrades in connection with the introduction of automatic deposit settlements from Returpack. The replacement of existing machines is expected to continue to drive revenue growth in Sweden in 2002.

## Israel

The central organization established to operate the deposit system in Israel is currently negotiating contracts with various suppliers. The negotiations are more complicated than previously foreseen.

## NORTH AMERICA

Revenues from continuing operations in North America amounted to 309 MNOK in the first quarter 2002 - a decrease of 6% from 328 MNOK in the same period in 2001. The Californian operations developed better than planned due primarily to higher volumes, with operating expenses developing according to plan. TOMRA expects to reach break-even in California during the second quarter.

### Sales by market (continuing operations)

Figures in NOK million	1Q02	1Q01
New York	101	116
Connecticut	19	20
Massachusetts	30	26
Michigan	53	57
California	84	86
Canada	20	21
Others	2	2
Total North America	309	328

### Sales by activity (continuing operations)

Figures in NOK million	1Q02	1Q01
Sales, lease	38	42
Service	34	35
Recycling Centers	53	63
Materials Handling	166	169
Adm. & Promotion	18	19
Total North America	309	328

## California

The operating performance in California improved during the first quarter 2002. The operating losses of 9 MNOK was 8 MNOK better than the forecast presented in TOMRA's fourth quarter 2001 presentation. Operations were at near break-even levels at the end of the period. Most importantly, operating costs were in line with the forecast for the first quarter. Sales ended up 4% above the forecast. The primary reason for this is higher volume from recycling center operations, off-set somewhat by lower than planned commercial volumes. TOMRA anticipates to reach break-even during second quarter 2002.

Discussions with the Department of Conservation (DoC) regarding legislative issues continue. A conclusion regarding the legislative process cannot be expected until the end of 2002.

TOMRA's operation in Hawaii was sold to a local operator on 15 April 2002. If a deposit system is established in Hawaii, the operator will serve as TOMRA's distributor of RVMs in Hawaii.

## U.S. East Coast

Revenue on the U.S. east coast was somewhat lower than expected due to lower technology sales. The TOMRA 83 HCp has been introduced to the largest retail chains and has been well received. The production of TOMRA 83 HCp is now being ramped up and new options have been introduced, leading to higher expected technology sales from the second quarter 2002.

## SOUTH AMERICA

Revenues in South America during the first quarter 2002 amounted to 97 MNOK compared to 33 MNOK in March 2001. The continued strengthening of the Brazilian currency, Real, has negatively impacted profitability in the first quarter.

### Sales by market

Figures in NOK million	1Q02	1Q01
Brazil	96	30
Others	1	1
Total South America	97	31

### Sales by activity

Figures in NOK million	1Q02	1Q01
Sales, lease	1	1
Recycling Centers	53	13
Materials Handling	43	17
Total South America	97	31

## BUSINESS DEVELOPMENT

### Japan

Under current legislation retailers in Tokyo are obliged to facilitate the take-back of PET packaging (Tokyo Rule). Seiyu, Japan's fifth largest retailer, has a vision of reaching zero emission of waste by 2010. In order to fulfil this target Seiyu has planned to use automated collection in their supermarket outlets. Two automated collection centers were opened at the Seiyu Mizuho Mall outside Tokyo on 12 March 2002 to collect PET containers, cans and other packaging materials. Additional center openings are planned at Seiyu stores. TOMRA will further build on this strategy by securing other key Japanese retailer commitments to this concept.

## **MARKET OUTLOOK**

The Board has reviewed the long-term market opportunities and remains optimistic based on a positive outcome in Germany. Revenue growth in the second quarter 2002 relative to the same period in 2001 is expected to be lower than in the first quarter, but the Board expects a considerable improvement in margins.

## **SHAREHOLDERS**

TOMRA issued 263,334 new shares to employees in connection with the option program during first quarter. The total number of shares held at the end of the first quarter 2002 was 178,486,559 shares. The total number of shareholders increased from 9,137 at the end of 2001 to 10,194 at the end of first quarter 2002. The distribution by country of TOMRA

shareholders at the end of first quarter shows: Norway 37.33%, United Kingdom 13.76%, United States 12.31%, Luxembourg 8.56% and Denmark 6.21%.

TOMRA's share price decreased from NOK 86 to NOK 82 during first quarter 2002. The number of shares traded in first quarter 2002 was 214 million shares, compared to 152 million in first quarter 2001.

Asker, 17 April 2002

The Board of Directors  
TOMRA SYSTEMS ASA

Jan Chr. Opsahl  
Chairman

Erik Thorsen  
President & CEO