



FIRST QUARTER 2005

Highlights from first quarter 2005 include:

- Revenues 599 MNOK (+1 percent relative to first quarter 2004)
- Operating profit 10 MNOK (42 MNOK last year)
- Acquisition of Orwak Group completed in February 2005; acquisition price based on enterprise value of 160 MNOK
- Preparations for national deposit system in Germany continue
- 7 percent revenue growth in USD in North American operations

TOMRA – FIRST QUARTER 2005

CONSOLIDATED FINANCIALS

Revenues in the first quarter 2005 amounted to 599 MNOK, up 1 percent from 593 MNOK in the first quarter of 2004. The increase in revenue is driven by acquisitions within Recycling Technology. Organic revenue adjusted for currency fluctuations declined by 3 percent. In NOK, organic revenue declined by 10 percent to 533 MNOK.

Gross margin in first quarter 2005 equaled 33.2 percent, which is down from 34.6 percent in first quarter 2004. Operating profit equaled 10 MNOK in first quarter 2005 versus 42 MNOK in first quarter 2004. The declines are mainly a result of lower RVM sales in Europe and a strengthening of NOK versus USD and EUR.

Net financial income ended at 3 MNOK and cash flow from operations in the quarter equaled 1 MNOK, and the total cash balance ended at 766 MNOK.

All figures have been restated according to IFRS, and the impact of the implementation on 2004 financial figures can be found on www.tomra.com under Investor Relations.

SEGMENT REPORTING

As outlined in the Annual Report 2004, TOMRA has recently introduced a new segment reporting format. Below follows a short description of the segments.

- **RVM Technology** consists of the sale, lease and servicing of Reverse Vending Machines (RVM's) in deposit markets. In addition, this segment includes TOMRA's management systems, which monitor container collection volumes and related cash flow.
- **Collection & Materials Handling** consists of the transportation and processing of beverage containers in North America, as well as the collection of deposit containers from consumers in California through a network of collection centers.
- **Recycling Technology** consists of the recently acquired companies TiTech and Orwak Group. The companies market automated sorting and compaction technology, which allows stakeholders to gain efficiencies out of the existing labor-intensive collection and recycling processes.

- **Other non-deposit activities** are comprised of TOMRA's operations in Brazil, where TOMRA collects and processes aluminum cans; the development of a new out-door collection center, Tomra Recycling Center (TRC), targeted for non-deposit markets; and business development activities in non-deposit markets such as the UK and Japan.

RVM Technology

Revenue in RVM Technology amounted to 250 MNOK in the first quarter 2005 versus 318 MNOK in 2004 – a decrease of 21 percent (18 percent adjusted for currency fluctuations). The decline is primarily due to lower machine sales in Europe. As a direct result of the decline in revenue, operating profit fell to 31 MNOK in the first quarter 2005 against 59 MNOK in first quarter 2004.

<i>Figures in NOK million</i>	<u>1q05</u>	<u>1q04</u>
Revenue	250	318
- Nordic	85	128
- Central Europe	84	100
- Rest of Europe	-	1
- US East & Canada	81	89
Gross contribution	123	159
- in %	49%	50%
Operating profit	31	59
- in %	12%	19%

Europe

Revenue in Europe equaled 169 MNOK in the first quarter 2005—a decline of 26 percent versus first quarter 2004. The decline is mainly a result of the lower activity level in Sweden, which was expected and due to a large order to Coop Sweden in first quarter 2004. Also, lower activity levels in Finland and Holland were evident during first quarter 2005 due to lower investments by retailers.

US East & Canada

Revenue in US East and Canada equaled 12.8 MUSD in the first quarter 2005—unchanged from first quarter 2004. Revenue measured in NOK decreased by 9 percent to 81 MNOK. Lower machine sales due to postponed timing of several key account installations, was off-set by increased service and administration activities.

Germany

Constructive processes related to establishing a national deposit system as of May 2006 are underway. Working groups have been established by the retail and beverage industries regarding various operational standards (IT, auditing, etc.), legal issues and national security system standards. A final decision on the security system is deemed as an important step in preparing for automated handling of beverage containers in a national deposit system. TOMRA continues to assist industry stakeholders with technology and system competency.

Collection & Materials Handling

Revenue within Collection & Materials Handling in the first quarter 2005 increased by 10 percent to 29.8 MUSD. Revenue measured in NOK decreased by 1 percent to 187 MNOK. The increase in revenue measured in USD was mainly driven by growth in the collection operations (US West/California), which increased by 20 percent. The main reasons for the increase in revenue are higher aluminum prices and collection volumes, which increased by 7 percent in total.

Margins also improved in the first quarter 2005 compared to 2004 due to improved performance in California and effects from cost cutting programs, which were implemented in 2004 in the materials handling operations (US East & Canada).

<i>Figures in NOK million</i>	<u>1q05</u>	<u>1q04</u>
Revenue	187	189
- US East & Canada	101	110
- US West	86	79
Gross contribution	34	36
- in %	18%	19%
Operating profit	8	5
- in %	4%	2%

Recycling Technology

Traditionally, the first quarters within the recently acquired companies in Recycling Technology have low activity levels. This trend has also been evident in 2005 where revenue equaled 66 MNOK. As a consequence of the lower activity level, the Recycling Technology-segment had an operating loss of 9 MNOK. For 2004, this trend was broken and pro-forma first quarter figures for Recycling Technology show revenue of 96 MNOK and operating profit of 8 MNOK. Based on improved order backlog at the end of the first quarter 2005, TOMRA expects revenue and margins within

Recycling Technology to improve throughout 2005.

<i>Figures in NOK million</i>	<u>1q05</u>	<u>1q04</u>
Revenue	66	-
- Nordic	14	-
- Central Europe & UK	39	-
- Rest of Europe	4	-
- US East & Canada	3	-
- Rest of World	6	-
Gross contribution	28	-
- in %	43%	-
Operating profit	(9)	-

Orwak Group

The formal closing of the acquisition of Orwak Group AB occurred on 21 February 2005. The purchase price was based on an enterprise value of 175 MSEK (160 MNOK) and a conditional payment of up to 20 MSEK based on 2005 and 2006 earnings. TOMRA consolidated Orwak Group as of 1 January 2005.

Other non-deposit activities

Revenue within TOMRA's other non-deposit activities increased by 12 percent to 96 MNOK mainly due to higher collection volumes in Brazil. Nearly all revenue in this segment is generated in Brazil, which had an operating profit 5 MNOK. Due to investments in business development activities, the operating loss for the segment ended at 11 MNOK.

<i>Figures in NOK million</i>	<u>1q05</u>	<u>1q04</u>
Revenue	96	86
- Rest of World	96	86
Gross contribution	14	10
- in %	15%	12%
Operating profit	(11)	(18)

TRC pilot in the UK

The TRC (Tomra Recycling Center) pilot being tested together with Tesco in the UK has shown promising results with respect to center performance, consumer response and stakeholder interest. TOMRA and Tesco plan to install an additional five centers in April through July. Results from these test centers will form the basis for discussions with Tesco in late 2005 / early 2006 regarding a large scale roll-out in the UK. Investments in the TRC project during first quarter 2005 equaled 8 MNOK, unchanged from 2004.

Japan

The collection test centers operated by TOMRA and Sumitomo in the Tokyo / Yokohama region have been successful. TOMRA and Sumitomo have decided to immediately expand its marketing activities in Japan in order to further verify stakeholder interest in the collection center solution. A decision on a cooperation model between TOMRA and Sumitomo is targeted for conclusion in the middle of 2005.

ORGANIZATION

On 11 April 2005 Amund Skarholt joined TOMRA as the new CEO. The agreed upon compensation (including social security tax) of 4 MNOK to the former CEO of TOMRA was booked in the first quarter 2005.

SHAREHOLDERS

The total number of shares outstanding at the end of first quarter 2005 was 178,486,559 shares. The total number of shareholders decreased from 17,611 at the end of 2004 to 17,238 at the end of first quarter 2005. At the end of first quarter 2005 70 percent of TOMRA's shareholders were Norwegian residents.

TOMRA's share price decreased from NOK 33.30 to NOK 28.30 during first quarter 2005. The number of shares traded at the Oslo Stock Exchange in first quarter 2005 was 145 million shares, compared to 124 million in first quarter 2004.

Asker, 19 April 2005

The Board of Directors
TOMRA SYSTEMS ASA

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FINANCIAL STATEMENT – FIRST QUARTER 2005

INCOME STATEMENT <i>(Figures in NOK million)</i>	1st Quarter		Full Year		
	2005	2004	2004		
Operating revenues	599.2	592.8	2512.2		
Cost of goods sold	384.4	371.4	1535.6		
Depreciation	15.8	16.2	65.5		
<i>Gross contribution</i>	<i>199.0</i>	<i>205.2</i>	<i>911.1</i>		
Operating expenses	168.3	145.0	617.5		
Depreciation	20.5	18.0	76.5		
<i>Operating profit</i>	<i>10.2</i>	<i>42.2</i>	<i>217.1</i>		
Net financial income	3.3	5.4	24.2		
<i>Ordinary profit before tax</i>	<i>13.5</i>	<i>47.6</i>	<i>241.3</i>		
Loss related to Tomra Systems OY	0.0	0.0	3.4		
Income related to Wise Metals Group	0.0	0.0	54.7		
Taxes	4.6	13.7	90.1		
<i>Net profit</i>	<i>8.9</i>	<i>33.9</i>	<i>202.5</i>		
Minority interest	(1.4)	(2.3)	(15.4)		
<i>Earnings per share (NOK)</i>	<i>0.04</i>	<i>0.18</i>	<i>1.05</i>		
BALANCE SHEET <i>(Figures in NOK million)</i>	31 March				
	2005	2004	31 December 2004		
ASSETS					
Intangible assets	869.1	579.5	738.6		
Leasing equipment	143.9	159.7	140.1		
Other fixed assets	628.3	643.0	588.6		
Inventory	352.3	323.6	285.0		
Short-term receivables	610.5	572.3	541.6		
Cash and cash equivalents	766.1	1149.5	983.0		
<i>Total assets</i>	<i>3370.2</i>	<i>3427.6</i>	<i>3276.9</i>		
LIABILITIES & EQUITY					
Paid-in capital	1596.8	1596.8	1596.8		
Retained earnings	1070.6	1058.2	999.5		
Minority interests	70.3	72.6	68.0		
Deferred taxes	10.7	0.0	10.1		
Long-term interest-bearing liabilities	59.8	53.6	58.3		
Short-term interest-bearing liabilities	3.3	4.1	3.2		
Other liabilities	558.7	642.3	541.0		
<i>Total liabilities & equity</i>	<i>3370.2</i>	<i>3427.6</i>	<i>3276.9</i>		
CASH FLOW STATEMENT <i>(Figures in NOK million)</i>	1st Quarter		Full Year		
	2005	2004	2004		
Ordinary profit before taxes	13.5	47.6	241.3		
Changes in working capital	(49.4)	61.1	103.5		
Other operating changes	37.3	(2.3)	62.6		
Total cash flow from operations	1.4	106.4	407.4		
Total cash flow from investments	(211.7)	(32.2)	(422.5)		
Total cash flow from financing	(9.3)	(3.6)	(75.5)		
<i>Total cash flow for period</i>	<i>(219.6)</i>	<i>70.6</i>	<i>(90.6)</i>		
Exchange rate effect on cash	2.7	(4.5)	(9.8)		
Opening cash balance	983.0	1083.4	1083.4		
Closing cash balance	766.1	1149.5	983.0		
EQUITY <i>(Figures in NOK million)</i>	1st Quarter		Full Year		
	2005	2004	2004		
Opening balance	2596.3	2594.6	2594.6		
Net profit	7.5	31.6	187.1		
Translation difference	58.2	24.3	(150.0)		
Other equity adjustments	5.4	4.5	18.1		
Dividend paid	0.0	0.0	(53.5)		
<i>Closing balance</i>	<i>2667.4</i>	<i>2655.0</i>	<i>2596.3</i>		
INTERIM RESULTS	1st Quarter	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	2005	2004	2004	2004	2004
Operating revenues	599.2	663.5	665.0	590.9	592.8
EBITDA	46.5	96.1	109.6	77.0	76.4
Operating profit	10.2	57.8	75.6	41.5	42.2
Sales growth (year-on-year)	1.1	(6.8)	2.0	3.8	11.8
Gross margin (%)	33.2	36.8	37.5	35.9	34.6
Operating margin (%)	1.7	8.7	11.4	7.0	7.1
Earnings per share (NOK)	0.04	0.24	0.28	0.35	0.18
Earnings per share (NOK) fully diluted	0.04	0.24	0.28	0.35	0.18

Note: The first quarter 2005 financial figures have been prepared based upon management's interpretation of the current International Financial Reporting Standards (IFRS). The financial figures for 2004 have been restated accordingly. Due to possible changes in existing standards, new understanding and interpretation of existing standards and potential new standards, the figures may change later during 2005. Neither the 2005 nor the 2004 restated figures have been audited and must therefore be treated as preliminary figures.

SEGMENT FINANCIALS <i>(Figures in NOK millions)</i>	RVM Technology		Collection & Materials Handling		Recycling Technology		Other non-deposit activities		Group functions		Total	
	1st Quarter		1st Quarter		1st Quarter		1st Quarter		1st Quarter		1st Quarter	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Revenue	250	318	187	189	66	-	96	86	-	-	599	593
- Nordic	85	128	-	-	14	-	-	-	-	-	99	128
- Central Europe & UK	84	100	-	-	39	-	-	-	-	-	123	100
- Rest of Europe	-	1	-	-	4	-	-	-	-	-	4	1
- US East & Canada	81	89	101	110	3	-	-	-	-	-	185	199
- US West	-	-	86	79	-	-	-	-	-	-	86	79
- Rest of World	-	-	-	-	6	-	96	86	-	-	102	86
Gross contribution	123	159	34	36	28	-	14	10	-	-	199	205
- in %	49%	50%	18%	19%	43%	-	15%	12%	-	-	33%	35%
Operating profit	31	59	8	5	(9)	-	(11)	(18)	(9)	(4)	10	42
- in %	12%	19%	4%	2%	-	-	-	-	-	-	2%	7%