



TOMRA[®]

First Quarter 2004

Financial highlights

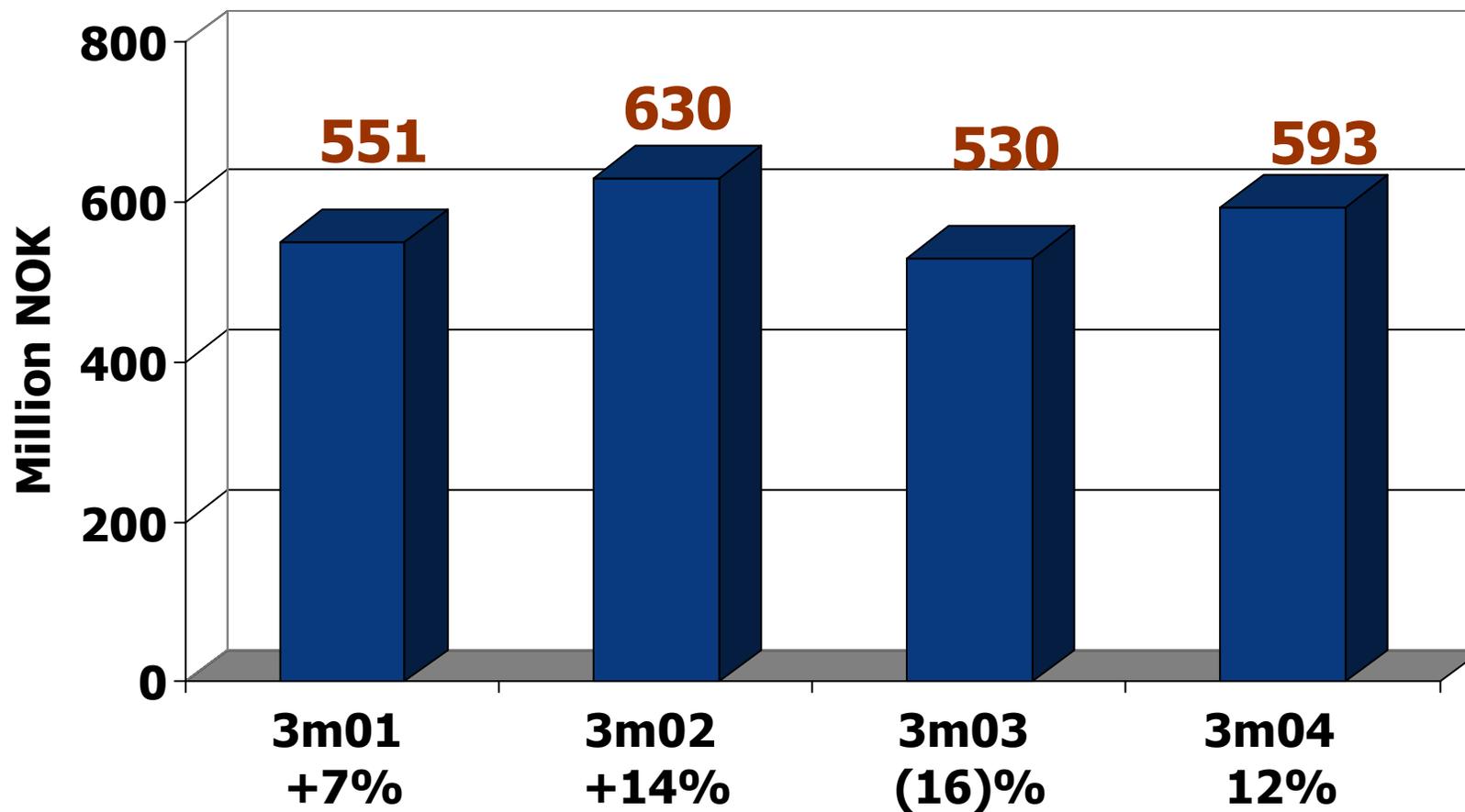
First Quarter 2004



- Revenues of 593 MNOK (+12%)
 - Europe 229 MNOK (+40%)
 - North America 278 MNOK (+3%)
 - Non-Deposit Markets 86 MNOK (-11%)
- Operating profit 34 MNOK (+13%)
- Cash flow from operations 100 MNOK
- Cash balance 1,150 MNOK

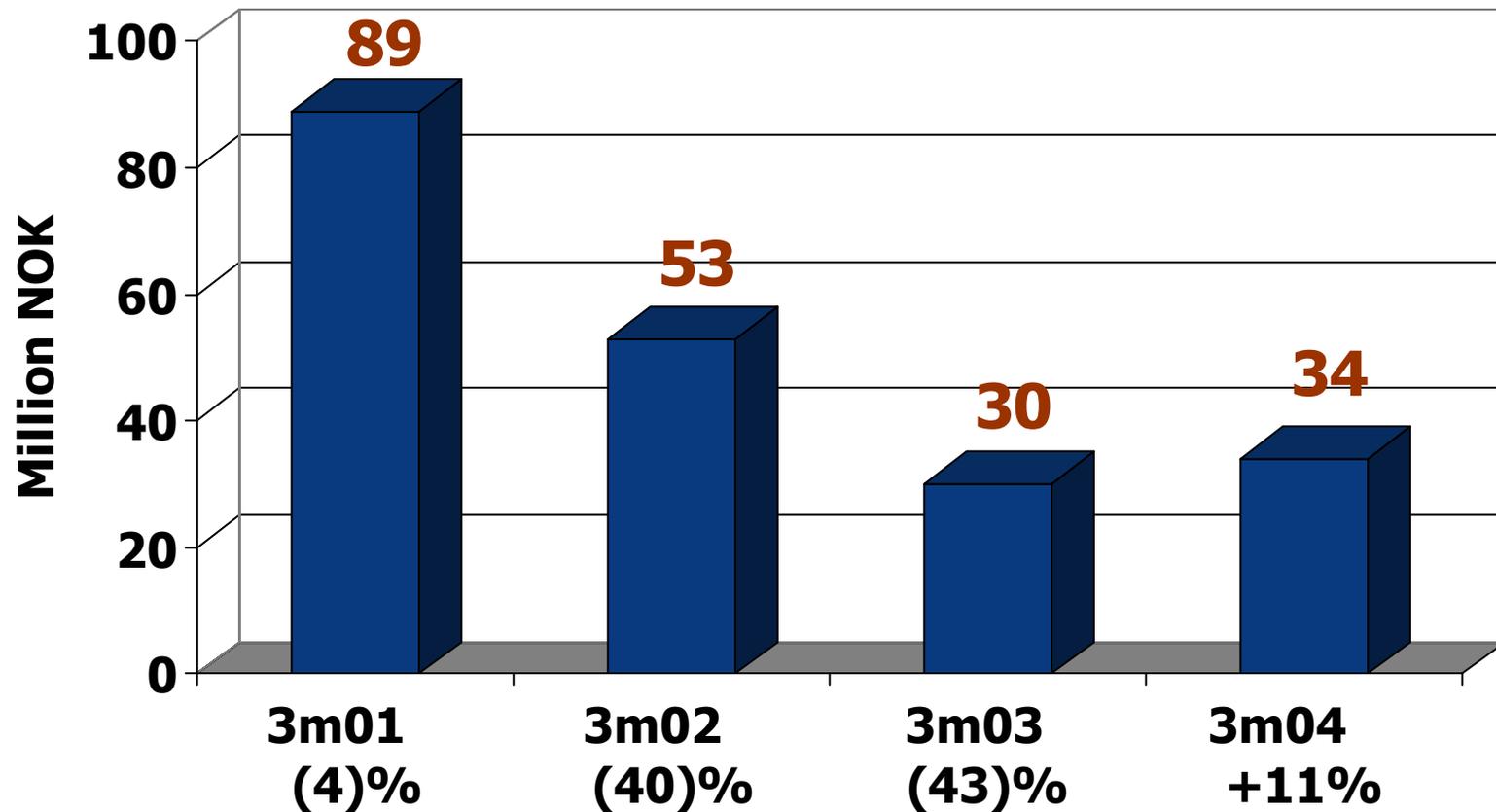
Revenue by quarter

(Continuing operations)

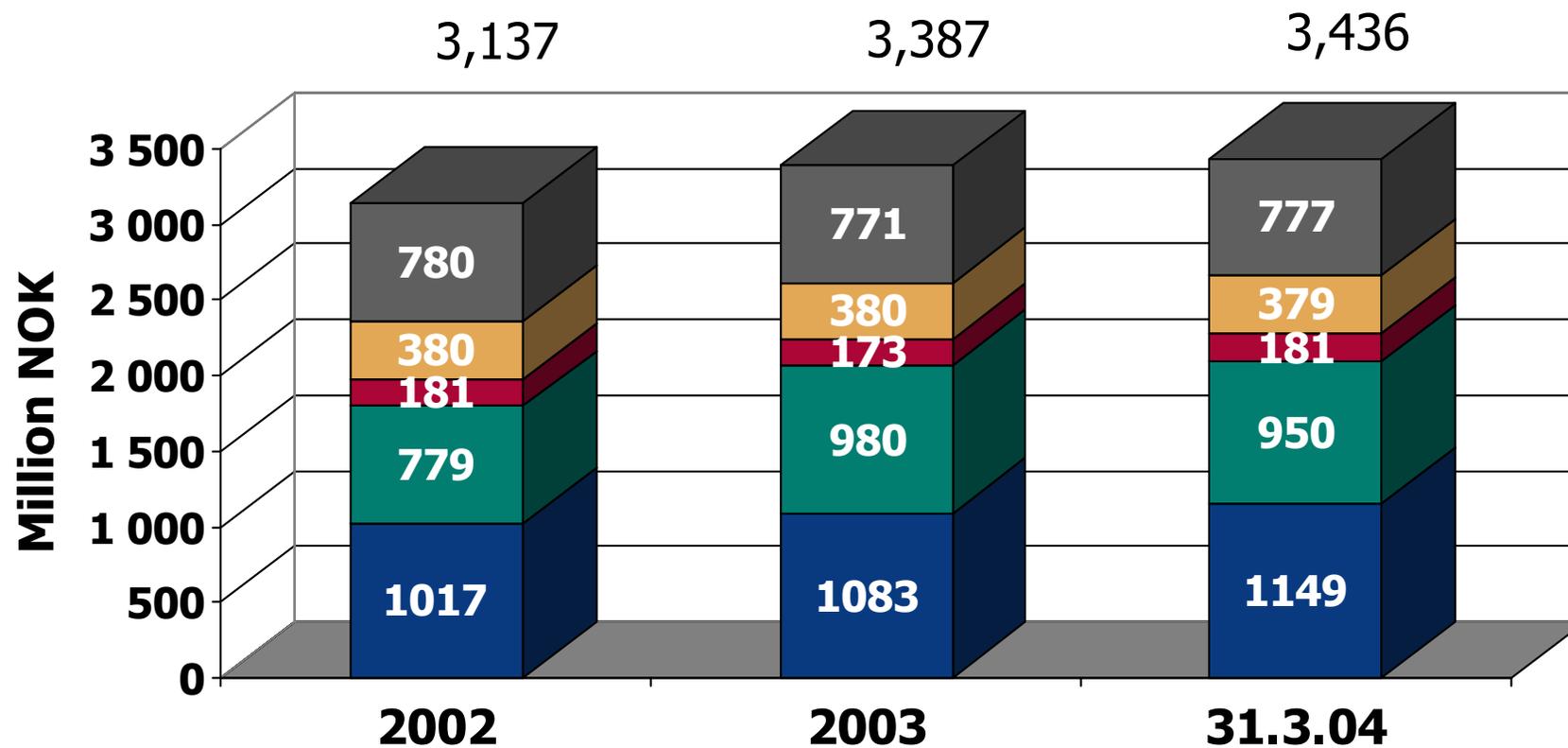


Operating profit by quarter

(Continuing operations)

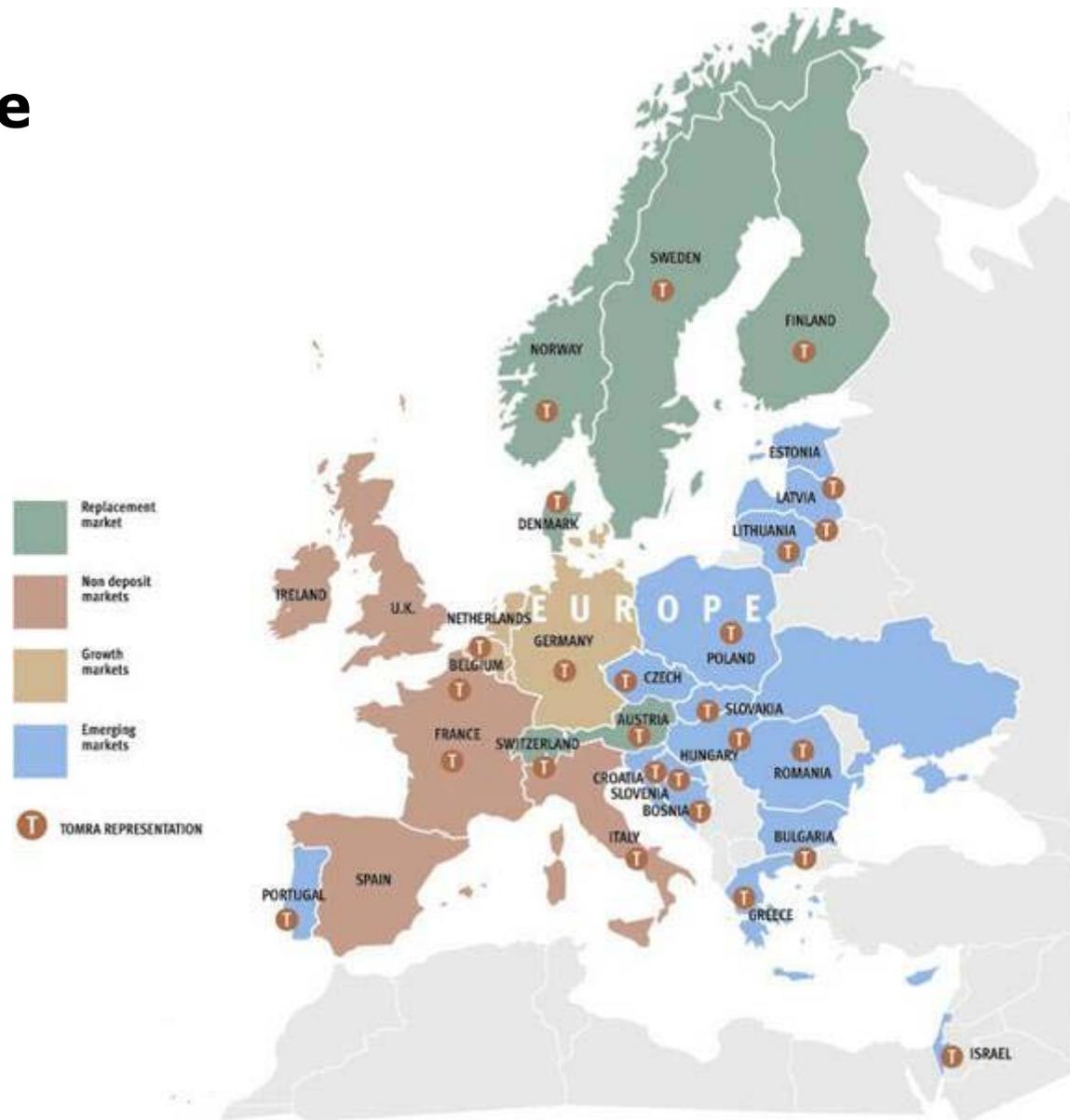


Total assets



■ Cash ■ Curr. assets ■ Lease equip. ■ Intangibles ■ Fixed assets

BU Europe





BU Europe - Highlights

- Revenue increase of 40% to 229 MNOK in 1st Quarter 2004
 - 25% revenue increase when measured in local currencies
- Revenue of 62 MNOK (+114%) in Sweden driven by Coop contract
- Continued strong demand for reverse vending technology for refillable containers in Germany generating 56 MNOK in revenue (+107%)
- Estonia to implement deposit on refillable and non-refillable containers (alu & PET) as of 1/1/05
 - Market potential for TOMRA ~300 stores
- Increased competition in Europe, especially in Germany, may lead to some margin pressure
- Uncertain situation in Germany regarding political and legal processes surrounding deposit on non-refillable containers

Sales by market



Figures in MNOK	3m04	3m03	3m02
Norway	18	18	14
Sweden	62	29	39
Finland	28	24	25
Denmark	20	17	55
The Netherlands	22	25	15
Germany	56	27	45
Austria/CEE	14	9	12
Switzerland	4	4	9
Belgium	4	6	7
Others	1	4	3
Total Europe	229	163	224

Market update – Germany

- Continued strong demand for refillable machines
- ~140 machines installed to date under existing frame agreements for RVM's for non-refillable containers
 - Remaining volume for ~260 machines under agreements to be installed over the next twelve month period
- Lekkerland-Tobaccoland's P-System to merge with VfW's coupon system on 1 May 2004
 - The P-System could form the nucleus of a national deposit system
 - Through VfW's existing customer list retail chains such as Wal*Mart, Tegut, Famila, Kaufland and BBR could potentially join P-System
 - The P-System is RVM compatible

Legal/legislative update – Germany



European Commission:

- Reasoned Opinion sent to Germany by EC regarding potential trade barriers created by the German deposit system
- Germany has two months to reply
- If Germany refuses to comply, next step could be to initiate infringement procedure at ECJ
- Under regular procedure at ECJ, ruling likely in 2006+

European Court of Justice:

- 6th of May: General Advocate to announce his opinion regarding the effect of the refillable quota on mineral water importers into Germany
- Decision by ECJ expected in 2004

Revision of German Packaging Ordinance:

- Discussions between Conservatives in Bundesrat and MoE regarding revision of German Packaging Ordinance on-going
- Government aims to delete 72% refillable quota & exclude certain beverage types from deposit
- Bundesrat sessions on June 10 and July 9
- Positive revision may dampen EU arguments against current deposit set up

2004 outlook for TOMRA regarding deposit on non-refillable containers in Germany



The testing of RVM technology for non-refillable containers at major German retail chains has continued in the first quarter...

...but TOMRA has received no indications of orders to be placed...

...as the on-going legal and legislative processes may be impacting commercial decisions by retailers to invest in RVM technology...

The probability of TOMRA receiving orders for FY2004 is significantly reduced



BU North America



BU North America - Highlights



- Revenue increase of 3% to 278 MNOK in 1st Quarter 2004
 - 5% revenue increase in USD
- 30% growth in California driven by higher volumes and material prices
- Technology sales in Canada down 23%, while materials handling revenue was in line with 1Q03
 - Technology sales expected to pick up in 2nd Quarter 2004 based on confirmed orders in March/April
- 6% higher container volumes in U.S. East impacted materials handling operations positively

Sales by market



Figures in MNOK	3m04	3m03	Δ in local currency
New York	78	74	8%
Connecticut	24	25	(2%)
Massachusetts	23	22	7%
Michigan	53	63	(14%)
California	79	62	30%
Canada	20	22	(7%)
Others	1	2	(66%)
Total North America	278	270	5%

Update – California

- ~30% revenue increase to 79 MNOK in 1st Quarter 2004 versus 2003
- Volume impact on revenues +10 MNOK
 - Recycling Center container volumes up 6% in 1Q04 versus 1Q03
- Material price impact on revenue +4 MNOK
 - 39% increase in plastic prices & 7% increase in alu scrap prices
- Insurance costs for industry in CA have substantially increased over the last years
 - TOMRA's insurance costs have increased by ~2 MUSD for 2004

Brazil

- Revenue down 11% to 86 MNOK
 - 9% revenue decrease in USD
- Negative macro conditions in Brazil outweigh the positives
 - ☺ Recycling rate ↑
 - ☺ 18% ↑ in LME
 - ☹ Stable TOMRA market share
 - ☹ Stable currency situation
 - ☹ Sale of cans ↓
 - ☹ Incentives ↑
- Decision made to discontinue business development activities in Brazil
 - 3 MNOK in savings in 2004
- Focus on optimizing existing can collection & processing business



Strategic market outlook – Deposit markets



TOMRA maintains its growth ambitions in deposit markets based on the following opportunity assessment

- German RVM potential for refillable containers is estimated to equal 10-15,000 units
 - Significantly higher potential with effect from deposit on non-refillable containers
- Small store segment in Europe and U.S. equals ~150,000 stores
 - TOMRA is currently developing new solution for this market with appropriately positioned, sized and priced equipment
- Opportunity to grow volume market share in California by positioning TOMRA's technology solutions vis-à-vis retailers
- Highly under-penetrated technology markets in Ontario and Alberta

Expenditure of 115 MNOK in 2004 required to maintain & develop TOMRA's leading market position



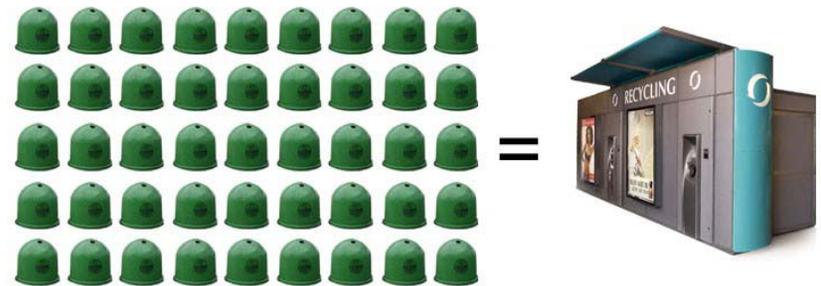
recycling TOMRA
CENTER



Tomra Recycling Center prototype completed



- ~35 MNOK investment in TRC during 2001-03
- 15+ MNOK investment planned in 2004
 - 8 MNOK in 1Q04
- Anticipated sales price per center ~EUR 60,000
- 6 patents granted or pending related to reception, recognition, elevation & compaction solutions



The TRC features a newly developed compaction system that can compact at a ratio of up to 15:1. The collection capacity of the center equals 45 regular bottle bank igloos.

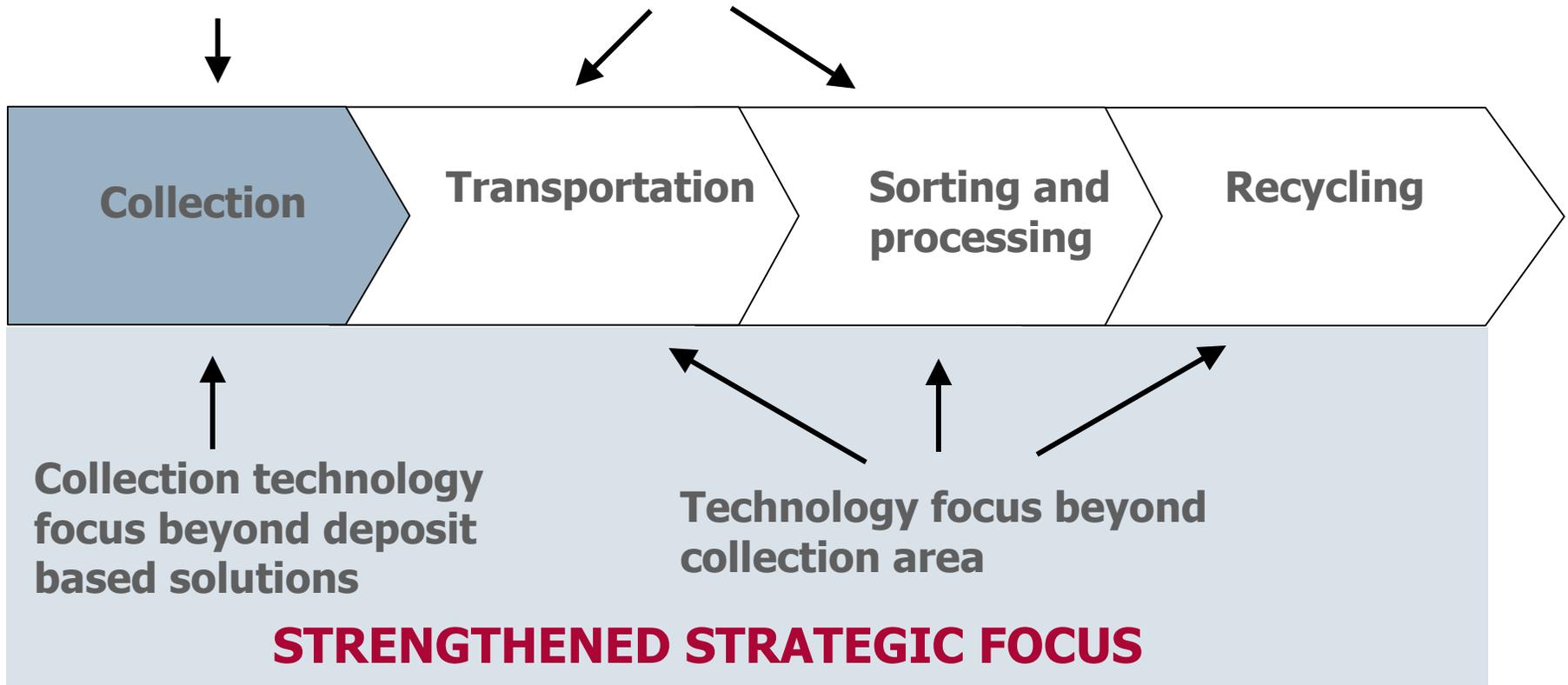


Broadened strategic focus



Traditional high-technology focus - deposit heavy

Traditional operations focus – deposit heavy



Identified business models for front-end collection solutions



Retail model

Background:

- Offer retailers the opportunity to improve upon existing collection infrastructure, which often is required by producer responsibility legislation

Targeted markets short term:

- **UK**
- France

Municipality model

Background:

- Offer municipalities solutions that will allow them to generate cost savings on transportation and processing in their existing waste management programs

Targeted market short term:

- Japan

Green Dot model

Background:

- Automate existing igloo infrastructure in order to save transportation and processing costs and potentially introduce consumer incentives to drive volume

Potential markets:

- Austria/CEE
- France...

Who will take charge of consumer recycling in the UK?



- **Retailer?**
- **Municipality?**
- **Compliance scheme operator?**
- **WMC?**
- **Combination?**



Positive momentum and progress in UK

- Meetings held with retailers, government officials, municipalities, waste management companies++
- Opportunity for TOMRA seems to be within retail industry as this sector seems to be taking lead in producer responsibility issues
- Meetings held with major retail chains on topic of replacing current bottle banks with Tomra Recycling Centers
- Intention to run pilot test of 10 centers starting in Fall 2004 with ramp up over a six month period
- Government support/funding for project is being sought by retail



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Search for nationwide partner on track

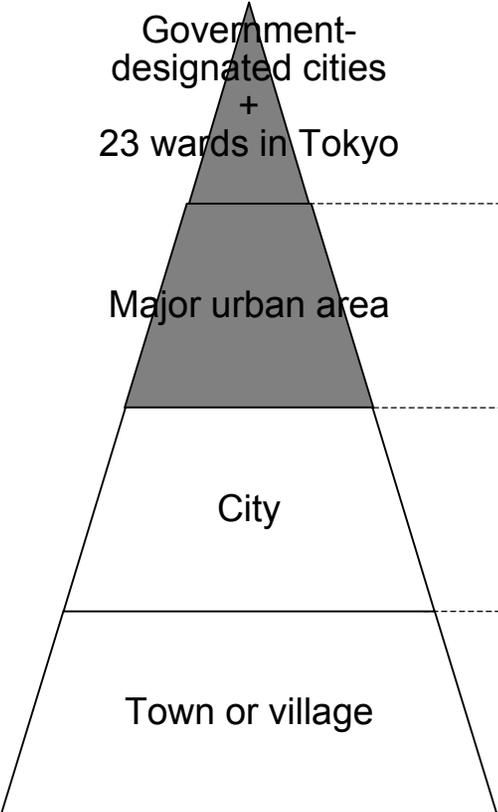


- TOMRA currently has ~60 RVM installations in Japan
- Process to identify strategic distribution partner on-going
 - Supported by external resources
- Municipality business model thoroughly analyzed and attractiveness confirmed
- Shortlist of partner candidates established based on meetings with trading houses and IT/tech companies
- Project expected to be concluded in 2Q04
- **GOAL:** Bring partner on board & expand municipality business based on technology concepts



Estimated business potential in Japan



<u>Municipality classification</u>	<u>Example</u>	<u>Number</u>	<u>Population millions</u>	<u>RVM potential* Number of RVMs</u>
 <p>Government-designated cities + 23 wards in Tokyo</p>	Tokyo Yokohama Nagoya Osaka	36 (Incl. 23 wards)	28.8	4,794
Major urban area	Sakai Shizuoka Kumamoto Okayama Sagamihara	35	15.2	3,048
City	Amagasaki Matsudo Kawaguchi Ichikawa	632	57.5	11,489
Town or village	Takizawa Fuchu Kamisu Iwade	2,554	26.8	5,363
Total		~3,200	~128	~25,000

 Current focus

* Estimated one RVM per 6,000 people in government-designated cities and 23 wards in Tokyo, one per 5,000 people in major urban areas, and one per 3,000 people in cities, towns, and villages

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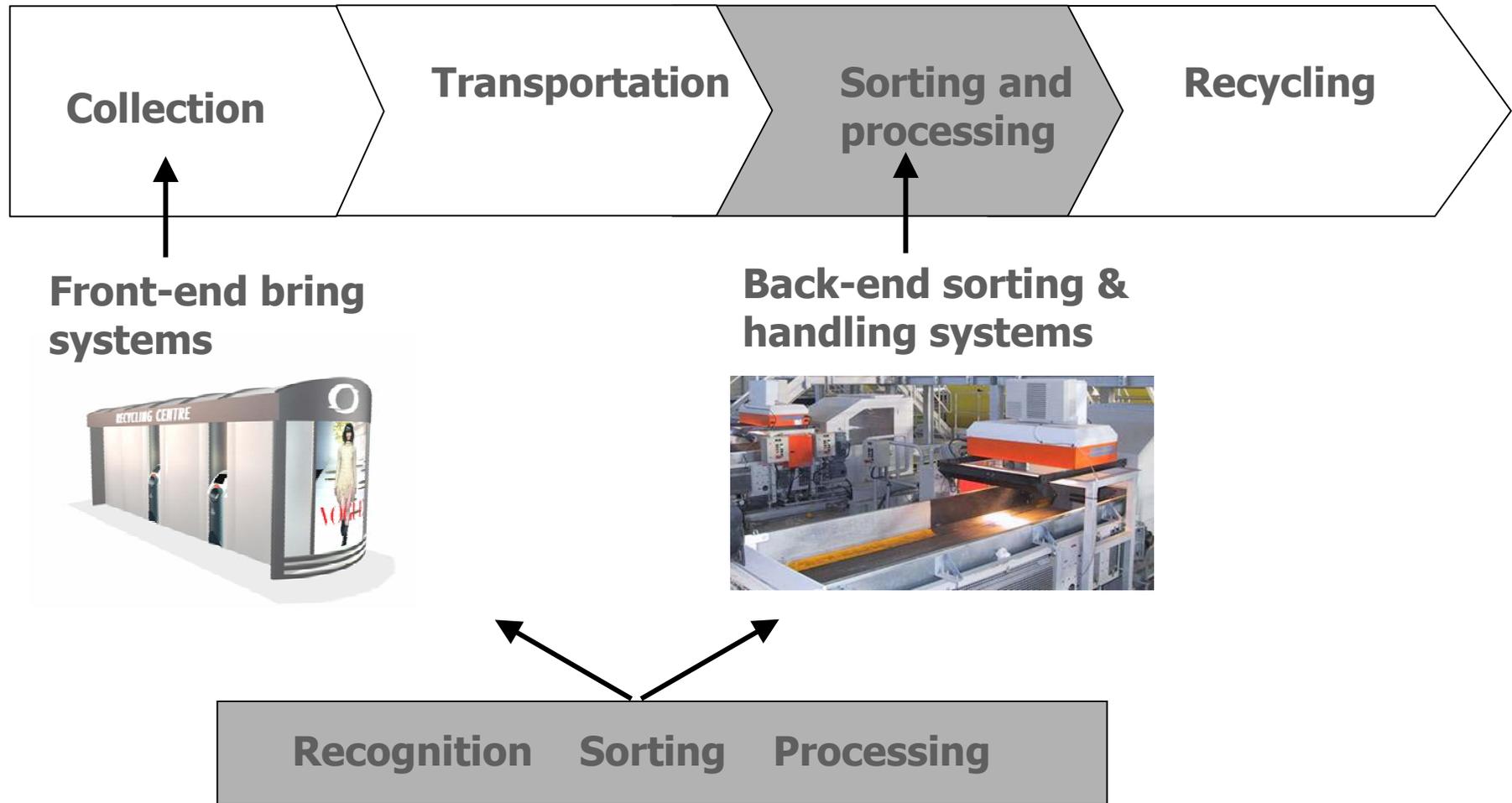
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- Austria/CEE
- France...

Back-end sorting technology industry as a complementary opportunity to front-end sorting



Business development & acquisition strategy 2004



- TOMRA committed to building its second leg in non-deposit markets
- Expenditures of ~65 MNOK (+35%) in 2004 related to technology & business development activities
- Significant resources allocated to greenfield front-end collection projects such as UK and Japan
- TOMRA's financial base provides solid platform for acquisition programs over next 12-18 months
 - Acquisition opportunities in recycling-related technology areas exist
 - Scoping activities initiated





TOMRA[®]

Helping the world recycle

Addendum slides



Major shareholders*



	<u>Shares</u>	<u>Ownership</u>
1. Folketrygdfondet	18,929,700	10.61%
2. JP Morgan Chase Bank Clients Treaty Account	9,189,307	5.15%
3. Vital Forsikring ASA Omløpsportefølje	5,068,189	2.84%
4. State Street Bank & Client Omnibus D	5,006,000	2.80%
5. Clearstream Banking CID Dept, Frankfurt	4,104,878	2.30%
6. Nordea Bank Sweden A C17	3,893,172	2.18%
7. Nordea Bank Denmark S/A Nordea (DK) CCA	3,516,148	1.97%
8. Skandinaviska Enskil (Publ) Oslofilialen	2,734,116	1.53%
9. Fidelity Funds-Europ Brown Brothers Harri	2,697,500	1.51%
10. Mellon Bank AS Agent Mellon Bank NA A/C Mellon ABN 15 OM	2,422,922	1.36%
SUB-TOTAL	57,561,932	32.25%
Other shareholders	120,924,627	67.75%
TOTAL (14,327 shareholders)	178,486,559	100.00%
Total foreign ownership	77,727,676	43.55%

***Registered 31 March 2004**

Shares & shareholders*



	<u>Country</u>	<u>Shares</u>	<u>Ownership</u>	<u>Number of shareholders</u>
1.	Norway	100,758,883	56.45%	13,478
2.	Great Britain	18,393,445	10.30%	73
3.	USA	14,446,089	8.09%	172
4.	Luxembourg	10,948,716	6.13%	40
5.	Sweden	8,305,538	4.65%	125
6.	Denmark	7,379,564	4.13%	65
7.	France	3,584,254	2.00%	22
8.	Switzerland	3,040,725	1.70%	26
9.	Finland	2,822,966	1.58%	27
10.	Germany	2,171,529	1.21%	95
	TOTAL	171,851,709	96.24%	14,123

***Registered 31 March 2004**



Revenues by activity



Non-Deposit

	Europe		North America		Markets	
	3m04	3m03	3m04	3m03	3m04	3m03
Sales/lease	143	94	60	71	-	-
Service	82	66	19	18	-	-
Rec. Centers	-	-	42	39	49	54
Adm./Prom.	4	3	13	12	37	-
Mat. Handl.	-	-	144	130	-	43
Total	229	163	278	270	86	97