



**TOMIRA<sup>®</sup>**

***Second Quarter 2003***

# Financial highlights

## 2nd quarter 2003

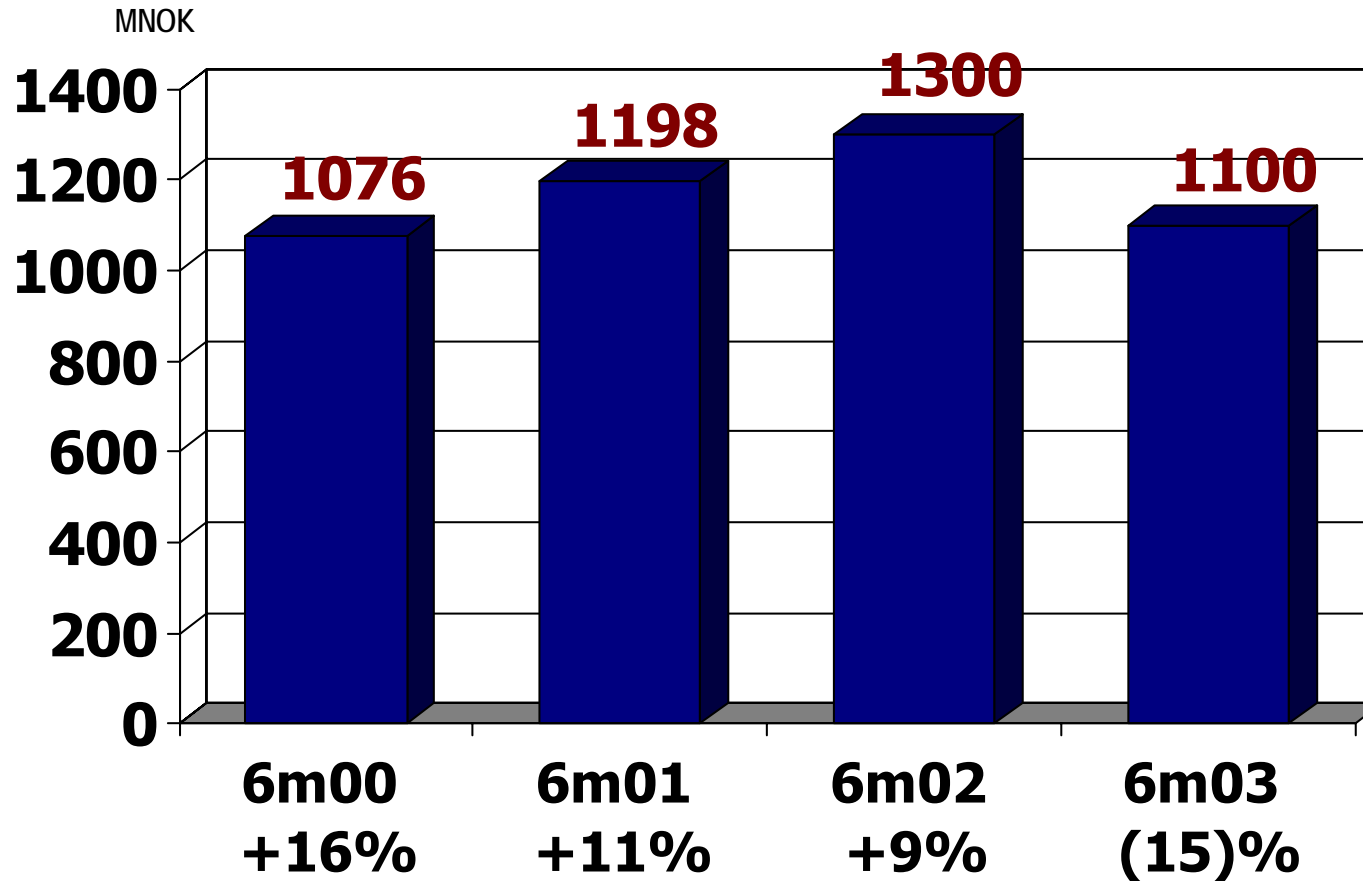


- Revenues of 570 MNOK, down 15%
  - Europe 184 MNOK, down 29%
  - North America 299 MNOK, down 7% in NOK (up 8% in USD)
  - South America 87 MNOK, down 2% in NOK (up 14% in USD)
- ~ (44) MNOK yr-on-yr currency impact on revenue
- Operating profit 36 MNOK, down 60%
- Cash flow from operations (28) MNOK, down from 42 MNOK in 2Q02
- Total assets 3,313 MNOK, up 2% from 1Q03



# First half-year revenue

(Continuing operations)



# Revenues by activity

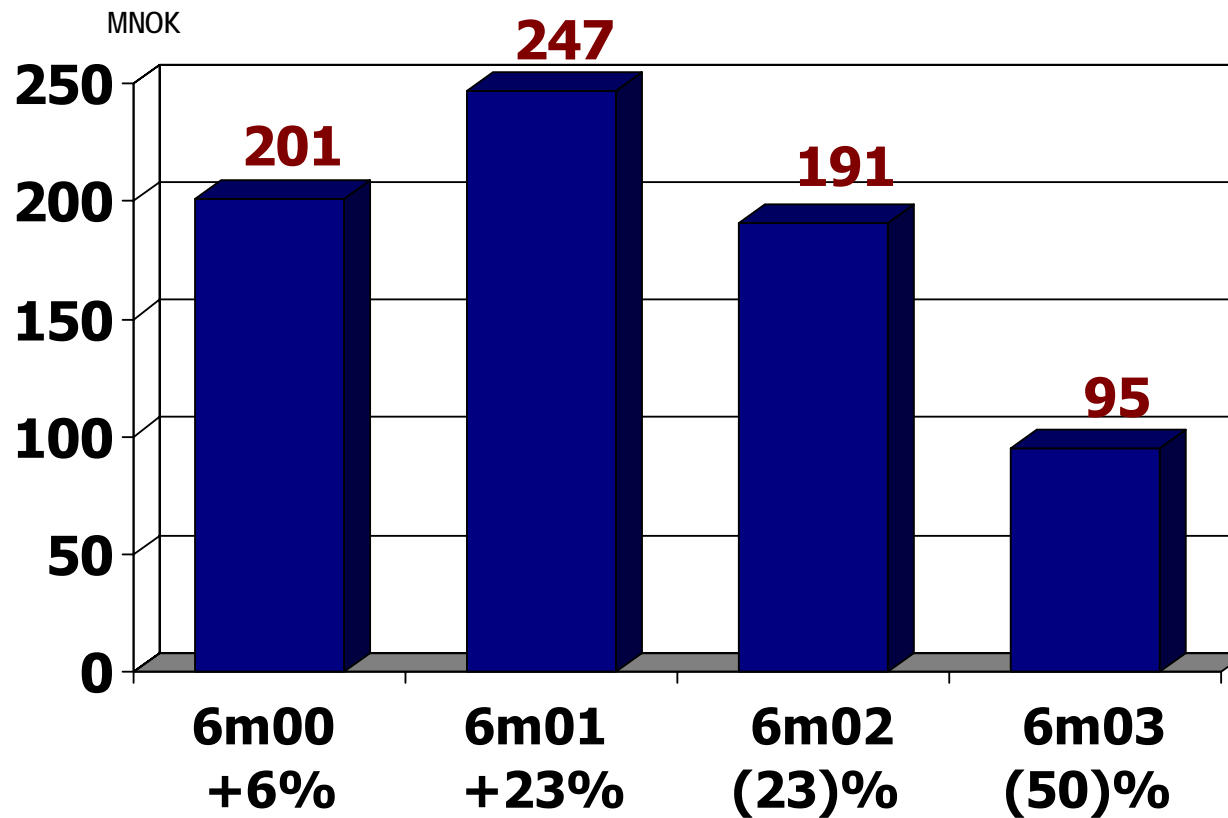
(Continuing operations)



	Europe		North America		South America	
	6m03	6m02	6m03	6m02	6m03	6m02
<b>Sales/lease</b>	<b>195</b>	<b>336</b>	<b>145</b>	<b>80</b>	<b>-</b>	<b>2</b>
<b>Service</b>	<b>145</b>	<b>139</b>	<b>37</b>	<b>61</b>	<b>-</b>	<b>-</b>
<b>Rec. Centers</b>	<b>-</b>	<b>-</b>	<b>82</b>	<b>113</b>	<b>102</b>	<b>101</b>
<b>Adm./Prom.</b>	<b>7</b>	<b>7</b>	<b>27</b>	<b>36</b>	<b>-</b>	<b>-</b>
<b>Mat. Handl.</b>	<b>-</b>	<b>-</b>	<b>278</b>	<b>342</b>	<b>82</b>	<b>83</b>
<b>Total</b>	<b>347</b>	<b>482</b>	<b>569</b>	<b>632</b>	<b>184</b>	<b>186</b>

# Pre-tax profit

(Continuing operations)



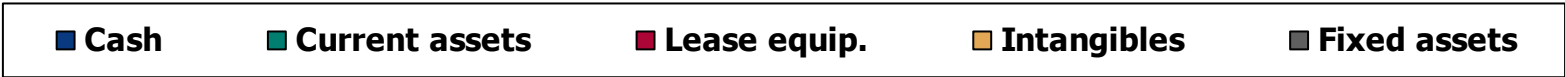
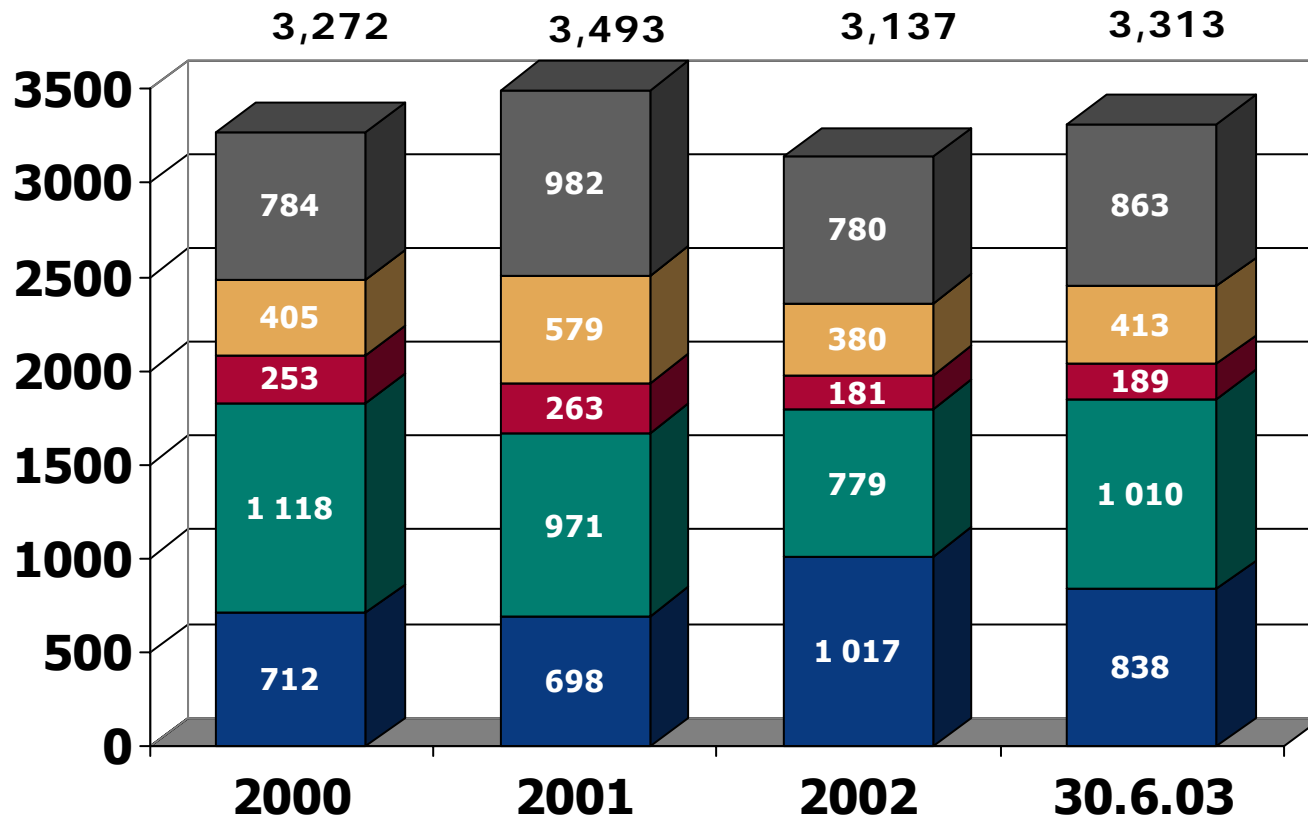
# Cash flow

## First half 2003







<b>Profit before taxes</b>	<b>95.0</b>
Ordinary depreciation	85.1
Taxes paid	(85.4)
Net change in inventory	(117.9)
Other net changes	<u>(41.3)</u>
<b>CF from Operations</b>	<b>(64.5)</b>
<b>CF from Investing Activities</b>	<b>(72.2)</b>
Dividend paid	(44.6)
Net change in outstanding debt	<u>7.5</u>
<b>CF from Financing</b>	<b>(37.1)</b>
<b>Net change in Cash</b>	<b>(173.8)</b>

# Total assets



# BU Europe



-  Replacement market
-  Non deposit markets
-  Growth markets
-  Emerging markets
-  TOMRA REPRESENTATION





# BU Europe - Highlights



- 28% revenue decline to 347 MNOK during 1H03
- 100 MNOK contract signed with Coop Sweden
- Preparations for launch of German deposit system proceeding
- Higher activity level in Norway & Finland driven by back-room installations, new machine placements and software upgrades
- High activity level in Czech Republic driven by new store openings by western European chains



# Sales by market



<b>Figures in MNOK</b>	<b>6m03</b>	<b>6m02</b>	<b>6m01</b>
Norway	40	31	45
Sweden	64	72	63
Finland	51	42	41
Denmark	36	153	29
The Netherlands	45	35	88
Germany	62	91	91
Austria/CEE	23	27	22
Switzerland	8	18	21
Belgium	11	10	17
Others	7	3	2
<b>Total BU Europe</b>	<b>347</b>	<b>482</b>	<b>419</b>

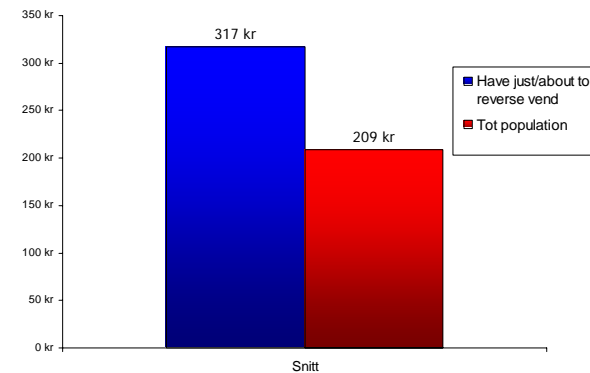


# Modern collection system attracts high spending consumers



## Independent consumer research study completed in Sweden with 8,500 interviews

- Consumers returning empties spend 52% more in the store than consumers who do not
- Consumers will shop elsewhere if their reverse vending experience is unsatisfactory
- The right RVM system = increased sales



© Movement Research & Consulting, Sweden, January 2002



# 100 MNOK contract with Coop Sweden signed



- Coop's decision triggered by
  - wish to attract & satisfy the valuable consumers who return empties
  - harmonize RVM technology platform
  - opportunity to offer loyalty building programs to consumers
- 820 machines to be installed/upgraded during 2H03
- National couponing program is planned
- Financing through third party lease structure

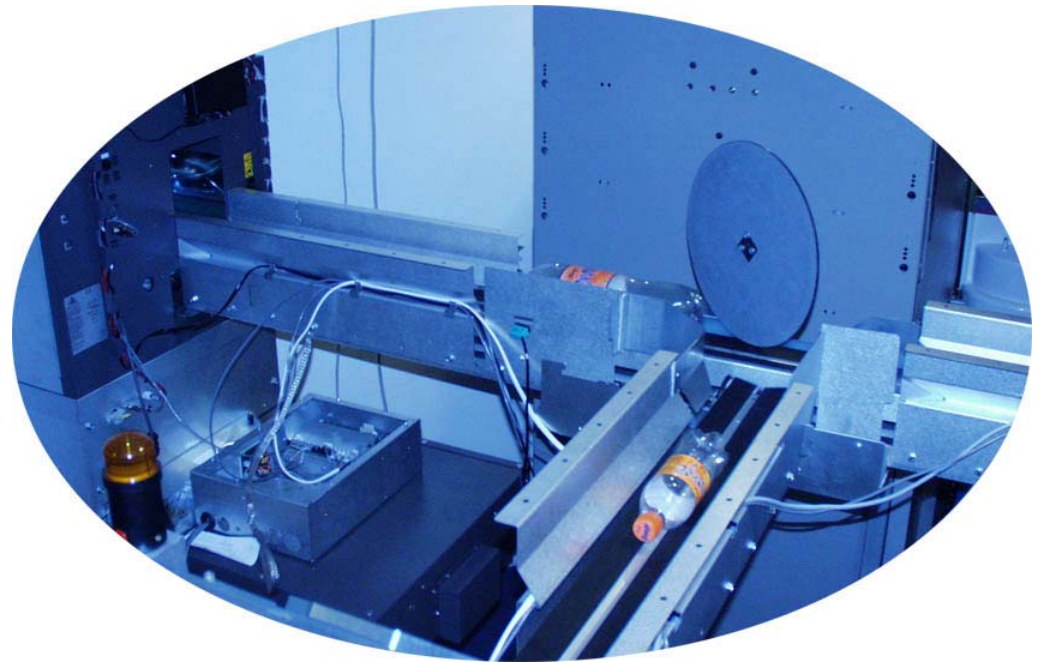
***LARGEST ORDER EVER IN TOMRA'S HISTORY***

# Highlights - Germany

- Coordinated preparations by industry for national deposit system start-up discontinued in June
- MoE remains firm in its goal to establish deposit on non-refillable containers as of 1 October 2003
- Three alternative approaches
  - Lekkerland (wholesaler to 70,000 kiosks & gas stations) & Spar to establish deposit system as a platform for a national model
  - Discounters representing 7,000 stores have indicated plans to establish independent deposit systems
  - Delisting of non-refillable containers by certain retail chains
- TOMRA is testing > 20 installations for non-refillable containers with 10 different retail chains



# Increasing interest from retailers to test reverse vending machines for non-refillable containers



# Revision of German Packaging Ordinance



- German Bundestag approved revision of German Packaging Ordinance
- Changes to Packaging Ordinance include
  - Deletion of 72% refillable quota, i.e. deposit to be permanent
  - Deposit on all drinks except milk, wine & Tetrapaks
- Remaining issues to be resolved before final voting in Bundesrat in September include
  - Deletion of €0.50 deposit, i.e. flat €0.25 deposit on all drink sizes
  - No deposit on 3 liter containers
  - Inclusion of an "Innovation clause" allowing certain packaging types to be exempted from deposit system through LCA studies



# BU North America





# BU North America - Highlights



- 10% revenue decline to 569 MNOK in 1H03
- 9% revenue increase measured in USD
  - Continued strong performances in Michigan, Connecticut and Canada
- 15% increase in machine placements in North America during 1H03 to 855 machines
- Conversion to TOMRA operated recycling centers at Albertson's stores on track
  - 90 centers converted as of end of June; remaining centers to be converted during 2H03
- Legislative process in California on track
- Wal\*Mart test pilot in Florida discontinued due to lack of long term commitment to current model from industry partners

# Sales by market



<b>Figures in MNOK</b>	<b>6m03</b>	<b>6m02</b>	<b>Δ in local currency</b>
New York	160	215	(10%)
Connecticut	52	37	71%
Massachusetts	47	55	4%
Michigan	127	110	40%
California	134	165	(1%)
Canada	46	47	11%
Others	3	3	22%
Total BU North America	569	632	9%



# BU South America



# BU South America - Highlights



- 10% reduction in can beverage sales in Brazil during 1H03
- Revenues of 184 MNOK in 1H03, down 1%
  - 20% increase when measured in USD
- TOMRA market share maintained at ~35%
- Unfavorable currency movement (stronger Real vs. USD) & lower volumes have negatively impacted profitability
- Installation of seven new rePlanet centers at Pão de Açúcar stores to be completed by end of August
- Continued focus and initiatives related to recycling activities in Brazil



# 15 rePlaneta sites by end of August



**New face lift of rePlaneta centers**



**In-store promotion for rePlaneta centers**



**TOMRA<sup>®</sup>**

*Helping the world recycle*

# Addendum slides

# Major shareholders\*



		<u>Shares</u>	<u>Ownership</u>
1.	Folketrygdfondet	17,650,300	9.89%
2.	JP Morgan Chase Bank Clients Treaty Account	10,575,480	5.92%
3.	State Street Bank & Client Omnibus D	6,718,344	3.78%
4.	Nordea Bank Denmark S/A Nordea (DK) CCA	5,039,701	2.82%
5.	Clearstream Banking CID Dept, Frankfurt	4,340,933	2.43%
6.	SEB Merchant banking	3,760,848	2.10%
7.	BSDT – ABN Amro Glob c/o GN Sparebank Ver	3,739,393	2.09%
8.	J.P. Morgan Bank Lux S/A Carnegie FCP's	3,581,200	2.00%
9.	ABN Amro Bank, Copen clients account	3,548,500	1.98%
10.	Danske Bank A/S 3887 Operations Sec.	3,472,766	1.94%
	<b>SUB-TOTAL</b>	<b>62,427,465</b>	<b>34.98%</b>
	Other shareholders	116,059,094	65.02%
	<b>TOTAL (13,578 shareholders)</b>	<b>178,486,559</b>	<b>100.00%</b>
	Total foreign ownership	91,202,321	51.10%

\*Registered 30 June 2003





# Shares & shareholders\*



	<u>Country</u>	<u>Shares</u>	<u>Ownership</u>	<u>Number of shareholders</u>
1.	Norway	87,284,238	48.90%	12,718
2.	USA	18,772,259	10.51%	180
3.	Great Britain	18,665,016	10.45%	73
4.	Denmark	15,120,475	8.47%	63
5.	Luxembourg	13,477,842	7.55%	46
6.	Sweden	6,305,663	3.53%	119
7.	Switzerland	3,362,900	1.88%	26
8.	Finland	2,913,616	1.63%	23
9.	France	2,803,600	1.57%	18
10.	Germany	2,436,753	1.36%	93
<b>TOTAL</b>		<b>171,142,362</b>	<b>95.85%</b>	<b>13,359</b>

**\*Registered 30 June 2003**

