

# 4TH QUARTER 2011 RESULTS ANNOUNCEMENT



# TOMRA CORPORATE VIDEO

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# HIGHLIGHTS FROM THE QUARTER INCLUDE\*

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- **Revenues of 935 MNOK** (833 MNOK in fourth quarter 2010)
  - 6% organic growth in local currencies
    - Strong growth in IPT
    - Flat development in Collection technology
- **Gross margin 45%**, unchanged from fourth quarter 2010
- **EBITA of 167 MNOK** (125 MNOK in fourth quarter 2010)
  - 42% growth in EBITA in local currencies
- **EBITA margin of 18%**, up from 15% in fourth quarter 2010
- **Cashflow from operations** of 133 MNOK (225 MNOK in fourth quarter 2010)
- **Order backlog of 283 MNOK** in IPT (181 MNOK in fourth quarter 2010)
- **Divested the assets of TOMRA Pacific** for a total consideration of 28 MUSD

\* Results exclude the divested unit, Tomra Pacific

# HIGHLIGHTS FROM 2011 INCLUDE\*

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- **Revenues of 3690 MNOK** (3050 MNOK in 2010)
  - 13% organic growth in local currencies
    - 19% growth in IPT
    - 12% growth in Collection technology
    - 8% growth in Material Handling (East Coast)
- **Gross margin 45%**, unchanged from 2010
- **EBITA of 669 MNOK** (497 MNOK in 2010)
  - 44% growth in EBITA in local currencies
- **EBITA margin of 18%**, up from 16% in 2010
- **Cashflow from operations** of 566 MNOK (525 MNOK in 2010)

\* Excluding the divested unit, Tomra Pacific

# FINANCIAL HIGHLIGHTS - PROFIT AND LOSS STATEMENT – CONTINUING OPERATIONS\*\*

<i>Amounts in NOK million</i>	4 <sup>th</sup> Quarter			Year to date		
	2011	2010	10 Adj*	2011	2010	10 Adj*
<b>Revenues</b>	935	833	807	3690	3050	2946
• Collection Technology	520	527		2027	1839	
• Material Handling	133	119		563	520	
• Industrial Processing Technology	282	187		1100	691	
<b>Gross contribution</b>	424	377	364	1643	1371	1321
<b>Gross margin</b>	45%	45%	45%	45%	45%	45%
<b>Operating expenses</b>	257	252	247	974	874	857
<b>EBITA</b>	167	125	117	669	497	464
<b>Operating margin</b>	18%	15%	15%	18%	16%	16%
<i>Including onetime costs:</i>						
<i>- in operating expenses</i>		38	37	1	38	37

\*2010 actual restated at 2011 exchange rates, estimated

\*\* Excluding the divested unit, Tomra Pacific

# FINANCIAL HIGHLIGHTS

## BALANCE SHEET, CASH FLOW AND CAPITAL STRUCTURE

<i>Amounts in NOK million</i>	<b>31 Dec 2011</b>	<b>31 Dec 2010</b>
<b>ASSETS</b>	3,999	3,305
• Intangible assets	1,391	974
• Leasing equipment	191	163
• Other fixed assets	600	601
• Inventory	627	524
• Short-term receivables	1,012	986
• Cash and cash equivalents	178	57
<b>LIABILITIES AND EQUITY</b>	3,999	3,305
• Equity	2,141	1,832
• Interest bearing liabilities	740	484
• Non-interest bearing liabilities	1,118	989

### Cash flow from operations

- 133 MNOK in 4Q 2011 versus 225 MNOK in 4Q 2010
- Partly explained by high level of prepayments in 3Q2011

### Financing

- Net interest bearing debt reduced by 101 MNOK during 4Q due to cash flow from operations and 10 MUSD in payment from the divestment of Tomra Pacific

### Solidity

- 54% equity
- NIBD/EBITDA = 0.7 (Rolling 12 months)

# TOMRA Collection Technology





# HIGHLIGHTS COLLECTION TECHNOLOGY

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## Fourth quarter 2011

### Overall

- Revenues up 1% measured in local currencies and adjusted for the acquisition of CBSI
- Gross margin was 49%, up from 48% in the same quarter last year
- EBITA increased from 95 MNOK to 120 MNOK due to higher margin and onetime charges of 26 MNOK in 2010.

### Europe

- Development in Central Europe impacted by;
  - Strong sales in fourth quarter 2010, offset by the roll out of the ~70 MEUR order to a European retailer in fourth quarter 2011

### US

- Throughput volumes somewhat down and machine placement somewhat up from last year

## Year 2011

### Overall

- Revenues up 12% measured in local currencies and adjusted for the acquisition of CBSI
- Gross margin was 47%, down from 48% due to increased sales
- EBITA increased from 341 MNOK to 444 MNOK mainly due to higher activity

# COLLECTION TECHNOLOGY FINANCIALS

	4 <sup>th</sup> Quarter			Year to date		
<i>Amounts in NOK million</i>	<b>2011</b>	<b>2010</b>	<b>10 Adj*</b>	<b>2011</b>	<b>2010</b>	<b>10 Adj*</b>
<b>Revenues</b>	520	527	510	2027	1839	1786
• Nordic	123	125		488	473	
• Central Europe & UK	293	305		1104	956	
• Rest of Europe	1	1		4	4	
• US East/Canada	97	94		407	401	
• Rest of the world	6	2		24	5	
<b>Gross contribution in %</b>	253 49%	254 48%	245 48%	954 47%	875 48%	848 47%
<b>Operating expenses</b>	133	159	156	510	534	523
<b>EBITA in %</b>	120 23%	95 18%	89 17%	444 22%	341 19%	325 18%
<i>Including onetime costs: - in operating expenses</i>		26	25	(6)	26	25

\* 2010 actual restated at 2011 exchange rates, estimated

# TOMRA Industrial Processing Technology



# HIGHLIGHTS INDUSTRIAL PROCESSING TECHNOLOGY

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## Fourth quarter 2011

- Revenues up 51%, compared to fourth quarter 2010
  - Adjusted for Odenberg (acquired first quarter 2011) and currency changes, revenues increased by 19%
- Gross margin decreased from 52% to 51%
  - 2011 negatively influenced by somewhat lower margins in Odenberg (not consolidated in 2010), but partly offset by increased margins in the other segments within IPT
- EBITA up from 33 MNOK in fourth quarter 2010 to 42 MNOK in fourth quarter 2011 due to higher activity
- Order backlog of 283 MNOK, compared to NOK 260 MNOK at the end of third quarter 2011
- Still positive momentum within the sorting segment, particularly high activity within recycling and food

## Year 2011

- For the year 2011, revenues came in at 1100 MNOK, up 59% from 2010
  - Adjusted for Odenberg and currency changes, revenues increased by 24%
- EBITA increased from 125 MNOK to 176 MNOK

# HALO

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ODENBERG has released its most advanced optical sorter yet, the Halo

The machine has one hundred times more processing power than ODENBERG's industry-leading Titan sorting system

Halo also incorporates a next generation vision unit which integrates near infrared (NIR) spectrometry, charge-couple device (CCD) camera sensors and light-emitting diode (LED) illumination

This combination is mounted above and below the system's conveyor belt, enabling Halo to achieve unsurpassed levels of accuracy thanks to its ability to deliver an impressive 1mm resolution. The entire system is controlled by an intuitive touch screen to enable ease and flexibility of use

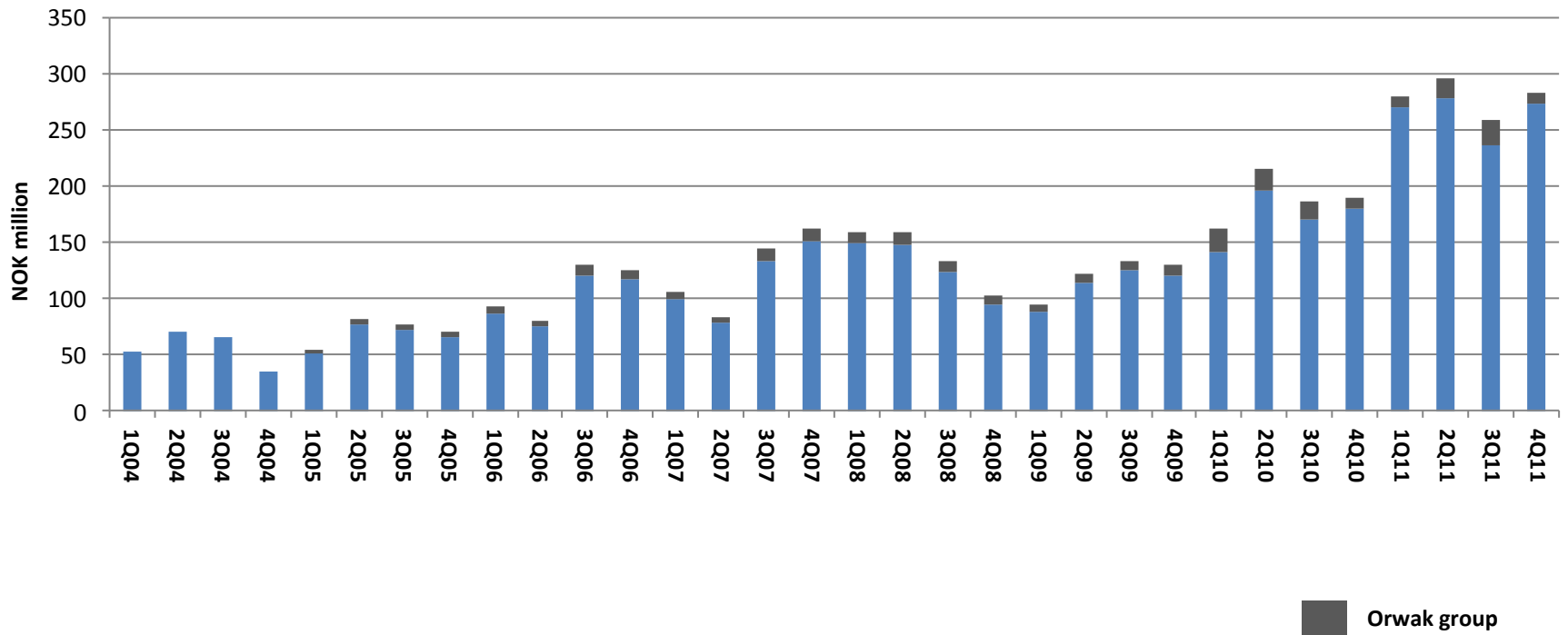
Halo's sorting applications cover a wide variety of fruit and vegetables including peeled and unpeeled potatoes, carrots, dried fruits, cucumbers, tomatoes, peaches, pears, berries and cucumbers

One of the first Halo purchasers was Primco, Europe's largest carrot supplier. The company trialed two Halo 1000mm sorting systems, with a capacity potential of 25,000 kg per hour, earlier this year in a three-way sort configuration at its plant in France

The results were immediate with a two third reduction in the amount of manual labor required and a potential ten percent capacity increase. When necessary, the Halo systems dealt with input defect levels of 40-50 percent with ease. Following the success of the trial, Primco ordered a further four Halo 1000mm optical sorters



# ORDER BACKLOG



# INDUSTRIAL PROCESSING TECHNOLOGY FINANCIALS

	4 <sup>th</sup> Quarter			Year to date		
<i>Amounts in NOK million</i>	<b>2011</b>	<b>2010</b>	<b>10 Adj*</b>	<b>2011</b>	<b>2010</b>	<b>10 Adj*</b>
<b>Revenues</b>	282	187	181	1100	691	677
• Nordic	15	11		56	49	
• Central Europe & UK	145	90		471	293	
• Rest of Europe	29	13		84	65	
• US/Canada	11	14		186	100	
• US West	23	9		109	40	
• Rest of World	59	50		194	144	
<b>Gross contribution</b>	144	98	95	551	369	355
<i>in %</i>	51%	52%	52%	50%	53%	53%
<b>Operating expenses</b>	102	65	63	375	244	243
<b>EBITA</b>	42	33	32	176	125	112
<i>in %</i>	15%	18%	18%	16%	18%	17%
<i>Including onetime costs: - in operating expenses</i>		4	4	7	4	4

\* 2010 actual restated at 2011 exchange rates, estimated

# TOMRA Material Handling





# HIGHLIGHTS MATERIAL HANDLING – US EAST COAST

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## Fourth quarter 2011

### East Coast/Canada

- 15% growth in USD revenues (8% adjusted for the RSI acquisition)
- Increased activity due to higher volumes
- Gross margin down from 21% to 20%
- EBITA of 9 MNOK, flat compared to fourth quarter 2010 (adjusted for one-time expenses)

## Year 2011

### East Coast/Canada

- 17% growth in USD revenues (8% adjusted for the RSI acquisition)
- Increased activity due to higher volumes
- Gross margin up from 24% to 25%
- EBITA of 65 MNOK, up from 47 MNOK in 2010

# MATERIAL HANDLING FINANCIALS

<i>Amounts in USD million</i>	<b>4Q 2011</b>	<b>4Q 2010</b>	<b>2011</b>	<b>2010</b>
<b>Revenues</b>	23.1	20.1	100.4	86.0
<b>Gross contribution in %</b>	4.7 20%	4.2 21%	24.6 25%	21.0 24%
<b>Operating expenses</b>	3.1	4.0	13.0	13.2
<b>Operating profit in %</b>	1.6 7%	0.2 1%	11.6 12%	7.8 9%

# DISCONTINUED OPERATIONS – TOMRA PACIFIC

- On 31 December 2011, Tomra sold its West Coast activities within Material Handling to rePlanet, LLC.
- Total consideration for the transaction was 28 MUSD,
  - 11 MUSD was paid at closing,
  - 15 MUSD to be paid during first half 2012
  - 2 MUSD to be paid in 2015 (subordinated debt)
- 40 MNOK loss recorded on the divestment

*In NOK million*

	<b>2011</b>	<b>2010</b>
<b>Operating revenues</b>	433.0	446.0
<b>Operating expenses</b>		
Cost of goods sold	237.7	216.7
Employee benefits expenses	132.3	144.4
Ordinary depreciation	13.0	15.4
Other operating expenses	20.8	25.1
<b>Total operating expenses</b>	403.8	401.6
<b>Net operating profit</b>	29.2	44.4
Income tax expense	9.2	17.5
<b>Profit of discontinued operations after tax</b>	20.0	26.9
After tax loss on divestment	40.3	
Currency loss on divested entity equity	1.1	
<b>Total discontinued operations</b>	<b>-21.4</b>	<b>26.9</b>

# NEW REPORTING SEGMENTS - OUTLOOK



# NEW REPORTING SEGMENTS

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- Starting 1Q 2012, TOMRA will change its reporting format
- Going forward, the Group will comprise two business units;

**Collection Solutions:** Which includes the former Collection Technology (development, production, sales and service of Reverse Vending Machines and related data management systems) + Material Recovery (pick-up, transportation and processing of empty beverage containers on behalf of beverage producers/fillers on the US East Coast and in Canada) + Orwak (small and mid size compaction machines)

**Sorting Solutions:** Which includes TiTech, CommoDaS, Ultrasort and Odenberg, (all providers of advanced optical sorting systems)

# OUTLOOK 2012

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## Collection Solutions:

- In Collection Solutions, TOMRA expects that 2012 will have an activity level similar to 2011
- Less sales in the Netherlands are assumed to be offset by higher activity in the other European markets

## Sorting Solutions:

- In Sorting Solutions, TOMRA is currently experience a positive momentum
- Activity is consequently assumed to increase in 2012, although quarterly development is likely to fluctuate due to little recurring business in the segment
- Overall performance is however linked to macro drivers, particularly commodity prices
- A significant drop in commodity prices will have a negative impact on the outlook

# NEW DIVIDEND POLICY

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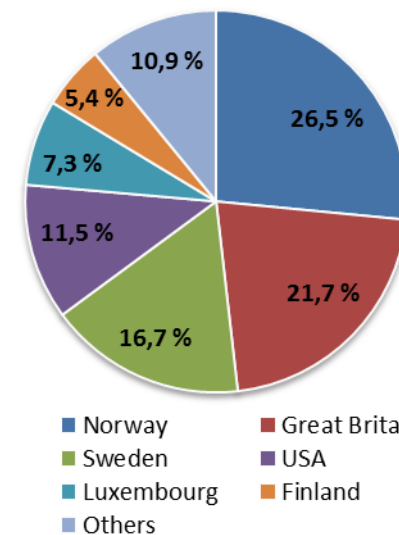
**New policy:** “Ambition is to distribute 40% to 60% of earnings per share. When deciding the annual dividend level, the Board of Directors will take into consideration expected cash flow, capital expenditure plans, acquisitions, financing requirements and appropriate financial flexibility. Tomra may buy back shares as a part of its total distribution of capital to the shareholders”

# TOMRA SHAREHOLDER STRUCTURE

## Top 10 shareholders pr. 06. February 2012

1	Investment AB Latour	23 000 000	15,5 %	
2	Folketrygdfondet	16 253 929	11,0 %	
3	The Northern Trust C Treaty account	12 377 684	8,4 %	(NOM)
4	Skandinaviska Enskil A/C Finnish Resident	4 437 423	3,0 %	(NOM)
5	State Street Bank AN A/C Client Omnibus	3 753 491	2,5 %	(NOM)
6	The Northern Trust C Non-Treaty account	3 313 777	2,2 %	(NOM)
7	Bank of New York MEL S/A Mellon (ADR)	3 146 686	2,1 %	(NOM)
8	Clearstream Banking	2 775 199	1,9 %	(NOM)
9	JP Morgan Chase Bank Nordea Treaty Acc	2 736 523	1,8 %	(NOM)
10	The Hermes Focus Fun C/O The Northern	2 679 933	1,8 %	
<b>Sum Top 10</b>		<b>74 474 645</b>	<b>50,3%</b>	
<b>Other shareholders</b>		<b>73 545 433</b>	<b>49,7%</b>	
<b>TOTAL (6,905 shareholders)</b>		<b>148 020 078</b>	<b>100%</b>	

## Shareholders by nationality



**Total foreign ownership: 73.5%**



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