



# Second Quarter 2011 Results

15 July 2011

# Highlights from the quarter include

- Revenues of 1059 MNOK (880 MNOK in second quarter 2010), 13% organic growth in local currencies
  - 14% in Collection Technology
  - 19% in Industrial Processing Technology
  - 6% in Material Handling
- Gross margin 42%, up from 41% in second quarter 2010
- 32% growth in EBITA to 188 MNOK (142 MNOK in second quarter 2010)
- EBITA margin of 18%, up from 16% in second quarter 2010
- Cashflow from operations of 95 MNOK (11 MNOK in second quarter 2010)
- All time high order backlog in IPT

# Financial highlights – profit and loss statement

	2 <sup>nd</sup> Quarter			Year to date		
<i>Amounts in NOK million</i>	2011	2010	10 Adj*	2011	2010	10 Adj*
<b>Revenues</b>	1059	880	836	1939	1611	1554
• Collection Technology	500	446	435	950	841	822
• Material Handling	249	256	226	469	461	426
• Industrial Processing Technology	310	178	175	520	309	306
<b>Gross contribution</b>	444	364	348	809	664	641
<b>Gross margin</b>	42%	41%	42%	42%	41%	41%
<b>Operating expenses</b>	256	222	216	501	431	424
<b>EBITA</b>	188	142	132	308	233	217
<b>Operating margin</b>	18%	16%	16%	16%	14%	14%

\*2010 actual restated at 2011 exchange rates, estimated

# Financial highlights – balance sheet, cash flow and capital structure

<i>Amounts in NOK million</i>	<b>30 June 2011</b>	<b>30 June 2010</b>
<b>ASSETS</b>	<b>3,983</b>	<b>3,427</b>
• Intangible assets	1,395	922
• Leasing equipment	157	181
• Other fixed assets	631	668
• Inventory	624	533
• Short-term receivables	1,060	1,099
• Cash and cash equivalents	116	24
<b>LIABILITIES AND EQUITY</b>	<b>3,983</b>	<b>3,427</b>
• Equity	1,822	1,988
• Interest bearing liabilities	1,013	430
• Non-interest bearing liabilities	1,148	1,009

- **Cash flow from operations**

- 95 MNOK in 2Q 2011 versus 11 MNOK in 2Q 2010

- **Net interest bearing debt**

- Increased by 470 MNOK during 1<sup>st</sup> half 2011 due to the Odenberg acquisition
- 500 MNOK 3 year extendable term loan agreement established in June 2011, replacing previous 500 MNOK facility due to expire in October 2011

- **Solid financial position**

- 46% equity
- Paid dividend of 89 MNOK in May 2011
- NIBD/EBITDA\* = 1.2

\* Rolling 12 months based upon EBITDA before other items

# TOMRA Collection Technology



# Highlights Collection Technology

## Overall

- Revenues up 14% measured in local currencies and adjusted for the acquisition of CBSI
- Gross margin was 48%, versus 46% last year
- EBITA increased from 77 MNOK to 109 MNOK due to higher activity and improved margins

## Europe

- Strong development in Central Europe, partly fueled by;
  - roll out of ~70 MEUR order to a European retailer, signed in 2010 for installation in 2011 and 2012
  - Start-up on 500 machine order to Dutch discount chain – to be completed during 3Q 2011

## US

- Settled lawsuit from Envipco
  - 1 MUSD of legal costs accrued in 2010 were reversed in 2011

# Collection Technology financials

	2 <sup>nd</sup> Quarter			Year to date		
<i>Amounts in NOK million</i>	2011	2010	10 Adj*	2011	2010	10 Adj*
<b>Revenues</b>	500	446	435	950	841	822
• Nordic	125	125		254	239	
• Central Europe & UK	270	200		502	404	
• Rest of Europe	1	1		2	2	
• US East/Canada	101	119		188	194	
• Rest of the world	3	1		4	2	
<b>Gross contribution in %</b>	238 48%	205 46%	200 46%	457 48%	397 47%	387 47%
<b>Operating expenses</b>	129	128	125	258	251	247
<b>EBITA in %</b>	109 22%	77 17%	75 17%	199 21%	146 17%	140 17%

\* 2010 actual restated at 2011 exchange rates, estimated

# TOMRA Industrial Processing Technology

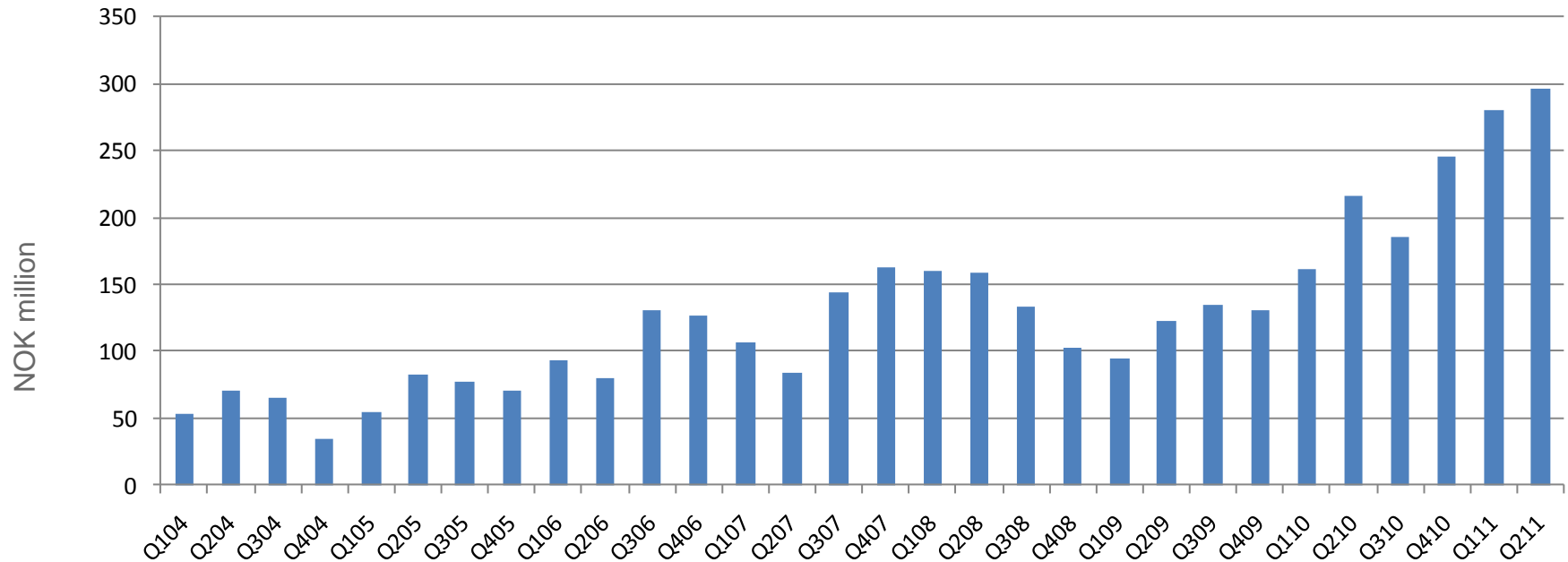




# Highlights Industrial Processing Technology

- Revenues up 77%, compared to second quarter 2010
- Adjusted for Odenberg (acquired 1Q11) and currency changes, revenues increased by 19%
- Gross margin decreased from 55% to 48% due to somewhat lower margins in Odenberg (not consolidated in 2010), reduced margins in Orwak and a weak USD (~40% of revenues in the segment are nominated in USD)
- EBITA up from 37 MNOK in second quarter 2010 to 52 MNOK in second quarter 2011 due to higher activity
- All time high order backlog of 297 MNOK (of which 59 MNOK related to Odenberg), compared to NOK 216 MNOK at the end of 2Q10
- Positive momentum within the sorting segment – strong order intake in waste recycling during second quarter 2011
- Geographic expansion continues, with strengthened sales force in Asia, Eastern Europe and South America
- Reduced margins in Orwak due to strong SEK and high steel prices

# Order backlog



# Industrial Processing Technology financials

	2 <sup>nd</sup> Quarter			Year to date		
<i>Amounts in NOK million</i>	2011	2010	10 Adj*	2011	2010	10 Adj*
<b>Revenues</b>	310	178	175	520	309	306
• Nordic	18	10		30	30	
• Central Europe & UK	113	66		196	114	
• Rest of Europe	10	17		30	44	
• US/Canada	73	31		111	44	
• US West	48	11		66	22	
• Rest of World	48	43		87	55	
<b>Gross contribution</b>	148	98	95	256	167	162
<i>in %</i>	48%	55%	54%	49%	54%	53%
<b>Operating expenses</b>	96	61	62	179	118	119
<b>EBITA</b>	52	37	33	77	49	42
<i>in %</i>	17%	21%	19%	15%	16%	14%

\* 2010 actual restated at 2011 exchange rates, estimated

# TOMRA Material Handling



# Highlights Material Handling

## Overall

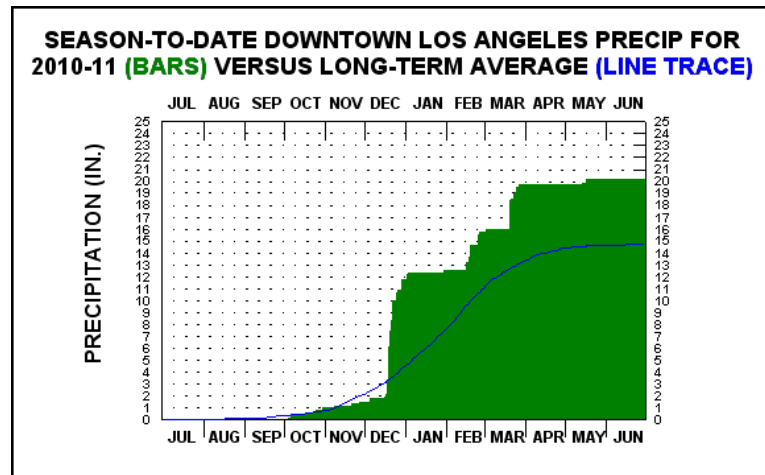
- 11% growth in local revenues (6% adjusted for the RSI acquisition)
- Gross margin down from 24% to 23% due to higher diesel prices

## East Coast/Canada

- Revenues up from 22.0 MUSD to 26.1 MUSD due to more water bottles being returned and the RSI acquisition (material pick-up and processing provider in Maine acquired in December 2010)

## US West

- Revenues of 19.7 MNOK in 2Q11, up from 19.1 MUSD in 2Q10
  - Positively influenced by higher commodity prices, but negatively impacted by lower processing fees for PET and lower volumes
- A cool and wet spring had a negative effect on drinking consumption



Source: Climatestation.com

# Material handling financials

<i>Amounts in USD million</i>	<b>2Q 2011</b>	<b>2Q 2010</b>	<b>YTD 2011</b>	<b>YTD 2010</b>
<b>Revenues</b>	45.8	41.1	84.1	76.3
• US East/Canada	26.1	22.0	47.7	40.9
• US West (California)	19.7	19.1	36.4	35.4
<b>Gross contribution in %</b>	10.7 23%	9.8 24%	17.2 20%	16.6 22%
<b>Operating expenses</b>	5.0	4.7	10.0	8.9
<b>Operating profit in %</b>	5.7 12%	5.1 12%	7.2 9%	7.7 10%

# Outlook



# Outlook

- Collection Technology: 2011 is expected to report higher activity than 2010, mainly due to an order from a Dutch discount chain to be installed during third quarter 2011 + the 70 MEUR order signed by a European retailer in 2010 for installation in 2011 and 2012 (though installations from this order are expected to be higher in 2012 than in 2011)
- Industrial Processing Technology: Activity expected to be higher in 2011 than in 2010, quarterly development might be somewhat volatile due to little recurring business in the segment. Overall performance linked to macro drivers, particularly commodity prices.
- In the Material Handling East Coast unit, growth will mainly come from the new entity in Maine (RSI), which is expected to contribute approximately 7 MUSD in revenues per year.
- The West Coast operations within Material Handling are expected to continue to benefit from higher aluminium prices and efficiency gains. The drop in volumes in California in 1<sup>st</sup> half of 2011 is expected to be temporary and performance is expected to improve during second half of 2011.
- A stronger NOK relative to both EUR and USD will negatively impact performance in all segments.



# Major shareholders

1	Orkla ASA	23 000 000	15.5%
2	Folketrygdfondet	13 662 368	9.2%
3	The Northern Trust C Treaty Account	11 390 895	7.7%
4	JP Morgan Chase Bank Nordea Treaty Account	6 463 303	4.4%
5	State Street Bank AN A/C Client Omnibus F	4 285 621	2.9%
6	Ferd AS Invest	4 236 356	2.9%
7	Skandinaviska Enskilda A/C Finnish Resident	3 710 589	2.5%
8	The Northern Trust C Non-Treaty Account	3 329 805	2.2%
9	Clearstream Banking	3 061 520	2.1%
10	The Hermes Focus FUN c/o The Northern Trust	2 802 570	1.9%
<b>SUB-TOTAL</b>		<b>75 943 027</b>	<b>51.3%</b>
<b>Other Shareholders</b>		<b>72 077 051</b>	<b>48.7%</b>
<b>TOTAL (7,326 shareholders)</b>		<b>148 020 078</b>	<b>100%</b>
<b>Total foreign ownership</b>			<b>57.7%</b>

# Shareholders by nationality

1	Norway	42.3%	6 633
2	Great Britain	22.9%	65
3	USA	10.8%	157
4	Luxembourg	7.1%	34
5	Finland	4.9%	22
6	France	2.7%	18
7	Belgium	1.5%	10
8	Ireland	1.4%	11
9	Denmark	1.2%	40
10	Germany	1.1%	88
<b>TOTAL</b>		<b>95.7%</b>	<b>7 078</b>

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