



# First Quarter 2011 Results

28 April 2011

# Highlights from the quarter include

- Revenues of 880 MNOK (731 MNOK in first quarter 2010), 16% organic growth in local currencies
  - +14% in Collection technology
  - +38% in Industrial Processing Technology
  - +5% in Material Handling
- Gross contribution 41%, unchanged from first quarter 2010
- EBITA of 120 MNOK (91 MNOK in first quarter 2010)
- EBIT of 112 MNOK (85 MNOK in first quarter 2010)
- Cashflow from operations of 40 MNOK (109 MNOK in first quarter 2010)
- Acquired Odenberg, a Dublin based provider of food sorting technology
- All time high order backlog in IPT

# Financial highlights – profit and loss statement

<i>Amounts in NOK million</i>	1 <sup>st</sup> Quarter		
	2011	2010	2010 Adj*
<b>Revenues</b>	880	731	718
• Collection Technology	450	395	
• Material Handling	220	205	
• Industrial Processing Technology	210	131	
<b>Gross contribution</b>	365	300	293
<i>Gross margin</i>	41%	41%	41%
<b>Operating expenses</b>	245	209	208
<b>EBITA</b>	120	91	85
<i>Operating margin</i>	14%	12%	12%
<i>Including onetime costs:</i>			
- in cost of goods sold			
- in operating expenses	7		

\*2010 actual restated at 2011 exchange rates, estimated

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

<i>Amounts in NOK million</i>	<b>31 Mar 2011</b>	<b>31 Mar 2010</b>
<b>ASSETS</b>	3831	3123
• Intangible assets	1394	904
• Leasing equipment	158	124
• Other fixed assets	615	606
• Inventory	614	568
• Short-term receivables	941	891
• Cash and cash equivalents	109	30
<b>LIABILITIES AND EQUITY</b>	3831	3123
• Equity	1833	1919
• Interest bearing liabilities	957	269
• Non-interest bearing liabilities	1041	935

- **Cash flow from operations**
  - 40 MNOK in 1Q 2011 versus 109 MNOK in 1Q 2010, which was positively influenced by prepayments
- **Cash flow from investments**
  - Investment of 55 MEUR in Odenberg in 1Q 2011
  - Other investments of 48 MNOK 1Q 2011
- **Interest bearing debt**
  - Increased by 422 MNOK during 1<sup>st</sup> quarter due to the Odenberg acquisition
  - 500 MNOK 5 year revolving debt facility, established in January 2011, replacing previous 250 MNOK facility due to expire in October 2011
  - Additional 500 MNOK to be refinanced during 2Q 2011
- **Solid financial position**
  - 48% equity
  - NIBD/EBITDA\* = 1.2

\* Rolling 12 months based upon EBITDA before other items 4

1<sup>st</sup> Quarter Presentation

# TOMRA Collection Technology



# Highlights Collection Technology

## Overall

- Revenues up 14% measured in local currencies and adjusted for the acquisition of CBSI
- Gross margin was 49%, unchanged from last year
- EBITA increased from 69 MNOK to 90 MNOK due to higher activity

## Europe

- Strong in all regions, partly fueled by roll out of ~70 MEUR order to a European retailer, signed in 2010 – for roll out in 2011 and 2012

## US

- Revenue increase of 19% in local currency (USD), due to higher throughput volumes in the operation lease portfolio in New York and Connecticut, and the acquisition of CBSI

# New product developments 2011

## TOMRA Collection Technology



### MultiPac

Redundancy to secure maximum **uptime**

Intuitive and easy to operate and to clean

Space efficient multi machine installations



### T-820 Touch

Intuitive and fast to use

Multiple languages

Run promotion in screen; chain/store can customize (video/audio/picture)

Multiple donation receivers; split sum possibility



### TOMRAPlus

A direct link to all reverse vending installations for store owners and chains

Get a running overview and possibility for management of entire fleet of installations

Utilize the reverse vending system as a marketing tool by uploading campaigns



### UNO Promo

A tool for building new revenue streams

Ideal for building CSR image and new marketing alliances

Cross brand couponing and advertising in screen

Personalized loyalty building activities via card reader

1<sup>st</sup> Quarter Presentation

# Collection Technology financials

<i>Amounts in NOK million</i>	1 <sup>st</sup> Quarter		
	2011	2010	2010 Adj*
<b>Revenues</b>	450	395	387
• Nordic	129	114	
• Central Europe & UK	232	204	
• Rest of Europe	1	1	
• US East/Canada	87	75	
• Rest of the world	1	1	
<b>Gross contribution</b>	219	192	188
<i>in %</i>	49%	49%	49%
<b>Operating expenses</b>	129	123	122
<b>EBITA</b>	90	69	66
<i>in %</i>	20%	17%	17%

\* 2010 actual restated at 2011 exchange rates, estimated



# TOMRA Industrial Processing Technology



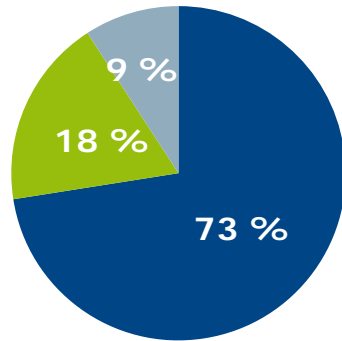
# Highlights Industrial Processing Technology

- Revenues up 60%, compared to first quarter 2010
- Adjusted for Odenberg (acquired 1Q11), Presona (divested 2Q10) and currency changes, revenues increased by 38%
- Gross margin decreased from 53% to 51% due to somewhat lower margins in Odenberg
- EBITA margin up from 9% to 12% due to higher activity
- All time high order backlog of 280 MNOK (of which 98 MNOK related to Odenberg), compared to NOK 162 MNOK at the end of 1Q10
- Positive momentum in all segments, particularly within mining - though future quarterly development might be somewhat volatile due to little recurring revenues
- Geographic expansion continued with 45% of revenues outside Europe
- January 2011; Acquired Odenberg
  - Leading provider of advanced sorting and processing technology to the international food processing industry
  - 171 employees in Ireland, USA, Slovakia and The Netherlands
  - Serves several of the world's top 10 food manufacturers
  - More than 2,000 Odenberg optical sorting systems worldwide
  - Important step towards realizing TOMRA's strategy of strengthening its market position and product offering within sensor based sorting
  - Enterprise value of 55 MEUR + conditional payments of up to 2.5 MEUR based on financial performance

# Odenberg products

			
<p><b>Titan Sorter</b> High Quality &amp; FM sort</p>	<p><b>Sentinel Sorter</b> Defect &amp; FM sort</p>	<p><b>NFM Field Sorter</b> Harvester Mounted</p>	<p><b>Alpha Sorter</b> Defect &amp; FM sort</p>
			<p>Installed base:</p> <ul style="list-style-type: none"> <li>➤ 2,200 optical sorters</li> <li>➤ 500 steam peelers</li> </ul>
<p><b>Iris Sorter</b> Dice &amp; Small products</p>	<p><b>eclipse Sorter</b> Internal defects – small products</p>	<p><b>Peel Scanner<sup>2</sup></b> Peel &amp; Defect Monitoring</p>	

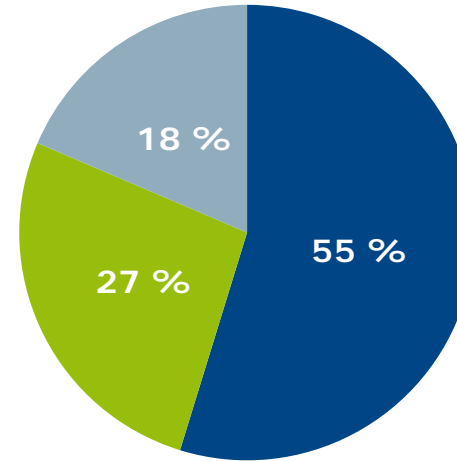
# IPT revenue breakdown



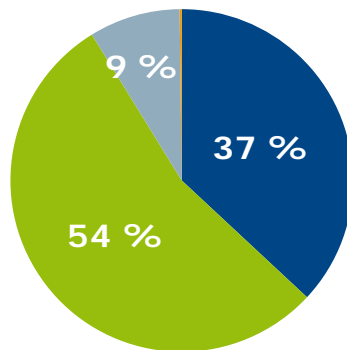
1Q 2010

## Geographic

- Europe
- USA
- Rest of World

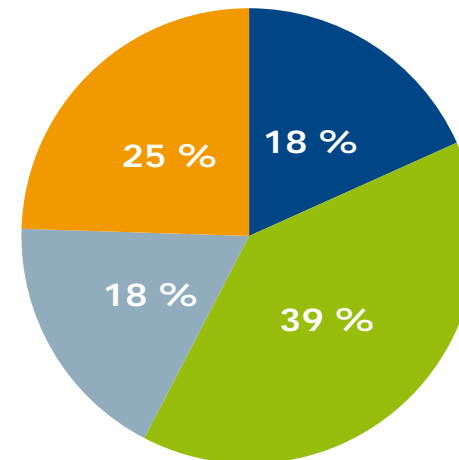


1Q 2011

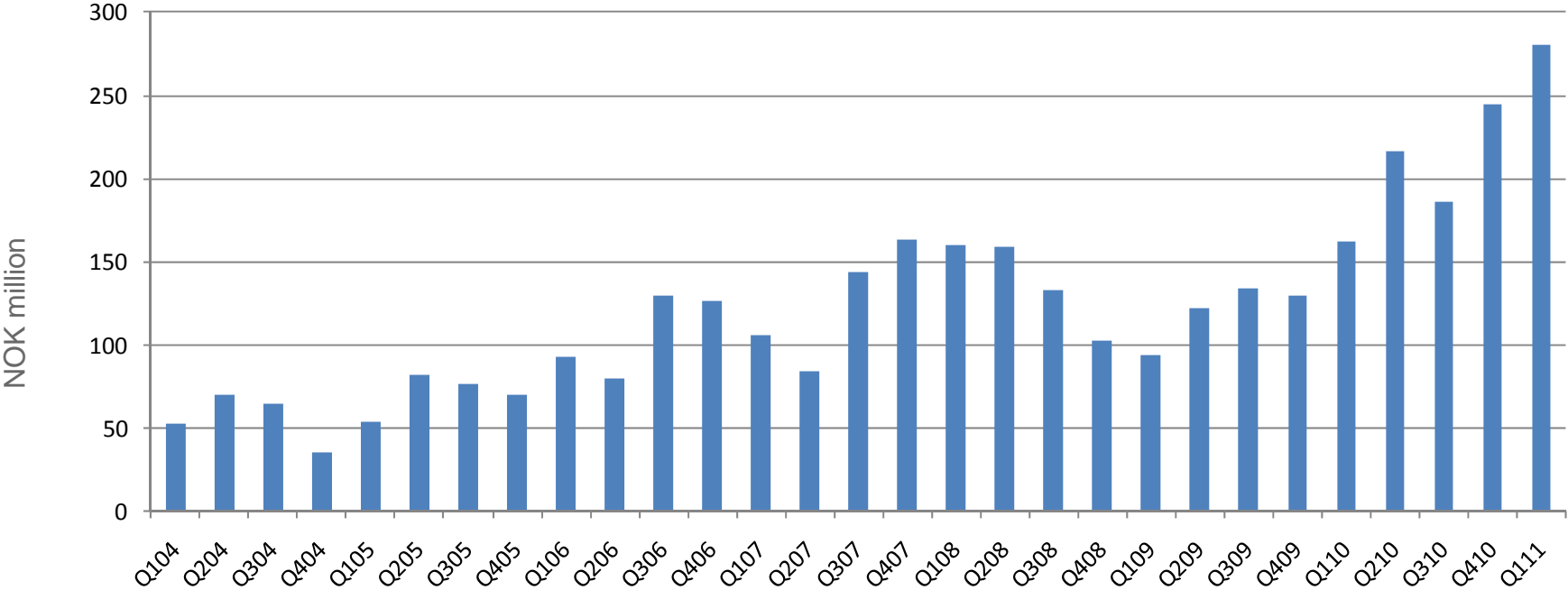


## Segment

- Compaction
- Recycling
- Mining
- Food



# Order backlog



# Industrial Processing Technology financials

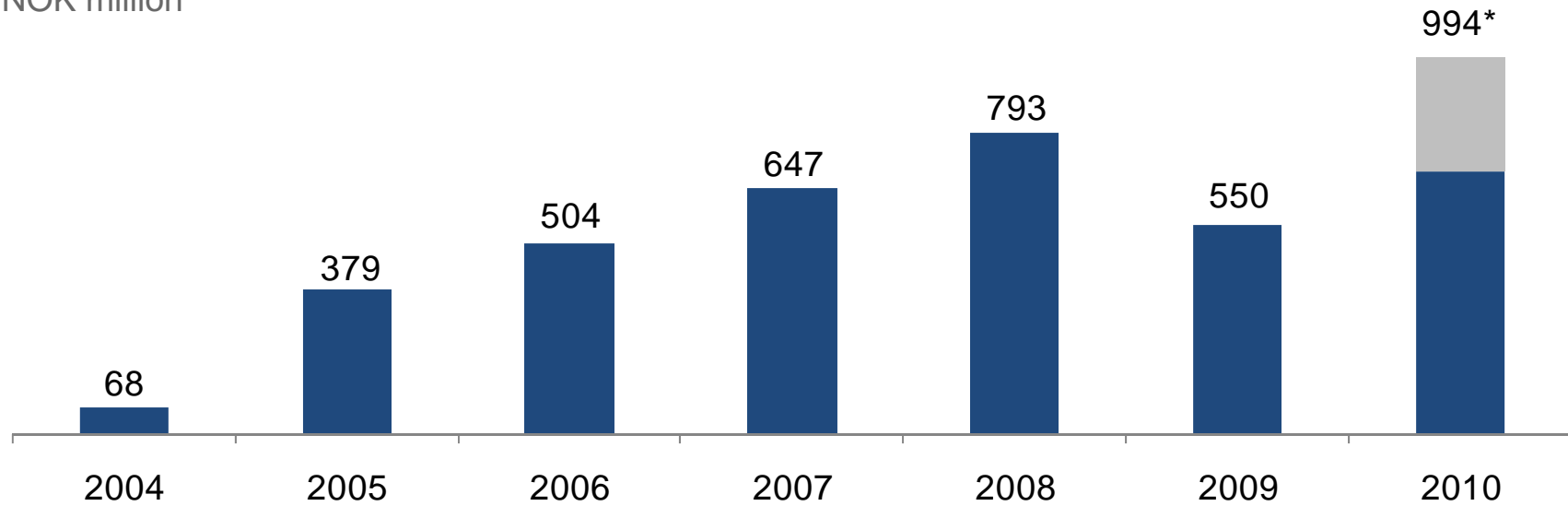
	1 <sup>st</sup> Quarter		
<i>Amounts in NOK million</i>	2011	2010	2010 Adj*
<b>Revenues</b>	210	131	131
• Nordic	12	20	
• Central Europe & UK	83	48	
• Rest of Europe	20	27	
• US East/Canada	38	13	
• US West	18	11	
• Rest of the World	39	12	
<b>Gross contribution</b>	108	69	68
<i>in %</i>	51%	53%	52%
<b>Operating expenses</b>	83	57	58
<b>EBITA</b>	25	12	10
<i>in %</i>	12%	9%	7%
<i>Including onetime costs:</i>			
- in cost of goods sold			
- in operating expenses	7		

\* 2010 actual restated at 2011 exchange rates, estimated

# Formation of IPT division

## Revenue development for Industrial Processing Technology

NOK million



\* Proforma figures, including Odenberg at 303 MNOK  
NOK million

# TOMRA Material Handling





# Highlights Material Handling

## Overall

- 10% growth in local revenues (5% adjusted for the RSI acquisition)
- Gross margin down from 19% to 17% due to somewhat weaker performance in California and higher diesel prices

## East Coast/Canada

- Revenue up from 18.8 MUSD to 21.7 MUSD due to more water bottles being returned and the RSI acquisition (a material pick-up and processing provider in Maine acquired in December 2010)

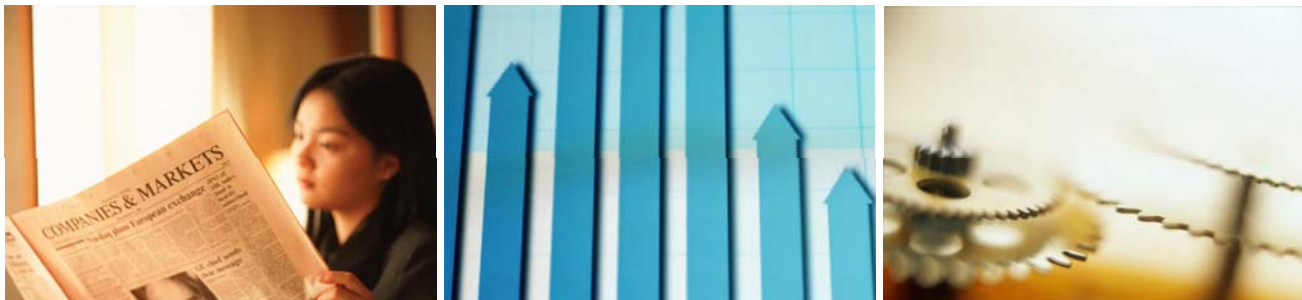
## US West

- Revenues of 16.8 MNOK in 1Q11, up from 16.2 MUSD in 1Q10
  - Positively influenced by higher commodity prices, but negatively impacted by lower processing fees for PET and lower volumes
- Bad weather in 1Q11 negatively influenced volumes

# Material Handling financials

	1 <sup>st</sup> Quarter	
<i>Amounts in USD million</i>	2011	2010
<b>Revenues</b>	38.4	35.0
• US East/Canada	21.7	18.8
• US West (California)	16.8	16.2
<b>Gross contribution in %</b>	6.6 17%	6.7 19%
<b>Operating expenses</b>	5.1	4.3
<b>EBITA in %</b>	1.6 4%	2.4 7%

# Outlook



# Outlook

- Collection Technology: 2011 is expected to report higher activity than 2010, mainly due to the 70 MEUR order signed by a European retailer in 2010 for installation in 2011 and 2012, though installations are expected to be higher in 2012 than in 2011.
- Industrial Processing Technology: Activity expected to increase in 2011, quarterly development might be somewhat volatile due to little recurring business in the segment. Overall performance linked to macro drivers, particularly commodity prices.
- Synergies from the Odenberg acquisition are expected to materialize from 2012.
- 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.
- 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 1Q11 is expected to be temporary and performance is expected to improve during second and third quarter.
- A stronger NOK relative to both EUR and USD will negatively impact performance in all segments going into 2011.

# Capital Markets Day

# CMD 2011 – Agenda

- Place: Høyres Hus,  
Stortingsgaten 20,  
0161 Oslo
- Time: 20 May 08:15 – 13:00
- Registration:  
[ir@tomra.com](mailto:ir@tomra.com)

07:45-08:15	Registration - Breakfast
08:15-08:20	Introduction and agenda <i>Espen Gundersen, CFO</i>
08:20-09:00	Repositioning of Tomra <i>Stefan Ranstrand, CEO</i>
09:00-09:45	Collection technology <i>Harald Henriksen, SVP Technology</i>
09:45-10:00	Break
10:00-10:15	Sorting technology – General introduction <i>Rune Marthinussen, MD TITECH Group</i>
10:15-10:45	Sorting technology – Technology <i>Dr Volker Rehrmann, Technical Director TITECH Group</i>
10:45-11:15	Sorting technology – Waste and metal recycling <i>Tom L. Eng, Sales director TITECH</i>
11:15-11:30	Break
11:30-12:00	Sorting technology – Mining <i>Hartmut Harbeck, Director sales CommodasUltrasort</i>
12:00-12:30	Sorting technology – Food <i>Maurice Moynihan, MD and sales director Odenberg</i>
12:30-12:40	Financial targets <i>Espen Gundersen, CFO</i>
12:40-13:00	Summary and final Q&A <i>Stefan Ranstrand, CEO</i>
13:00-13:45	Lunch

Addendum slides

# Major shareholders

1	Orkla ASA	23 000 000	15.5%
2	Folketrygdfondet	14 497 368	9.8%
3	The Northern Trust C Treaty Account	10 893 305	7.4%
4	JP Morgan Chase Bank Nordea Treaty Account	6 946 120	4.7%
5	Ferd AS Invest	4 385 030	3.0%
6	State Street Bank AN A/C Client Omnibus F	3 952 939	2.7%
7	Skandinaviska Enskil A/C Finnish Resident	3 387 358	2.3%
8	Clearstream Banking	3 088 846	2.1%
9	JP Morgan Chase Bank S/A Escrow Account	2 804 078	1.9%
10	The Hermes Focus FUN C/O The Northern Trust	2 802 570	1.9%
<b>SUB-TOTAL</b>		<b>75 757 614</b>	<b>51.2%</b>
<b>Other Shareholders</b>		<b>72 262 464</b>	<b>48.8%</b>
<b>TOTAL (7,299 shareholders)</b>		<b>148 020 078</b>	<b>100%</b>
<b>Total foreign ownership</b>			<b>56.6%</b>



# Shareholders by nationality

1	Norway	43.4%	6 611
2	Great Britain	22.5%	62
3	USA	10.3%	156
4	Luxembourg	7.0%	29
5	Finland	4.5%	22
6	France	3.4%	20
7	Belgium	1.6%	10
8	Denmark	1.2%	37
9	Holland	1.1%	58
10	Ireland	1.0%	8
<b>TOTAL</b>		<b>96.0%</b>	<b>7 013</b>

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