

2ND QUARTER 2014

RESULTS ANNOUNCEMENT

HIGHLIGHTS FROM THE QUARTER INCLUDE

Revenues

- **Revenues of 1,187 MNOK** (1,177 MNOK in second quarter 2013)
Currency adjusted revenues were:
 - Down 3% for TOMRA Group
 - Down 1% in TOMRA Collection
 - Down 8% in TOMRA Sorting

Gross margin

- **Gross margin 43%**, up from 42% in second quarter 2013
 - Stable margin in TOMRA Collection
 - Improved margin in TOMRA Sorting

Operating expenses

- **Operating expenses of 348 MNOK** (323 MNOK in second quarter 2013)
 - Up 2% adjusted for currency and one-time costs

EBITA

- **EBITA of 156 MNOK** (172 MNOK in second quarter 2013)
 - Including 13 MNOK one-time costs

Cashflow from operations

- **Cashflow from operations of 136 MNOK** (120 MNOK in second quarter 2013)

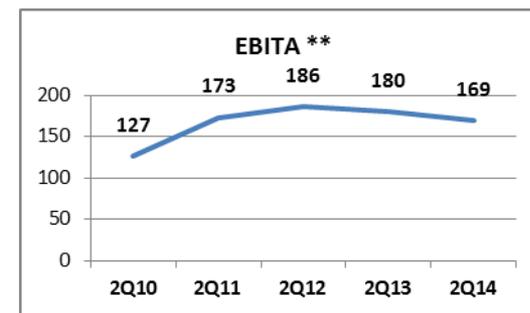
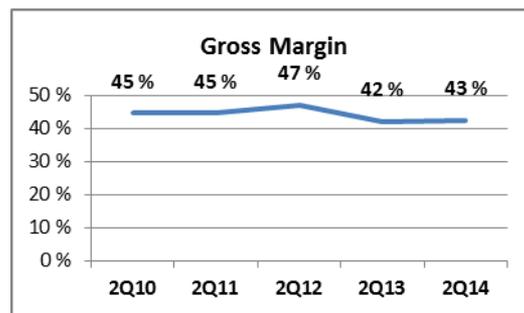
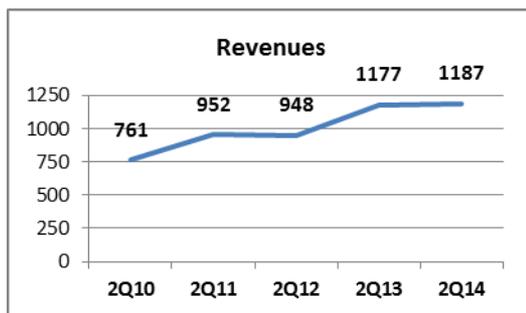
Orders TOMRA Sorting

- **Order intake of 502 MNOK** in TOMRA Sorting, compared to 419 MNOK same period last year
- **All time high order backlog of 615 MNOK** in TOMRA Sorting, up from 574 MNOK at the end of first quarter 2014

FINANCIAL HIGHLIGHTS

P&L STATEMENT

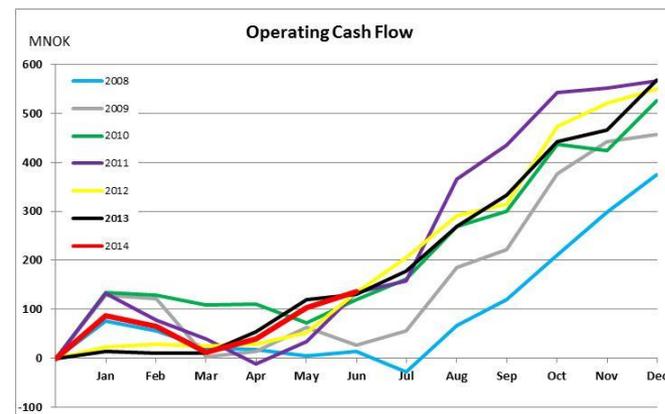
| | 2 nd Quarter | | | 1 st Half | | |
|--|-------------------------|--------------|--------------|----------------------|--------------|--------------|
| <i>Amounts in NOK million</i> | 2014 | 2013 | 13 Adj* | 2014 | 2013 | 13 Adj* |
| Revenues | 1,187 | 1,177 | 1,230 | 2,252 | 2,143 | 2,280 |
| • Collection Solutions | 726 | 699 | 731 | 1,402 | 1,297 | 1,383 |
| • Sorting Solutions | 461 | 478 | 499 | 850 | 846 | 897 |
| Gross contribution | 504 | 495 | 514 | 966 | 922 | 975 |
| <i>in %</i> | 43% | 42% | 42% | 43% | 43% | 43% |
| Operating expenses | 348 | 323 | 337 | 704 | 637 | 678 |
| EBITA | 156 | 172 | 177 | 262 | 285 | 297 |
| <i>in %</i> | 13% | 15% | 14% | 12% | 13% | 13% |
| <i>One time costs included in operating expenses</i> | 13 | 8 | 8 | 25 | 8 | 8 |



FINANCIAL HIGHLIGHTS

BALANCE SHEET, CASH FLOW AND CAPITAL STRUCTURE

| <i>Amounts in NOK million</i> | 30 June 2014 | 30 June 2013 | 31 Dec 2013 |
|------------------------------------|-------------------------|-------------------------|------------------------|
| ASSETS | 5,944 | 5,572 | 5,623 |
| • Intangible non-current assets | 2,528 | 2,396 | 2,487 |
| • Tangible non-current assets | 613 | 599 | 608 |
| • Financial non-current assets | 293 | 266 | 267 |
| • Inventory | 955 | 917 | 874 |
| • Receivables | 1,358 | 1,259 | 1,224 |
| • Cash and cash equivalents | 197 | 135 | 164 |
| LIABILITIES AND EQUITY | 5,944 | 5,572 | 5,623 |
| • Equity | 2,682 | 2,407 | 2,741 |
| • Minority interest | 96 | 94 | 83 |
| • Interest bearing liabilities | 1,740 | 1,735 | 1,557 |
| • Non-interest bearing liabilities | 1,426 | 1,336 | 1,242 |



Ordinary cashflow from operations

- 136 MNOK - (120 MNOK in 2Q 2013)

Cashflow from investments (ex M&A)

- 68 MNOK - (62 MNOK 2Q 2013)

Solidity

- 47% equity
- NIBD/EBITDA = 1.8 (Rolling 12 months)
- Dividend of 200 MNOK (1.35 NOK per share) paid out in May 2014

TOMRA Collection Solutions

**RETURNS
INTO
VALUE**



HIGHLIGHTS COLLECTION SOLUTIONS

Overall

- **Revenues equaled 726 MNOK** in second quarter 2014, up from 699 MNOK in second quarter 2013
 - Revenues down 1% in local currencies
- **Gross margin was 42%** in the period
 - Unchanged from same period last year
- **Operating expenses was 173 MNOK**
 - Up 2% currency adjusted

Europe

- Currency adjusted revenues down 4% in Europe
- Somewhat down both in Nordic and in Central Europe

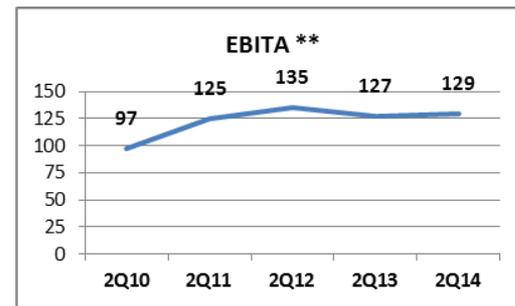
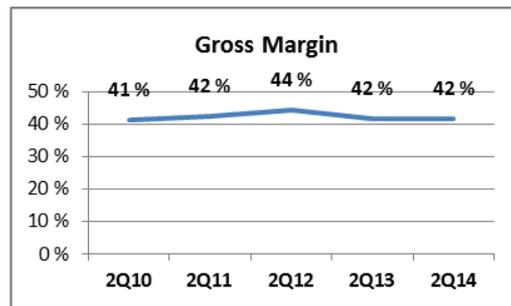
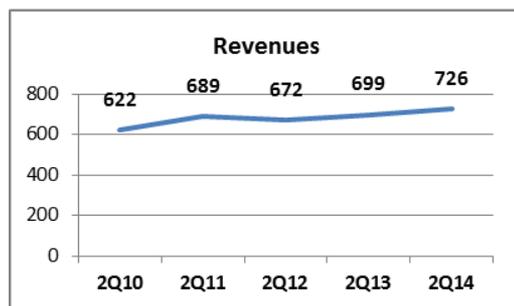
North America

- Currency adjusted revenues up 3% in North America



COLLECTION SOLUTIONS FINANCIALS

| | 2nd Quarter | | | 1st Half | | |
|---------------------------|-------------|------------|------------|--------------|--------------|--------------|
| Amounts in NOK million | 2014 | 2013 | 13 Adj* | 2014 | 2013 | 13 Adj* |
| Revenues | 726 | 699 | 731 | 1,402 | 1,297 | 1,383 |
| • Nordic | 138 | 145 | | 268 | 272 | |
| • Central Europe & UK | 286 | 276 | | 582 | 516 | |
| • Rest of Europe | 9 | 3 | | 15 | 6 | |
| • US East/Canada | 281 | 267 | | 518 | 492 | |
| • Rest of the world | 12 | 8 | | 19 | 11 | |
| Gross contribution | 302 | 291 | 306 | 590 | 546 | 585 |
| <i>in %</i> | 42% | 42% | 42% | 42% | 42% | 42% |
| Operating expenses | 173 | 164 | 170 | 351 | 327 | 346 |
| EBITA | 129 | 127 | 136 | 239 | 219 | 239 |
| <i>in %</i> | 18% | 18% | 19% | 17% | 17% | 17% |

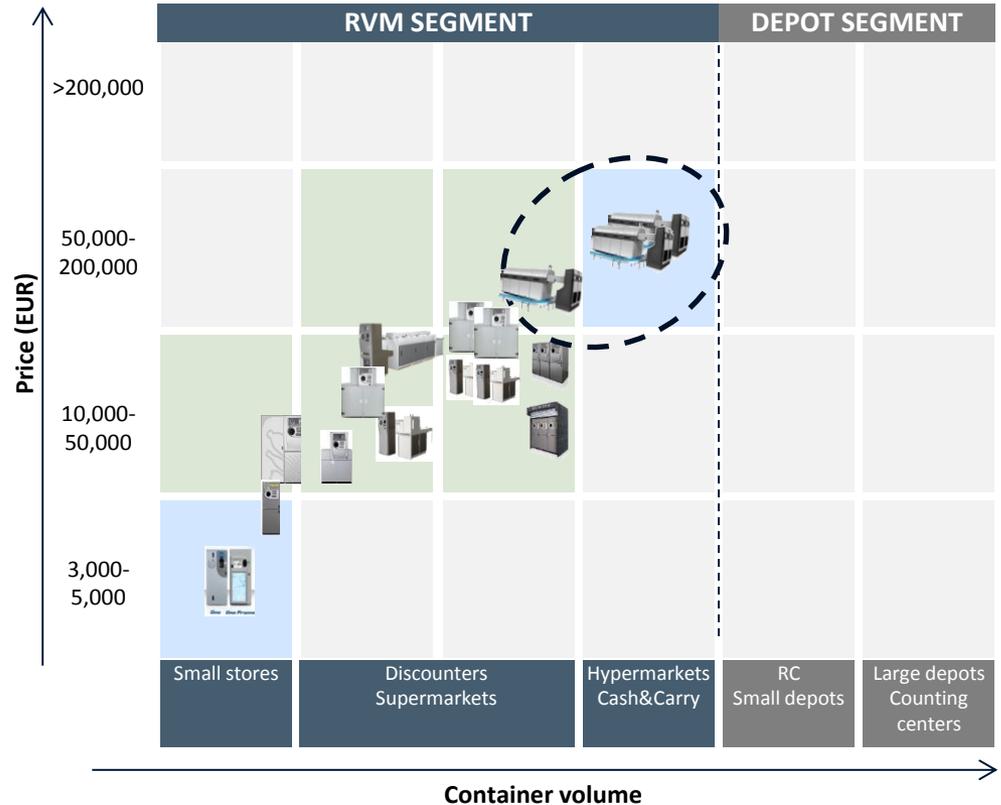


T-9 ROLLOUT SLIGHTLY AHEAD OF SCHEDULE: THE MACHINE IS WELL RECEIVED IN THE MARKET



T-9 in Finland

- K-Supermarket placed a full-page ad in Finland's largest newspaper to announce that they have installed the T-9
- "We are putting a new RVM into use at the end of this week. The fastest and most reliable RVM on the market – the TOMRA T-9" *Store owner*



T-9: Targeting high end – high volume retail

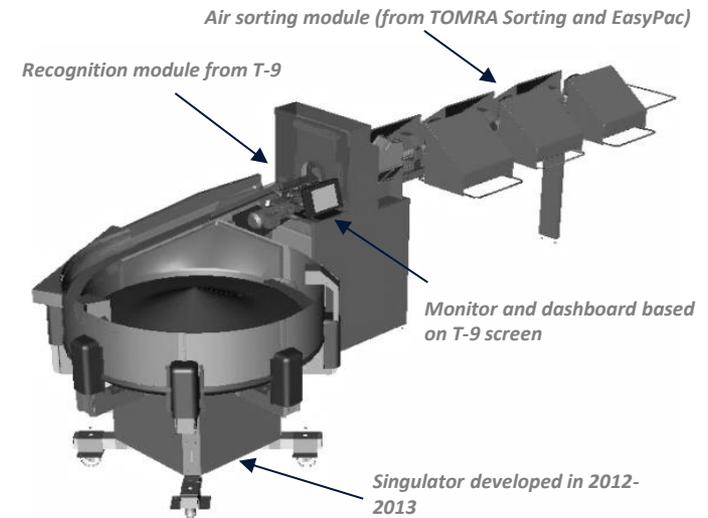
- **2014 Ambition:** Delivery of 1000 machines
 - **487** has left the factory YTD

ENTERING THE DEPOT SEGMENT

Economies of scale on modular design and in-house R&D

- Part of the TOMRA Collection strategy is to **target new business models**
- The depot market has been a market where TOMRA is not present
- To target this market we are developing a **new depot solution** based on standard components from existing TOMRA technology portfolio
- **First pilot currently out** for prototype testing in Norway
 - Couple more systems to be installed for testing in US during the year
- Market estimated to around 50- 100 MNOK annually
- Limited numbers of competitors in the segment
 - TOMRA targets a leading position

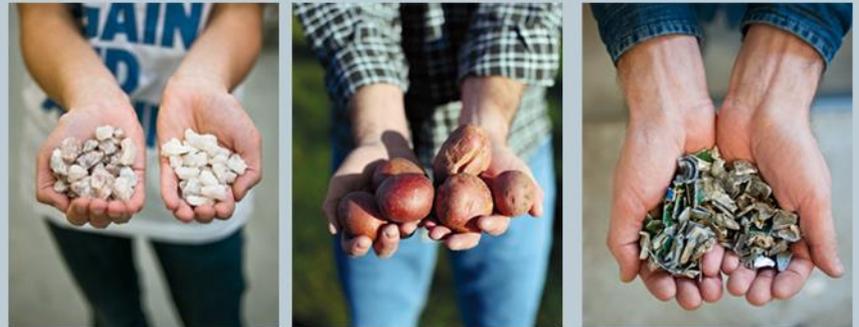
Based on existing modules from current portfolio and in-house R&D



The new TOMRA technology portfolio: A door opener for new segments

TOMRA Sorting Solutions

**WASTE
INTO
VALUE**



HIGHLIGHTS SORTING SOLUTIONS

Revenues

- **Revenues equaled 461 MNOK** in second quarter 2014, down from 478 MNOK in second quarter 2013
 - Revenues down 8% in local currencies

Gross margin

- **Gross margin increased** from 43% in second quarter 2013 **to 44%** in second quarter 2014

EBITA

- **EBITA of 34 MNOK** (51 MNOK in second quarter 2013)
 - Including one-time cost of 13 MNOK in second quarter 2014

Orders

- **Order intake of 502 MNOK**, compared to 419 MNOK same period last year
- **All time high order backlog of 615 MNOK**, up from 574 MNOK at the end of first quarter 2014

Business stream food

- Revenues in 2Q14 down from 2Q13, due to lower order backlog at the beginning of the quarter
- Improved order intake during 2Q14 has increased the backlog

Business stream recycling

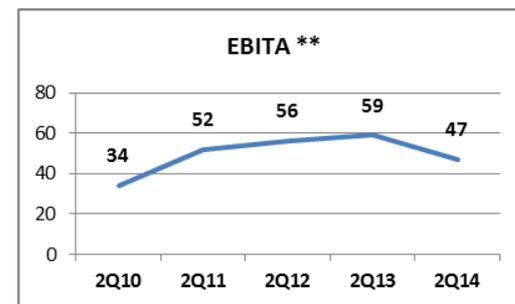
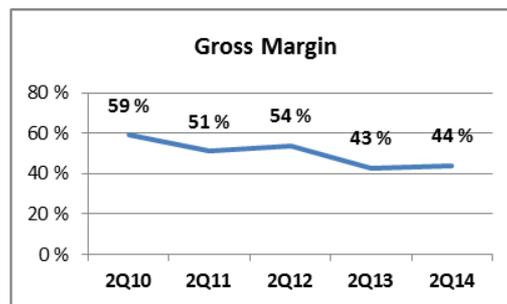
- Slightly higher revenues in 2Q14 than in 2Q13
- Positive development in order intake within waste recycling, still slow within metals

Business stream mining

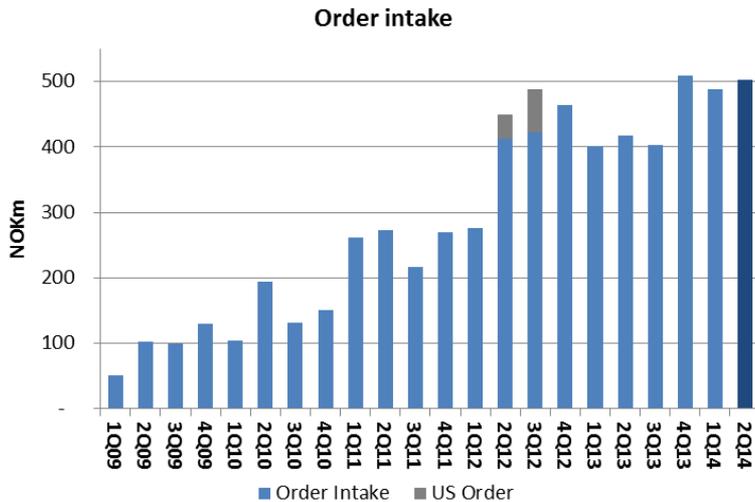
- Strategic focus upon industrial minerals, gem stones and standard products
- Significant improvement in order intake

SORTING SOLUTIONS FINANCIALS

| | 2nd Quarter | | | 1st Half | | |
|--|-------------|------------|------------|------------|------------|------------|
| Amounts in NOK million | 2014 | 2013 | 13 Adj* | 2014 | 2013 | 13 Adj* |
| Revenues | 461 | 478 | 499 | 850 | 846 | 897 |
| • Nordic | 3 | 10 | | 5 | 14 | |
| • Central Europe & UK | 164 | 176 | | 274 | 282 | |
| • Rest of Europe | 45 | 22 | | 96 | 50 | |
| • US East/Canada | 163 | 168 | | 309 | 305 | |
| • Rest of the world | 86 | 102 | | 166 | 195 | |
| Gross contribution | 202 | 204 | 208 | 376 | 376 | 390 |
| <i>in %</i> | 44% | 43% | 42% | 44% | 44% | 43% |
| Operating expenses | 168 | 153 | 161 | 339 | 298 | 320 |
| EBITA | 34 | 51 | 47 | 37 | 78 | 70 |
| <i>in %</i> | 7% | 11% | 9% | 4% | 9% | 8% |
| <i>One time costs included in operating expenses</i> | 13 | 8 | 8 | 25 | 8 | 8 |

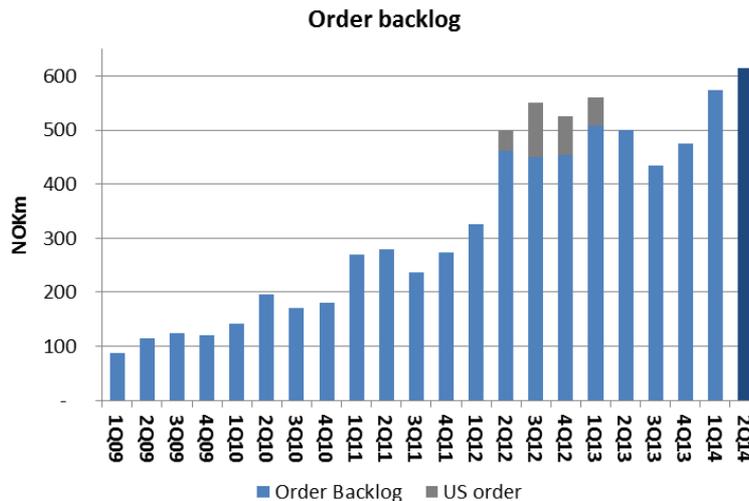


BACKLOG DEVELOPMENT AND MOMENTUM



Comments

- The order backlog declined in the period 1Q13-3Q13, explained by
 - Large US order signed in 2012 and delivered in 2013
 - Generally lower order intake in the first three quarters of 2013
- Resulting in a low order backlog end 3Q13
- Good order intake last three quarters combined with stronger NOK and fewer orders taken to P/L in first half 2014
 - Leading to all time high order backlog at the end of 2Q14
- Continued high order intake through 3Q14 important to increase revenues in 2014 compared to 2013
- Estimated backlog conversion ratio in 3Q14: 80-85%*



THE COMMON SORTING PLATFORM: SHARING MODULES ACROSS ALL BUSINESS STREAMS

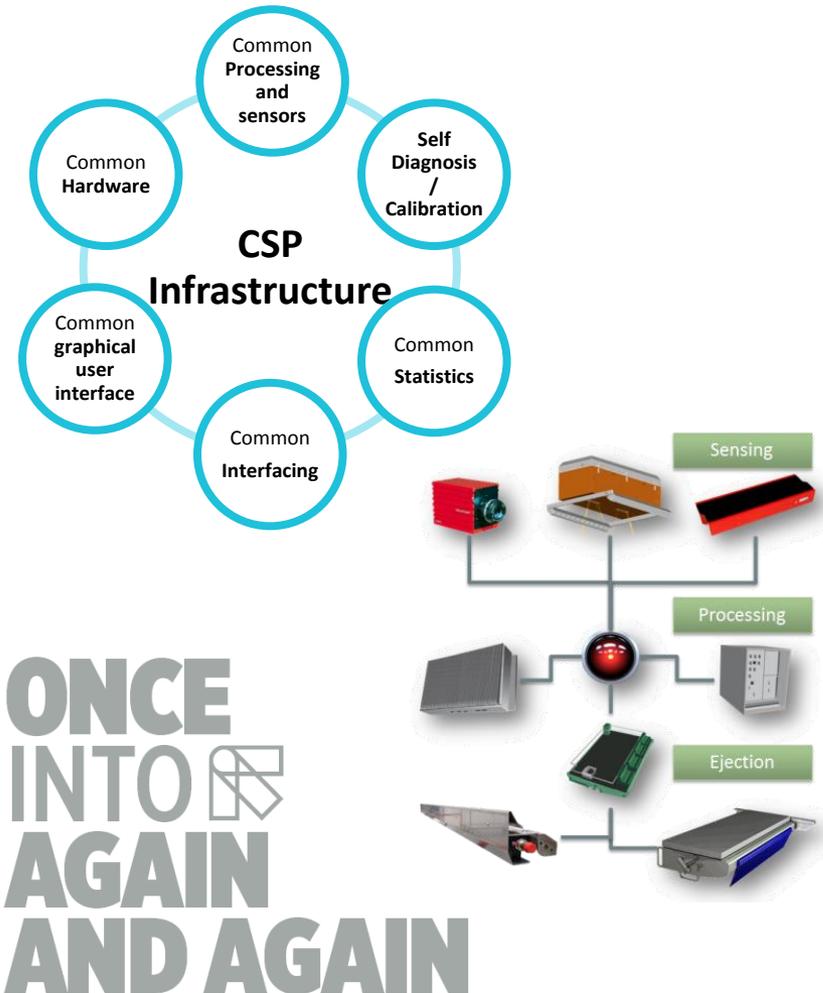
Synergies in action

- On the back of in-house initiatives and through M&A TOMRA Sorting has accumulated an **extensive portfolio of sorting technologies**
- The common sorting platform: next step to gain efficiencies in product development
- **What is it?** The common sorting platform includes everything that is not specific for one TSS business stream or machine like
 - **Communication infrastructure** (interfacing)
 - **Configuration** (sorting parameters)
 - **Core functionality** (modularity, shared functionalities and common standards)
 - Shared modules for sensing, processing and ejection

Advantages

1. Reduced purchasing and operational **costs**
2. Reduced **inventory**
3. Increased **development speed** – shorter time to market
4. Higher **efficiency in R&D** through efficient **reuse** of modules
5. **IPR protection**, reducing risk of duplication
6. Standardization of working environment
7. Higher efficiency in **service**

A modular approach: Reuse and reduce



Outlook and shareholder structure



OUTLOOK

Long term trends:

- The long term demand for better resource productivity is a result of megatrends such as population increase, a growing middle class consumer base and greater urbanization. TOMRA, as a leader in sensor based solutions, is favorably positioned to capitalize on these trends

Collection Solutions:

- **No new markets** are expected to generate significant revenues in the coming quarters and activity is consequently assumed to be stable and in line with previous quarters
- As usual the **second half of the year is expected to be stronger** than the first half, for both revenues and profit

Sorting Solutions:

- The combination of a stronger order intake three consecutive quarters combined with a limited number of orders taken to P/L, has led to an all time high order backlog at the end of second quarter 2014
- Revenues and profit in TOMRA Sorting are consequently **expected to improve significantly** in second half of 2014, compared to first half 2014

Currency:

- Reporting in NOK and with some NOK cost base, TOMRA will in general benefit from a weak NOK, measured particularly against EUR and USD. TOMRA will consequently continue to gain from a strong USD and EUR, if current exchange rate levels are maintained





Q&A

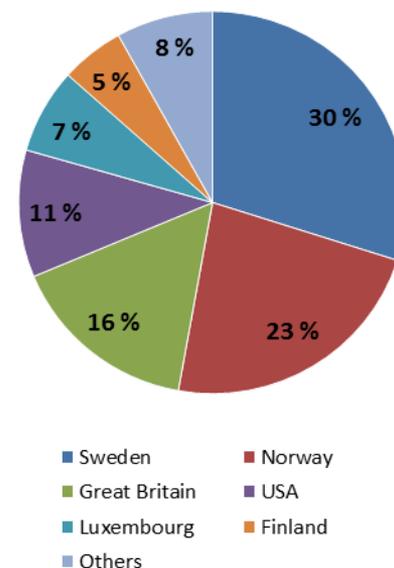
TOMRA SHAREHOLDER STRUCTURE

Top 10 shareholders as of 4th of July 2014

| | | | |
|-----------------------------------|---|--------------------|--------------|
| 1 | Investment AB Latour | 35 690 000 | 24.1% |
| 2 | Folketrygdfondet | 14 720 124 | 9.9% |
| 3 | Jupiter European Fund | 9 355 330 | 6.3% |
| 4 | Skandinaviska Enskilda A/C Clients account | 6 128 025 | 4.1% (NOM) |
| 5 | Nordea Nordic Small | 4 363 024 | 2.9% |
| 6 | ODIN Norge | 3 542 532 | 2.4% |
| 7 | JP Morgan Chase Bank Nordea Treaty account | 3 225 831 | 2.2% (NOM) |
| 8 | State Street Bank AN A/C Client Omnibus F | 2 586 777 | 1.7% (NOM) |
| 9 | Skandinaviska Enskilda A/C Finnish Resident | 2 437 539 | 1.6% (NOM) |
| 10 | The Bank of New York BNY Mellon | 2 355 441 | 1.6% (NOM) |
| Sum Top 10 | | 82 049 182 | 55.4% |
| Other shareholders | | 63 615 455 | 44.6% |
| TOTAL (5,854 shareholders) | | 148 020 078 | 100% |

Source: VPS

Shareholders by country



Total shares held abroad: 77.1%

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