TOMRA

TOMRA INVESTOR PRESENTATION

TOMRA was founded on an innovation in 1972 that began with design, manufacturing and sale of reverse vending machines (RVMs) for automated collection of used beverage containers

Today, TOMRA creates sensor-based solutions for optimal resource productivity

THE WORLD POPULATION AND STANDARD OF LIVING IS INCREASING DRAMATICALLY

WORLD RESOURCES ARE UNDER UNPRECEDENTED PRESSURE

RESOURCE PRODUCTIVITY MUST INCREASE
TO ENSURE SUSTAINABLE DEVELOPMENT

THE DAWN OF THE RESOURCE REVOLUTION

THE CHALLENGE:

THE OPPORTUNITY:

3 billion more middle-class consumers expected to be in the global economy by 2030

$2.9 trillion of savings in 2030 from capturing the resource productivity potential

Up to **$1.1 trillion** spent annually on resource subsidies

At least $1 trillion more investment in the resource system needed each year to meet future resource demands

Making A world worth living for our children !

SOURCE: McKinsey

TOMRA creates sensor-based solutions for optimal resource productivity

Obtaining resources

Using resources

Reusing resources
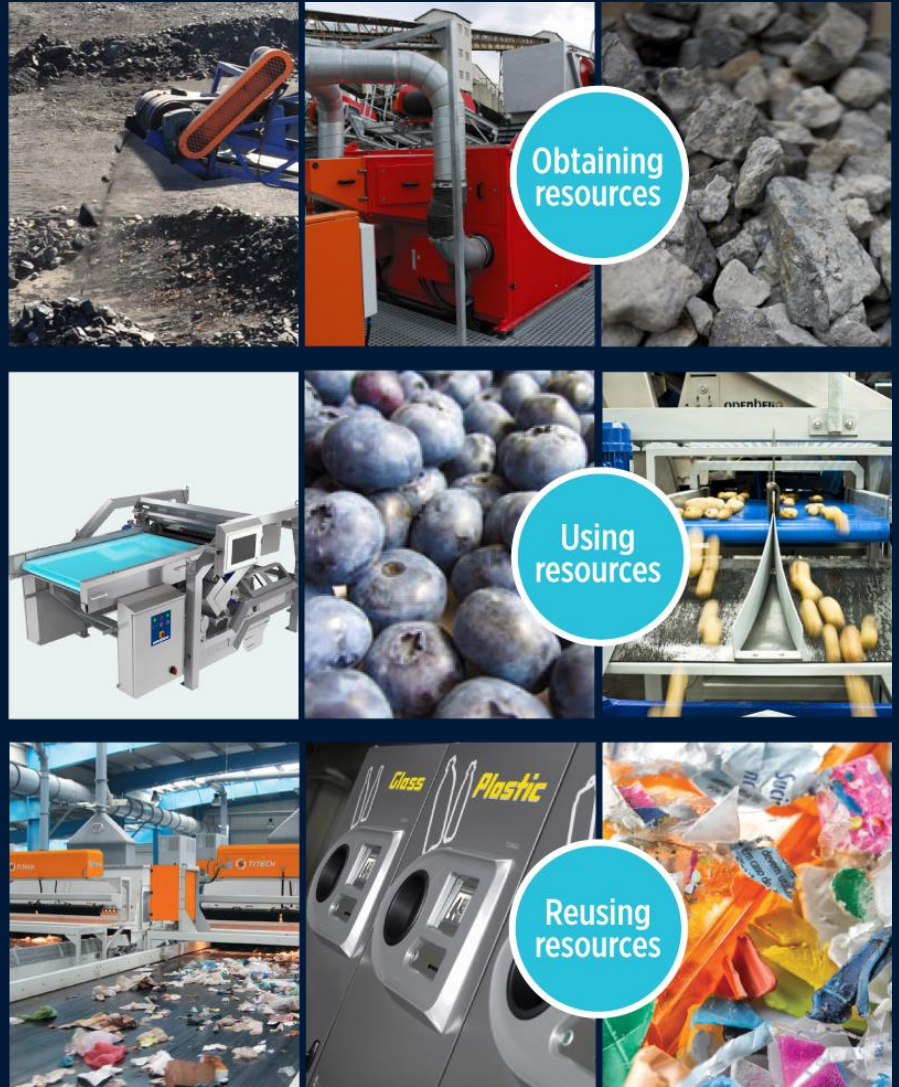
TOMRA
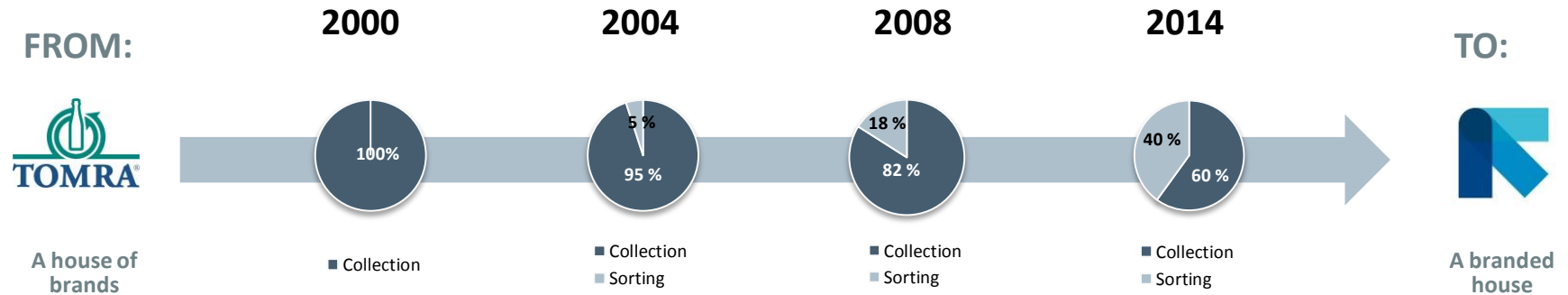
LEADING THE RESOURCE REVOLUTION

FROM PURPOSE INTO PROFITS AND PROFITS INTO PROGRESS, TOMRA IS **TRANSFORMING** WHAT IT MEANS TO BE RESOURCEFUL.

- Our solutions, in use around the globe, helped keep up to **24 millions of tons of CO_2** from being released into the atmosphere in 2014

- **35 bn used beverage containers are captured every year** through our reverse vending machines

- Our steam peelers process **15 million tons of potatoes per year with a 1% yield improvement** over other alternatives

- **715,000 tons of metal are recovered** every year by our metal-recycling machines

TOMRA IN SHORT

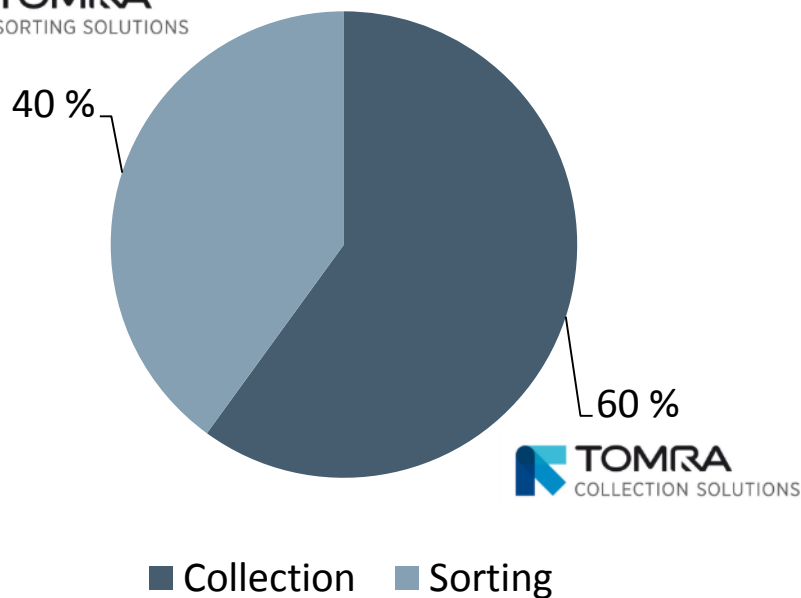# THE TOMRA TRANSFORMATION JOURNEY

2004 — TOMRA Sorting Solutions
TOMRA acquires TITECH, the world's leading provider of optical recognition and sorting technology for the waste industry and TOMRA's transformation journey starts.

2005 — TOMRA Collection Solutions
TOMRA acquires Orwak Group, a leading provider of compaction solutions for a variety of materials.

2006 — TOMRA Sorting Solutions
TOMRA acquires Commodas—a leading supplier within the field of sensor-based products for mining and metal recycling.

2008 — TOMRA Sorting Solutions
TOMRA acquires Ultrasort—specialists in sensor-based mining technology.

2011 — TOMRA Collection Solutions
Sale of Californian material handling business. With this divestment the US operation became less exposed to movements in commodity prices.

2011 — TOMRA Sorting Solutions
TOMRA acquires Odenberg, rounding out the offering to include food optimization.

2012 — TOMRA Sorting Solutions
TOMRA acquires BEST, leading food sorting machine producer. With the acqusition of BEST TOMRA has by far the widest reach within the food sorting universe.

2012
Through it's transformation journey TOMRA has moved from a business of many brands to one brand with many areas of expertise. We are one TOMRA.

FROM:

TOMRA

A house of brands

2000
100%
■ Collection

2004
5 %
95 %
■ Collection
■ Sorting

2008
18 %
82 %
■ Collection
■ Sorting

2014
40 %
60 %
■ Collection
■ Sorting

TO:

A branded house

CREATING VALUE THROUGH TWO STRONG BUSINESS AREAS

TOMRA
SORTING SOLUTIONS

40 %

60 %

TOMRA
COLLECTION SOLUTIONS

■ Collection ■ Sorting

Two strong areas for value creation

TOMRA

TOMRA
COLLECTION SOLUTIONS

TOMRA
SORTING SOLUTIONS

- Stable
- High margins
- Low cyclicality

- High growth
- High margins
- Medium cyclicality

High technology - sustainable business

Source: 2014 Annual sales figures

TOMRA'S TWO BUSINESS AREAS

TOMRA SORTING SOLUTIONS

TOMRA COLLECTION SOLUTIONS

RECYCLING

Share of '14 sales	~12%
Employees	145
Customers	Material recovery facilities, scrap dealers, metal shredder operators
Market share	**~50-60%**

REVERSE VENDING

Share of '14 sales	~45%
Employees	1,150
Customers	Grocery retailers
Market share	**~65%**

MINING

Share of '14 sales	~3%
Employees	50
Customers	Mining companies
Market share	**~40-60%**

MATERIAL RECOVERY

Share of '14 sales	~15%
	440
	Grocery retailers and beverage manufacturers
	~60% in USA (markets served)

FOOD

Share of '14 sales	~25%
Employees	445
Customers	Food growers, packers and processors
Market share	**~25%**

Employees	Sorting Solutions group functions: 145

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TOMRA INSTALLED BASE

TOMRA COLLECTION SOLUTIONS

TOMRA SORTING SOLUTIONS

REVERSE VENDING	
Nordic	~15,000
Germany	~27,000
Other Europe	~12,800
North America	~16,600
Rest of the world	~2,100
TOTAL	**~74,500**

RECYCLING		MINING		FOOD	
Europe	~2,600	Europe	~80	Europe	~3,000
US / Canada	~700	US / Canada	~40	US/Canada	~2,600
Asia	~350	Australia	~30	Asia/Oceania	~600
Other	~650	South Africa	~50	South America	~250
		Other	~40	Middle East/ Africa	~550
TOTAL	**~4,300**	**TOTAL**	**~240**	**TOTAL**	**~7,000**

Numbers per year end 2014

USING THE POWER OF BUSINESS TO DO GOOD

EMPLOYEES

- 80% of our employees say TOMRA is a "Great Place to Work" (2013)

ETHICAL BUSINESS BEHAVIOUR

- Member of UN Global Compact since end 2009
  - Implementing ethical policies worldwide

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ENVIRONMENT

- We contribute to avoided emissions of about ~22 mill tons CO_2 annually (2013)

INCREASING CUSTOMER VALUES

- Productivity
- Revenues
- Quality
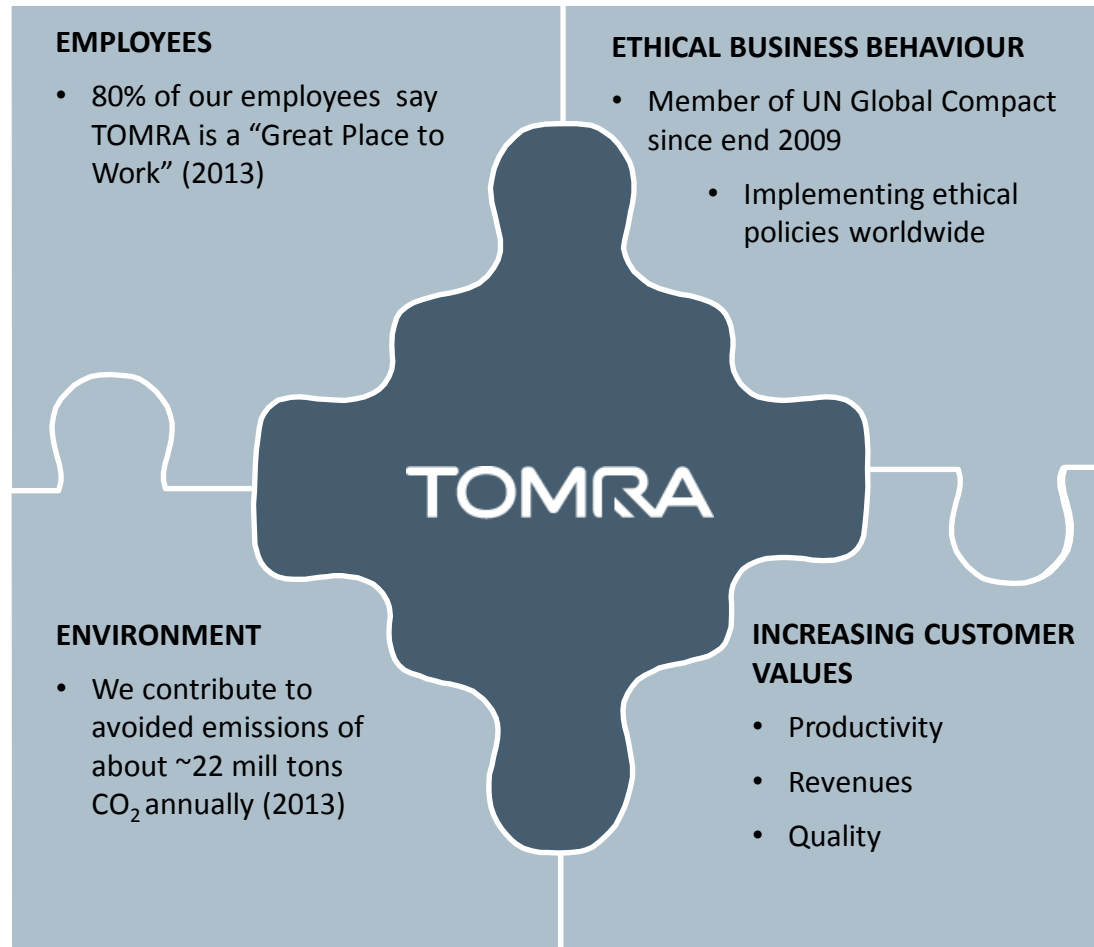
TOMRA IN DEPTH

TOMRA Collection Solutions

RETURNS INTO ◧ VALUE

TOMRA COLLECTION SOLUTIONS | REVERSE VENDING

RECYCLING OF BEVERAGE PACKAGING IN A DEPOSIT SYSTEM

① Consumer purchases beverage

Retailer

Pays price + deposit amount

Retailer purchases beverage from filler/importer

Filler/bottler/importer

② Consumer drinks his beverage

③ Consumer returns empty beverage container to a retail location and receives deposit

Retailer

Return data

Reimbursment of deposit amount paid out by store/ depot, and payment of handling fee per container received

Central organisation/ clearing house

ELEMENTS OF A MODERN REVERSE VENDING SYSTEM
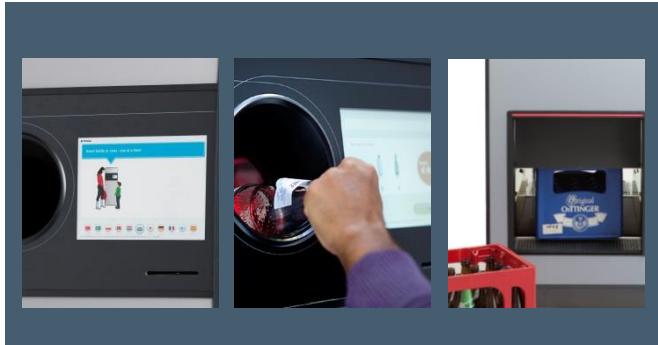
User communication
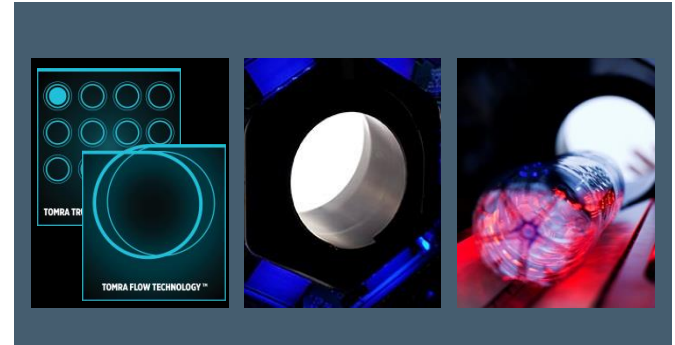
Recognition system

Sorting & processing
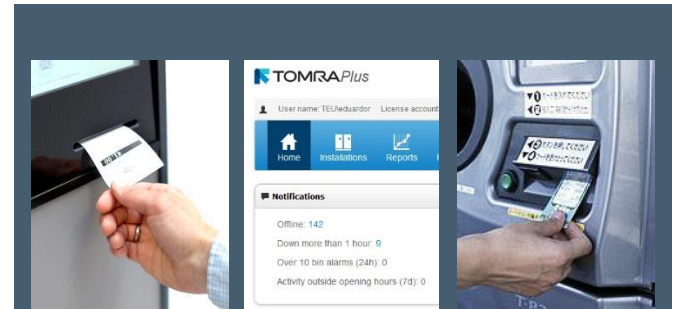
Data administration

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THE USED BEVERAGE CONTAINER RECYCLING VALUE CHAIN

Generic used beverage container (UBC) recycling value chain

COLLECTION

The process of obtaining recyclable materials from the public

TRANSPORT

The process of picking up and transporting recyclable materials to sorting and processing facilities

SORTING & PROCESSING

The process of ensuring that materials are separated according to specific fractions and compacted for efficient transport

RECYCLING

The process of transforming materials into a form that can be used to produce new product

RVM-based UBC recycling value chain

RVM TECHNOLOGY › **SERVICE/ SUPPORT** › **DATA ADMIN/ CLEARING** › **MATERIAL PICK-UP** › **MATERIAL PROCESSING** › **MATERIAL BROKERAGE** › **MATERIAL RECYCLING**

ENSURE SUFFICIENT DIFFERENTIATION BY DELIVERING ON PRODUCT ROADMAP AMBITIONS

2012

UNO UNO PROMO T-63 HCp SINGLE T-63 TriSort T-63 HCp DUAL T-820 BOTTLE T-820 COMBI T-820 BOTTLE TOUCH T-820 COMBI TOUCH

2015

T-9: THE FIRST OF A NEW GENERATION OF MACHINES

- In fourth quarter 2013, TOMRA presented the first machine of the **new generation** of machines to come

- T-9 features the first **360 degree recognition** system applied in an RVM and a completely new industrial design

- The machine is **faster**, **cleaner** and **takes all** types of beverage containers

- **The launch has been successful**

  — Several machines already installed in core markets

  — Key product for replacement sale in e.g. Germany

- 2014 installations: 1,200 machines

TOMRA is setting the standard for reverse vending for the next decade

TOMRA FLOW TECHNOLOGY™

The world's first 360-degree instant-recognition system in retail reverse vending raises the bar.

FASTER   CLEANER   TAKES ALL

T-9 THE FIRST OF A NEW GENERATION

REVERSE VENDING ADVANTAGES

1

CONVENIENT AND ENGAGING FOR USERS

REVERSE VENDING VALUE PROPOSITION

There are three main components to our value proposition

2

BETTER FOR BUSINESSES

3

BETTER FOR THE ENVIRONMENT

COMPETITIVE LANDSCAPE

# of installed RVS (y-axis):
- >70,000
- 10,000-70,000
- 5,000-10,000
- 500-5,000
- <500

Number of RVS markets (x-axis):
- 1-5
- 6-10
- 11-20
- 21-30
- >30

WINCOR NIXDORF

envipco

troutwein sb technik
Innovative retail & reverse vending systems

re'pant

Sielaff

KANSMACKER, MAX COMPACTION, RVM TECH, DIGI, INCOM, ECO POINT

● Annual revenue from RVS sales

Source: TOMRA estimates and analysis

ESTIMATES

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RVM: OUR STRATEGY 2013 -2018

1 **Defend and nurture core deposit market business**

- Increase differentiation towards competition
- Further reduce the cost of reverse vending systems

2 **Ensure continued relevance of deposit systems**

- Increase scope of existing deposit markets
- Assist in developing new deposit markets

3 **Embrace new business models**

- Capture new volume by entering new segments
- Create new revenue streams from Software/IT

4 **Expand scope of business**

- Target new material streams

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EXAMPLE: CHANGES IN SOURCING SETUP

COGS distribution by region (sourcing)

	2009	2011	2012 status	2012 plan	2013 plan	2015 ambition
Rest of the World	80%	60%	47%	47%	43%	30%
East Europe	15%	23%	29%	28%	28%	35%
Asia	5%	17%	24%	25%	29%	35%
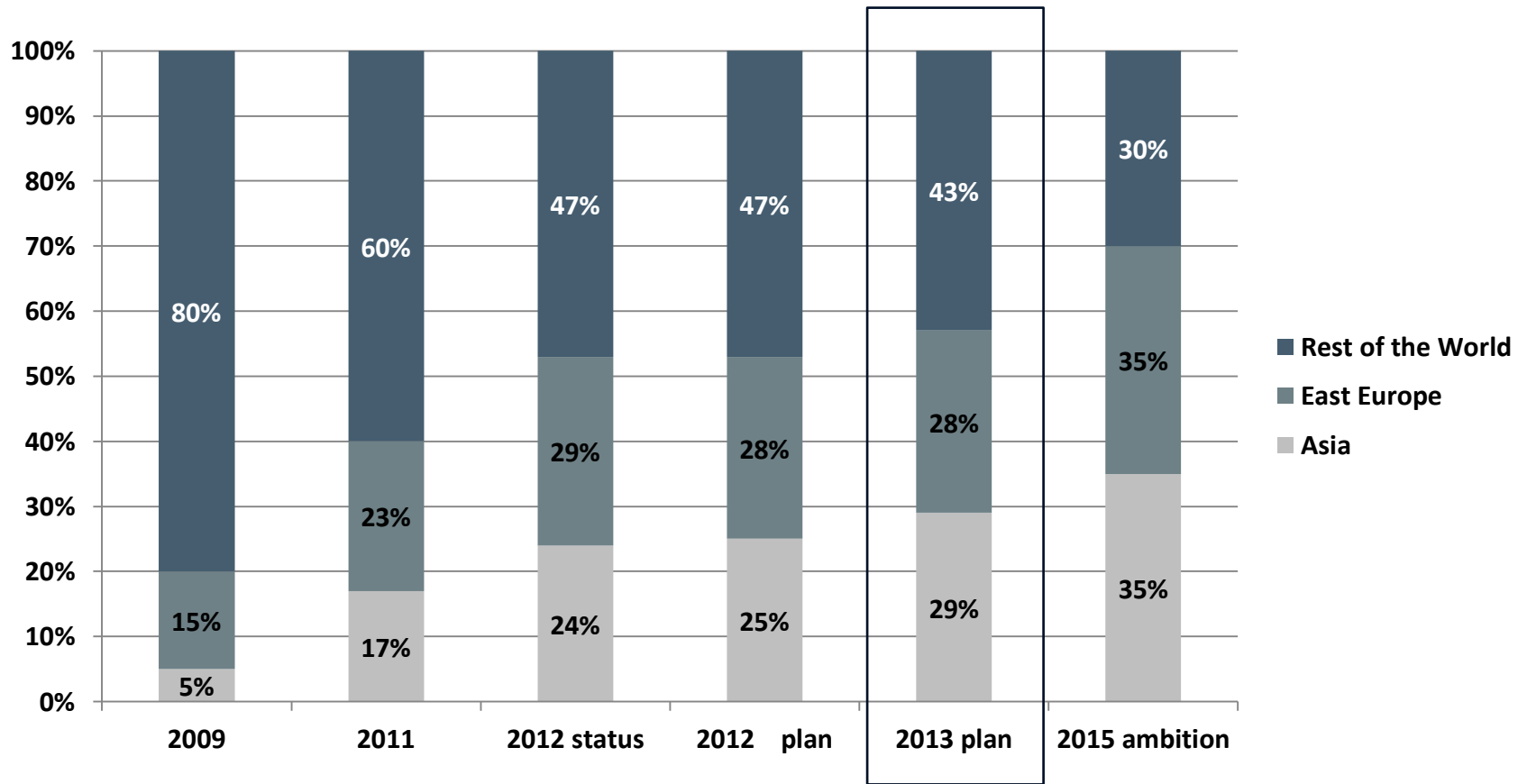
Source: TOMRA analysis

ENSURE CONTINUED RELEVANCE OF AUTOMATED DEPOSIT SYSTEMS

Handling method for deposit containers
Percent of total

Share of containers sold with deposit
Percent of total

40 %

60 %
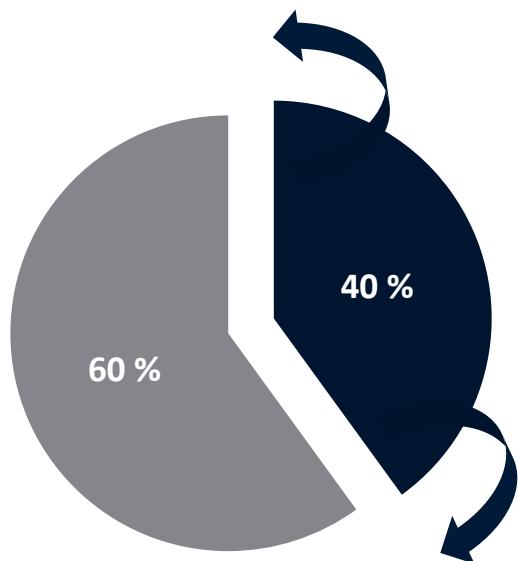
■ Handled with RVS
■ Handled manually

15 %

85 %
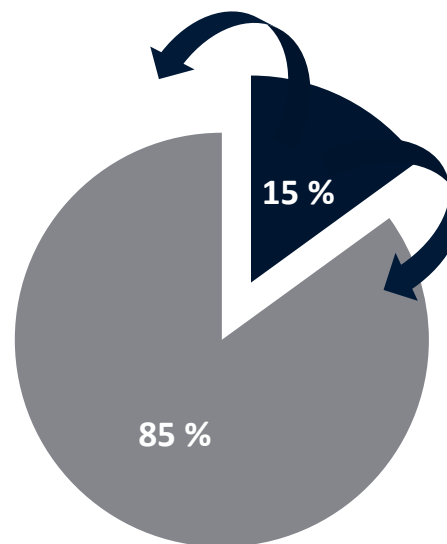
■ Containers sold with deposit
■ Containers sold without deposit

ILLUSTRATIVE

Source: TOMRA analysis

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ENTER NEW SEGMENTS

Price (EUR)

>200,000

50,000-
200,000

10,000-
50,000

3,000-
5,000

TOMRA's current sweet spot

Depot segment opportunity

Small stores

Discounters/Supermarkets

Hypermarkets, C&C

RCs, small depots etc.

Large depots, counting centers

0.1 -0.3 M UBC/year   0.3 -1 M UBC/year   1-3 M UBC/year   3-5 M UBC/year   5 -15 M UBC/year   15 -50 M UBC/year

Container volume
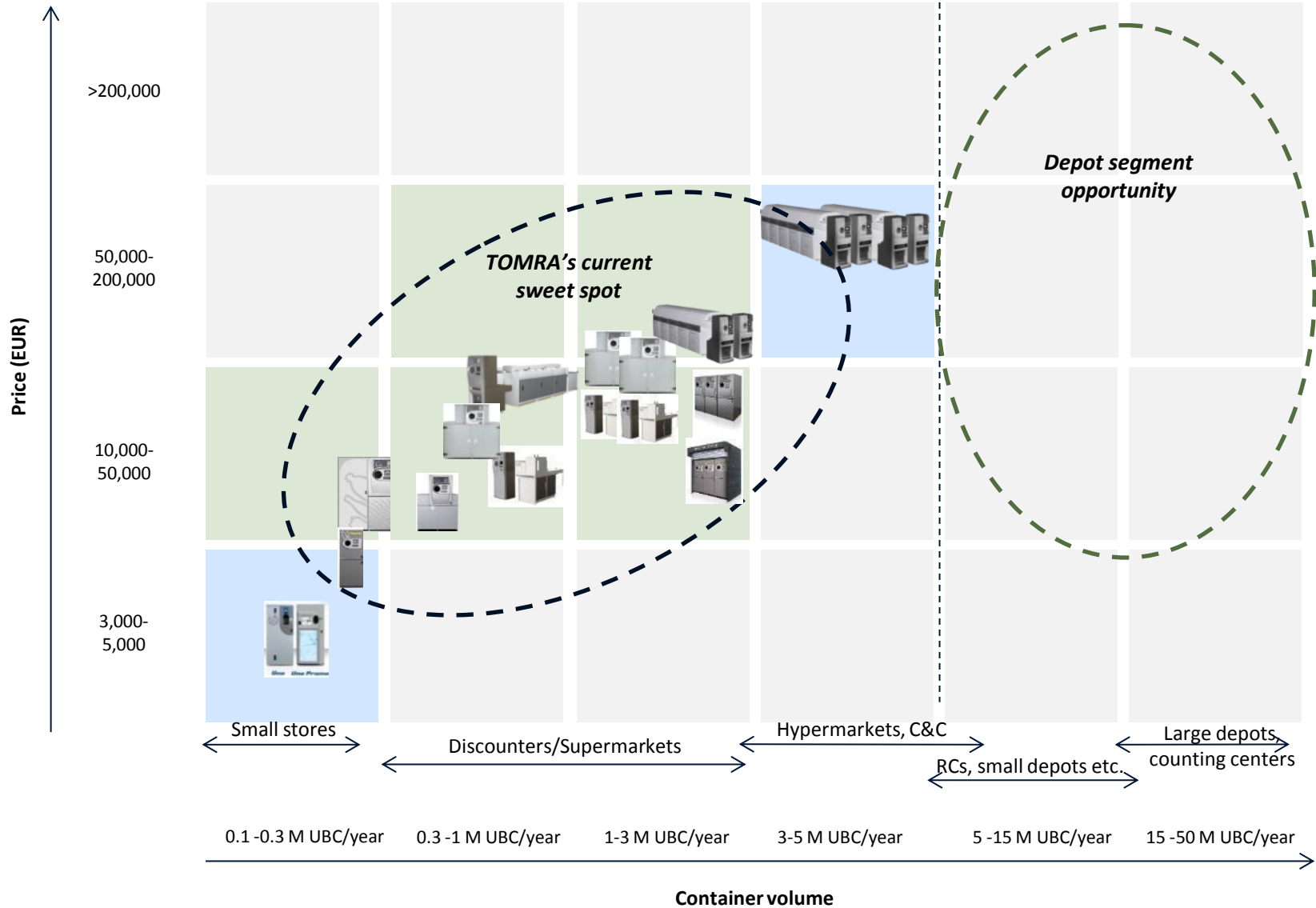
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CREATE NEW REVENUE STREAMS FROM SW/IT

TOMRA*Plus*
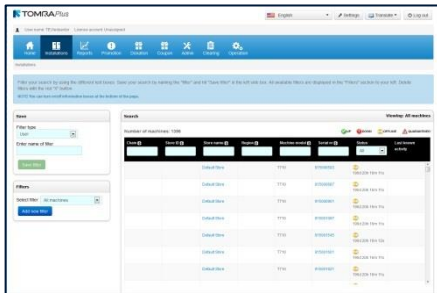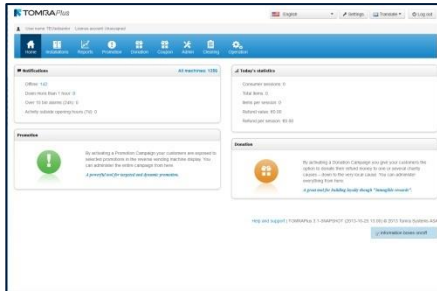
TOMRA ReACT

Integrating hardware and software into attractive and engaging combos

GERMANY REPLACEMENT
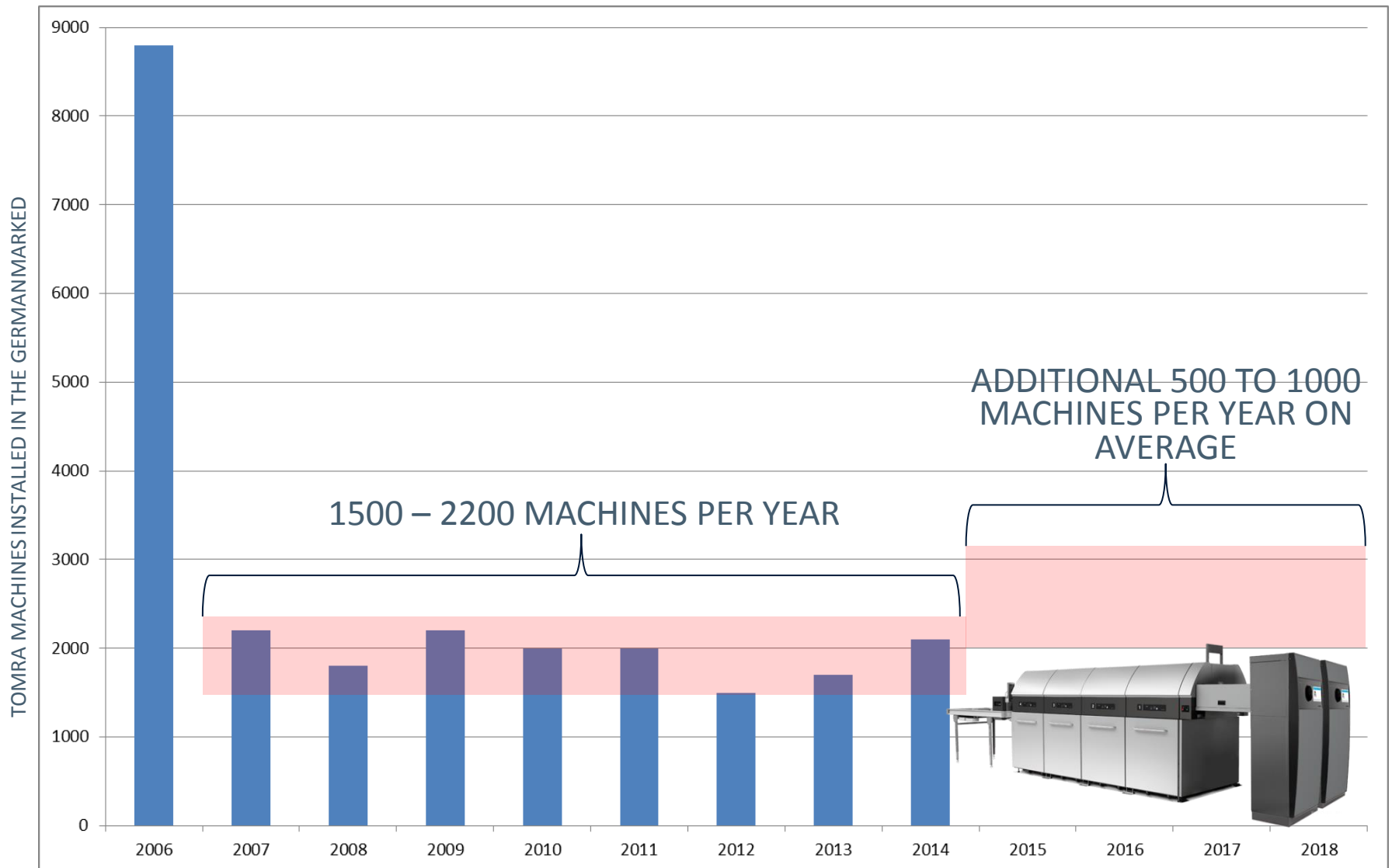
NEW DEPOSIT MARKETS

Pilot machines at Whitmuir Farm and Heriot-Watt University

North America:
Annual opportunities for new bottle bills, e.g. in Minnesota

Scotland:
Potential for ~2,000 machines from 2016 and onwards

Baltics:
Potential for ~2,000 machines in Latvia and Lithuania from 2016 and onwards

Croatia:
Current deposit system expected to change from 2015. Potential for ¨up to 1000 machines

Spain:
Potential for 15,000+ machines from 2016 and onwards

Australia
Potential for ~5,000+ machines from 2016 and onwards

Pilot machine in Cadaques, Cataluña

Commercial installation in Northern Territory

COLLECTION SOLUTIONS – FINANCIAL DASHBOARD

	RVM	Material Recovery			RVM	Material Recovery
Industry growth	0-10%	0-3%		**Market share**	75%	60%
Recurring revenue	~75%	90-100%		**Geographical diversity**	20-30 markets	10 markets
Profitability (ROCE)*	30-40%	~15%		**Cyclicality**	Low	Low

TARGETS 2013 -2018

Yearly growth 4 – 8%

COGS cut program continues: 40% reduced COGS on new RVM machines from 2010 to 2015

EBITA-margin 18%-23%

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TOMRA Sorting Solutions
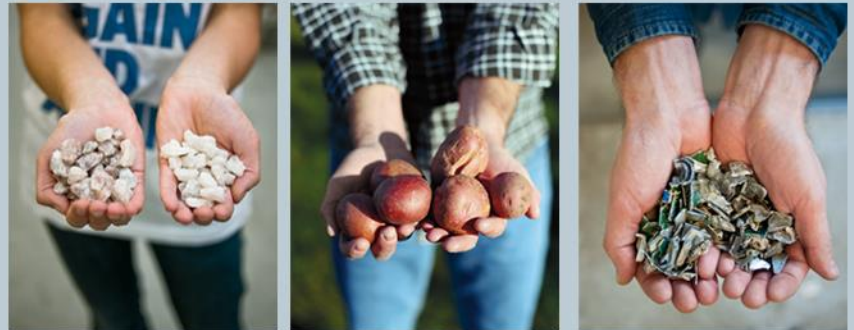
STRONG REVENUE GROWTH SINCE INCEPTION IN 1996

Revenue development and key milestones
MNOK
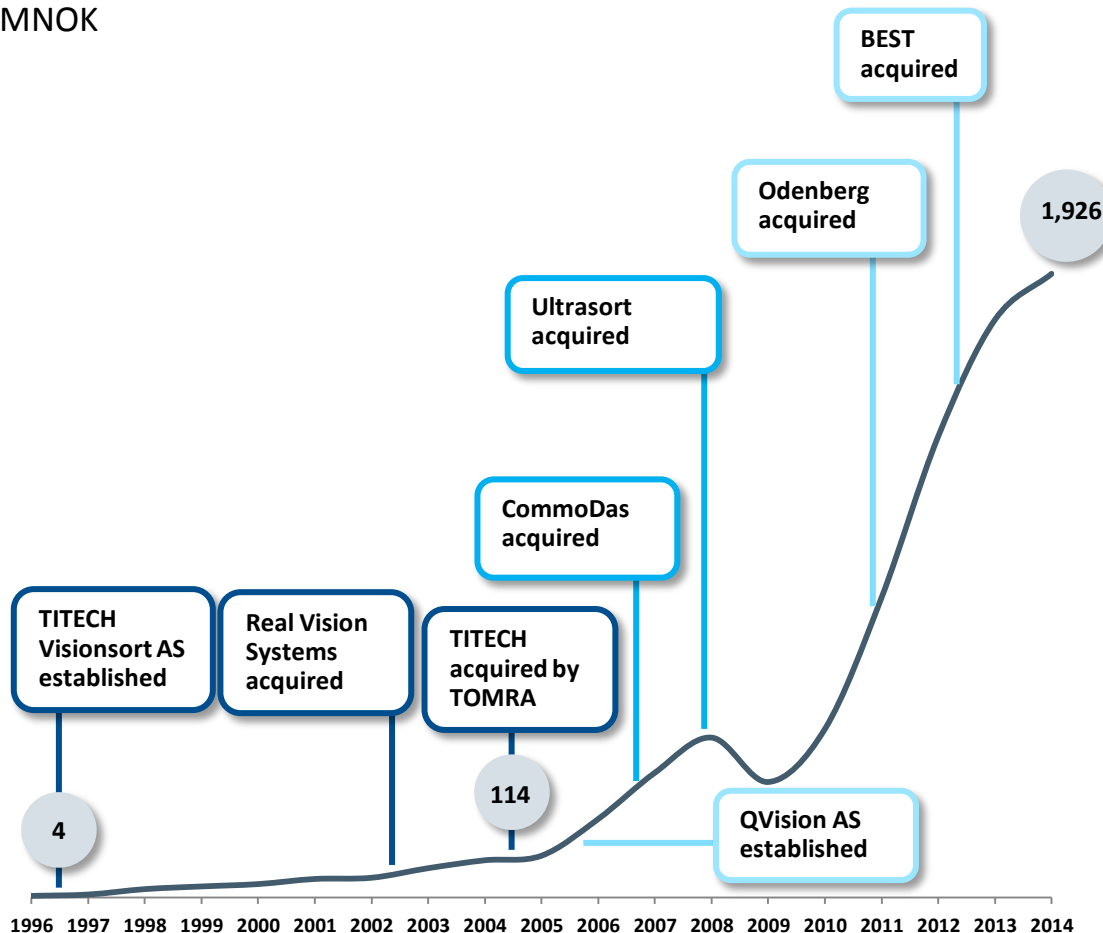
- Total revenue growth (organic plus inorganic) CAGR of ~33% per year from 2004-2014

  - Average annual organic growth for the same period was ~17%

- Technology base and segment/application knowledge expanded both through acquisitions and in-house ventures

BEST acquired

Odenberg acquired

Ultrasort acquired

CommoDas acquired

TITECH Visionsort AS established

Real Vision Systems acquired

TITECH acquired by TOMRA

QVision AS established

1,926

114

4

1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014

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HOW DOES SENSOR BASED SEPARATION WORK?

- High-tech sensors to **identify objects**

- **High speed processing** of information (material, shape, size, color, defect, damage and location of objects)

- **Precise sorting** by air jets or mechanical fingers

- Product **specific equipment design** often including multiple technologies to maximize sorting efficiency

1. **Feeding of materials**
2. **Sensor**
3. **Separation chamber**
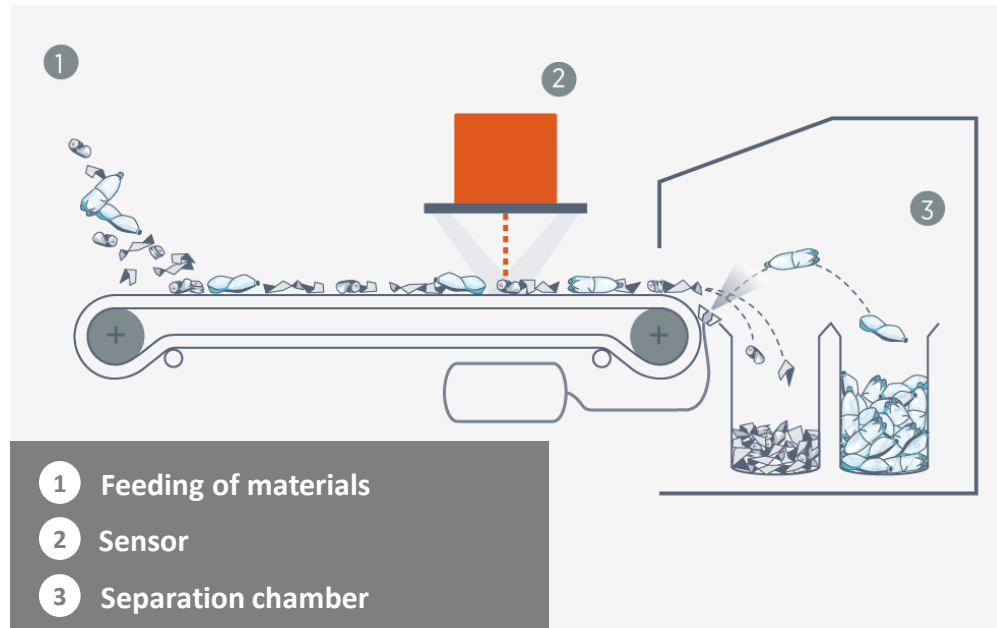
ADOPTION OF SENSOR-BASED SORTING AT DIFFERENT MATURITY LEVELS
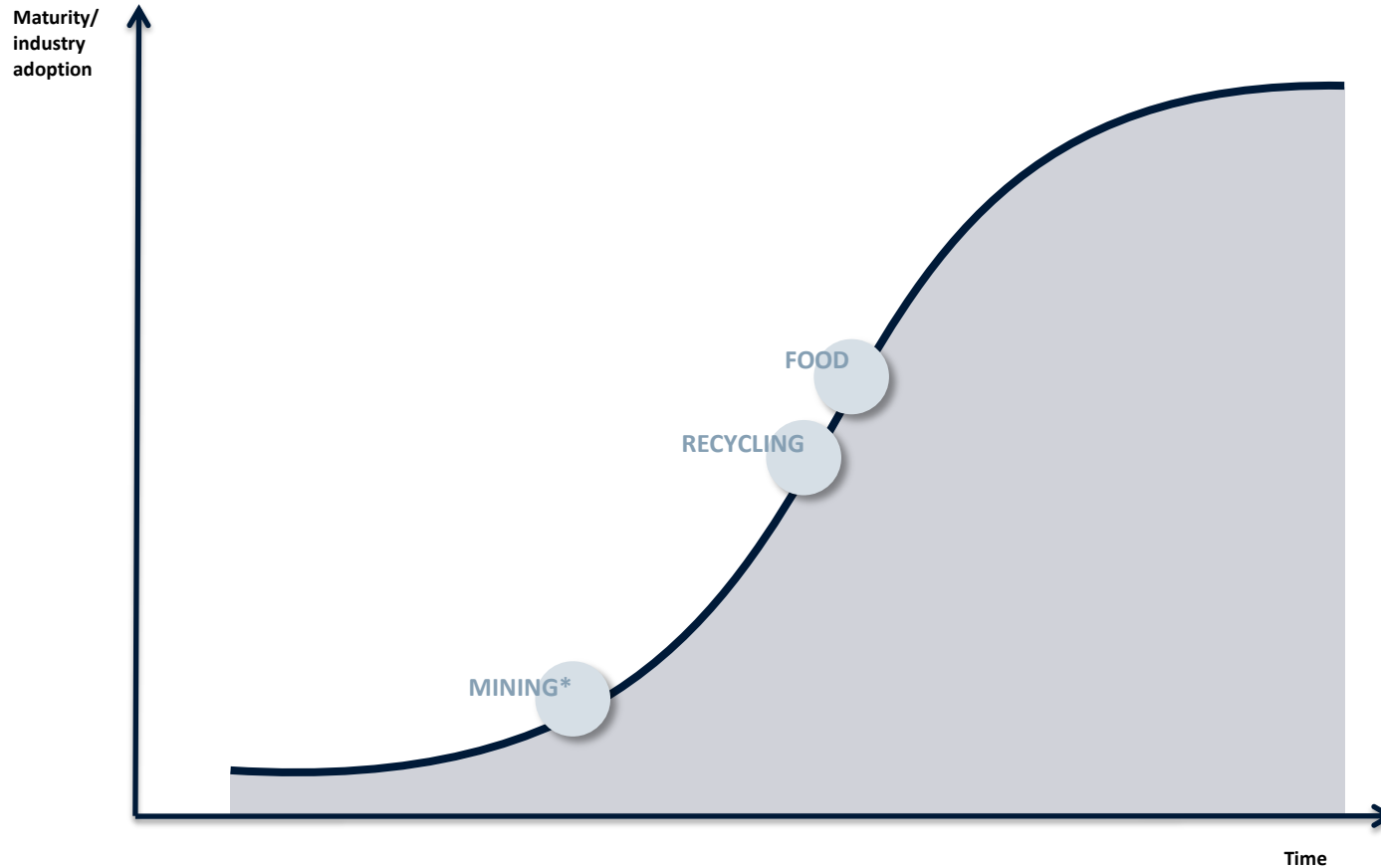
* In certain mining sub-segments, such as industrial minerals and diamonds, sensor-based sorting is a more mature technology.

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CUTTING-EDGE TECHNOLOGY DRIVEN BY SIGNIFICANT INVESTMENTS IN R&D...

SENSOR PORTFOLIO

Electromagnetic Sensor (EM)
Material property detected: electromagnetic properties like conductivity and permeability

Radiometry (RM)
Material property detected: Natural Gamma-Radiation

CCD Color Camera (COLOR)
Material property detected: color properties in the color are as red, green and blue

IR Camera (IR)
Material property detected: heat conductivity and heat dissipation

X-ray Transmission (XRT)
Material property detected: specific atomic density irrespective of size, moisture or pollution level

X-ray Fluorescence (XRF)
Material Property detected: elemental composition

Visible Light Spectrometry (VIS)
Material property detected: visible spectrum for transparent and opaque materials

Near-Infrared Spectrometry (NIR)
Material property detected: specific and unique spectral properties of reflected light in the near-infrared spectrum

Laser / Fluo
Material property detected:
+ monochromatic reflection / absorption
+ scattering of laser light Fluo or bio-luminescence, Super K

Infrared Transmission (IRT)
Material property detected: light absorption

- **In-house R&D department** with more than 20% of all employees

- **8% of revenue** invested in R&D

- Developing **own sensors**

- Using **own software** and data processing tools

- Ownership of **80 patents**

- **Partnership with leading R&D institutions:** SINTEF, CTR, Fraunhofer ILT; universities like RWTH, Aachen and Brussels

TOMRA

...TO DEVELOP PRODUCTS SERVING A WIDE RANGE OF DETECTION PARAMETERS

Color
Removal of discolorations in mono- and mixed-color material

Blemishes
Objects with spots or other (small) blemishes are removed

Defects
Removal of visible and invisible small and substantial defects

Structure
Removal of soft, molded or rotten food

Density
Detection of density differences

Damage
Broken, split and damaged objects are detected and removed

Shape & Size
Sort on length, width, diameter, area, broken-piece recognition, ...

Biometric Characteristics
Sort based on water content and removal of micotoxyn contaminations

Foreign Material
Removal of foreign material in a material stream, e.g. insects, worms, snails or plastics in food applications

Fluo
Based on the chlorophyll level present in produce defects are removed

X-RAY
Analysis of objects based on their density and shape

Detox
Removal of produce contaminated with aflatoxin

☐ **Visible**

■ **Invisible**

■ **Both**

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A COMMON SENSOR BASED TECHNOLOGY PORTFOLIO

[m]	Sensor/ Technology	Material Property	Segment
10^{-12} 10^{-11}	RM (Radiometric)	Natural Gamma Radiation	Mining
10^{-10} 10^{-9}	XRT (X-ray transmission) Low Energy X-ray	Atomic Density	Recycling, Mining, Food
10^{-8} 10^{-7}	XRF	X ray fluorescence (Elemental Spectroscopy)	Recycling, Mining
10^{-6} 10^{-5}	COLOR (CCD Color Camera)	Reflection, Absorption, Transmission	Recycling, Mining, Food
10^{-4} 10^{-3} 10^{-2}	Laser attenuation and PM (Photometric)	Monochromatic Reflection /Absorption of Laser Light Scattering analysis of Laser Light	Mining, Food
10^{-1}	NIR / MIR (Near/Medium Infrared Spectrometry)	Reflection, Absorption (Molecular Spectroscopy)	Recycling, Mining, Food
10^{1} 10^{2} 10^{3}	LIBS	Laser induced breakdown spectroscopy	Recycling, Mining
10^{4}	EM (Electro- Magnetic sensor)	Conductivity, permeability	Recycling, Mining, Food

Gamma-radiation
X-ray
Ultraviolett (UV)
Visible light (VIS)
Near Infrared (NIR)
Infrarot (IR)
Microwaves
Radio waves
Alternating current (AC)

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CROSS UTILIZING OUR PORTFOLIO TECHNOLOGIES

TITECH NIR + ODENBERG platform

Field Potato Sorter
- The NIR technology allows efficient removal of rocks, dirt and rotten potatoes before the potatoes are stored

- The solution opens up sorting of unwashed potatoes in a way that previously was not possible

BEST LASER + TOMRA mining platform

PRO Laser Duo
- The LASER technology allows detection of quartz of all colors. This opens for sorting of quartz itself, and gold bearing quartz mineralization

- The solution is unique in the market and further underlines our technological leadership

TITECH NIR + BEST LASER

Nimbus BSI
- An NIR sensor has been added to the NIMBUS machine platform

- The new machine increases our competitiveness in the nuts segment

Several more projects on combining technologies into new products in the pipeline

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SORTING UNWASHED POTATOES: WORKING PRINCIPLE

The product is spread uniformly onto the infeed belt and will be scanned by cameras in the different inspection zones. A few milliseconds later one type of material will be rejected by intelligent finger ejectors, positioned at the end of the conveyor belt, while the good products continue their way along the sorting line.
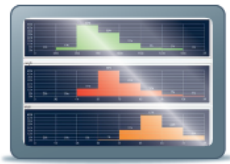
A Infeed (unsorted)

B Full width NIR and Color Vision sensors

C Intelligent finger ejectors

D Gentle handling convey chutes (optional)
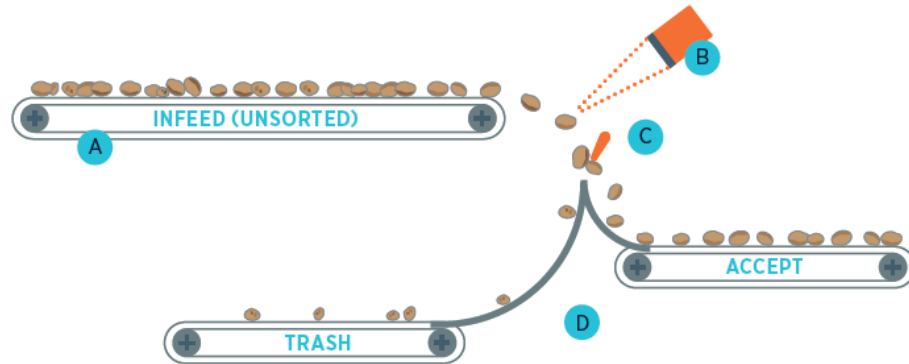
DEFECTS & BLEMISHES

Dirt Clod

Rot

Stones

Golf Ball

REPORTING

Reports can be generated with the following data:

Product Data

+ Average Length & Width mm(ins)

+ Length and Width distribution (size bins) mm(ins)

+ Total potato count #

+ Total reject count #

+ Stone, soil clod, rot, other %

Sorter Operation Data

+ Belt speed, average belt fill %

+ Object counts/second

+ Program running

- The Field Potato Sorter is ODENBERG's first venture into the **unwashed potato market**

- The machine uses unique near **infra-red technology** to remove soil clods, stones and rotten potatoes, in addition to the foreign material commonly found in fields such as golf balls, plastics, wood etc

- The FPS sorter should be used after a soil remover and is designed to fit existing grading equipment or be used as a standalone unit and can operate on harvested potato crop before and after storage

- The system also provides online potato size data for logging, plus sorter operating information
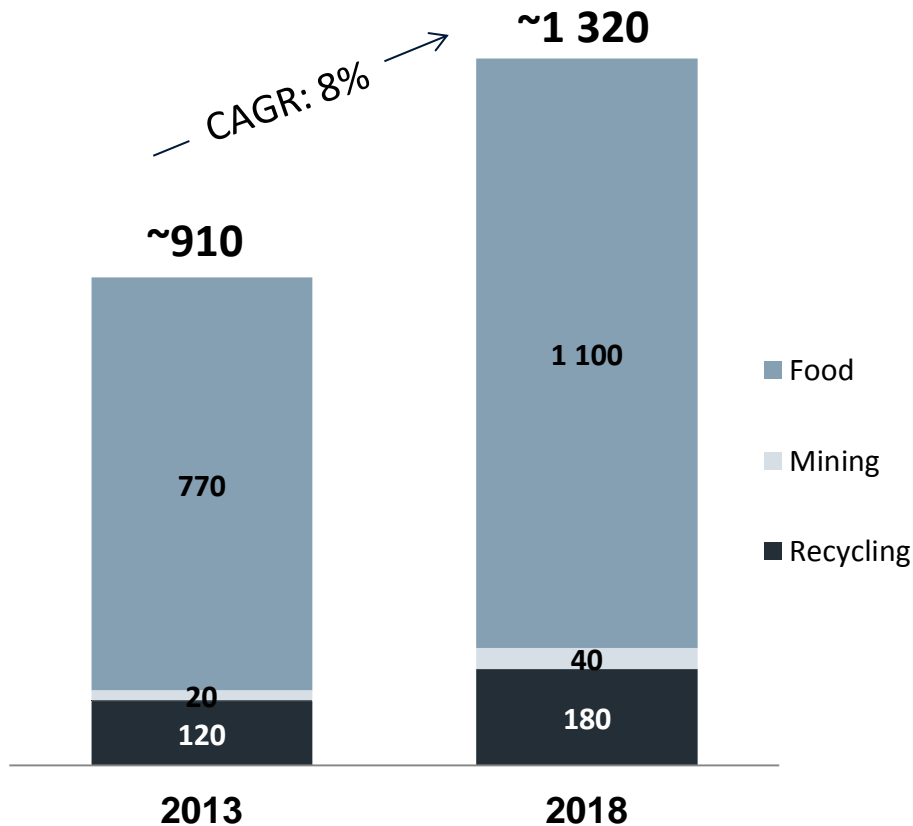
SORTING VALUE PROPOSITION

OPERATIONAL EFFICIENCY REDUCES COSTS

SORTING VALUE PROPOSITION

There are three main components to our value proposition

INCREASED PURITY OF MATERIAL STREAM

INCREASES REVENUE
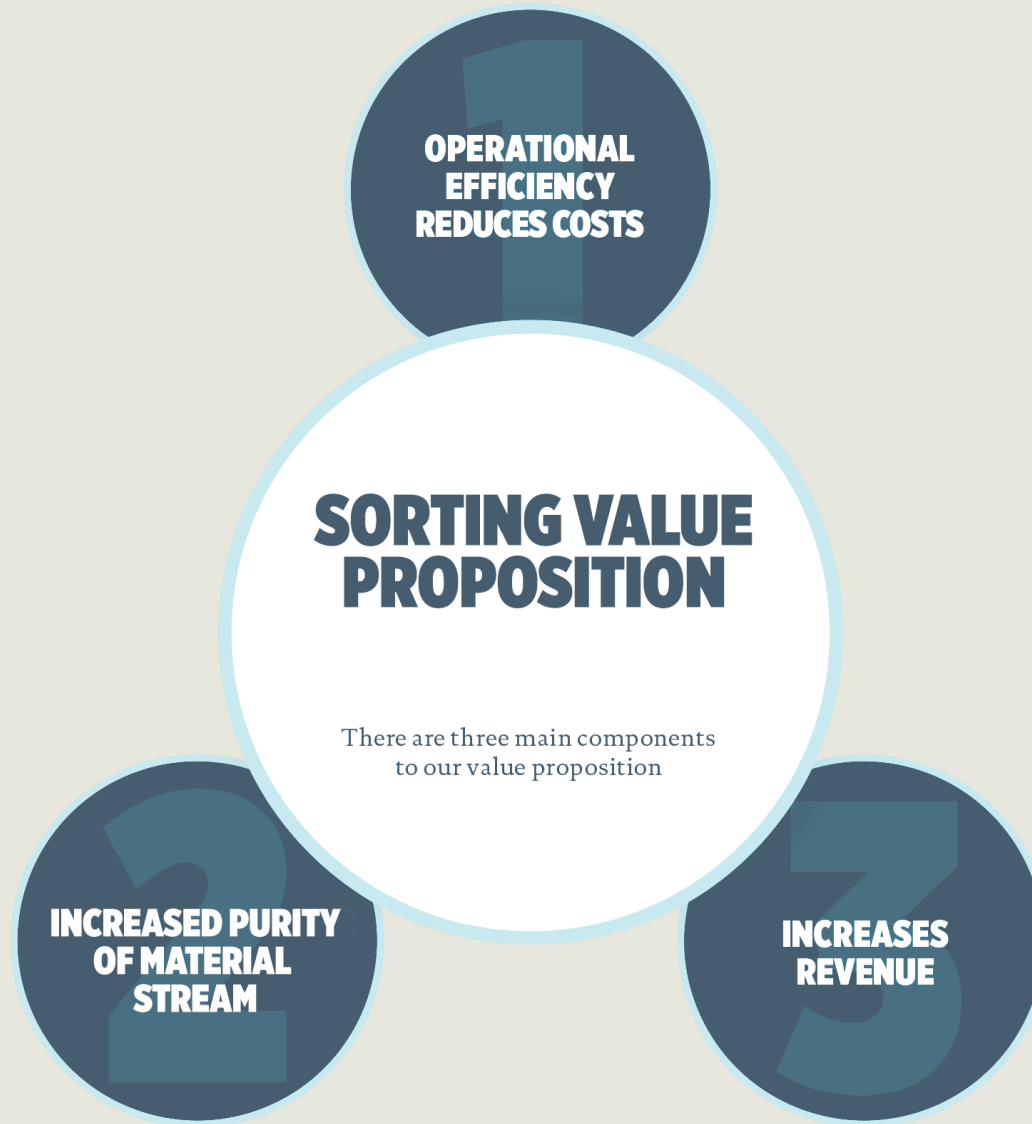
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MARKET SIZE AND POTENTIAL

Total annual market size

EUR million

~1 320

CAGR: 8%

~910

	2018
Food	1 100
Mining	40
Recycling	180

2013: Food 770, Mining 20, Recycling 120

- Food
- Mining
- Recycling

2013   **2018**

Source: TOMRA estimates and analysis

* Market size for food includes peeling, meat/process analytics, virgin materials and tobacco.

Market growth

- Market expected to grow at rate of around 7-9% per year

- A large part of growth from unlocking of dormant potential – only possible by developing new applications and technologies

- Some growth in "old world", but faster growth in "new world"

Expected development in geographical revenue contribution

2018: 34%, 29%, 39%
2013: 38%, 33%, 27%

- ROW
- US
- EUR

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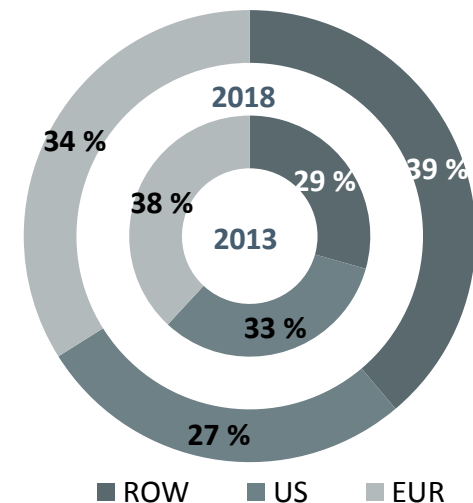
SORTING SOLUTIONS: OUR STRATEGY

	Food	Recycling	Mining

1 Revenue growth of 10-15% over the period

More than doubling of emerging markets revenue (but North America and Europe still 60% of business in 2018)

Food	Recycling	Mining
New applications representing 25% of revenue in 2018	15 M€ growth in **new segments**	Significant **expansion of sales network**
New segments representing 10% of revenue in 2018	50% growth in **service revenue**	Succeed in **high volume segments**
Grow with existing customers and double service revenue		

2 Extend technology leadership

Common sorting platform for all new product developments

Cross-utilization of sensor portfolio, e.g. NIR/BSI in food and laser in mining

Extend current leadership in core NIR and laser technologies, and develop new cutting edge sensors

3 Improve operational efficiency

Design changes, economies of scale and purchasing power to **lower COGS**

Consolidation of manufacturing and sourcing; **increased sourcing from low cost countries**

Streamlining of organization and processes to **take out synergies** across business units

Target to **grow profits** at several percentage points faster than revenue

TOMRA

BACKLOG DEVELOPMENT AND MOMENTUM
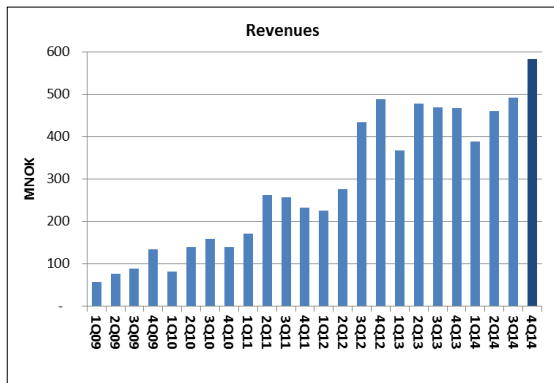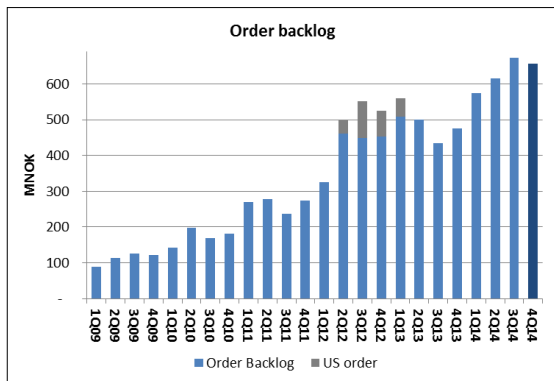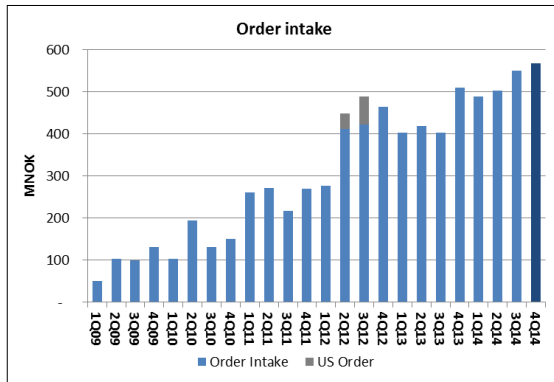
Comments

- 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 the last five quarters combined fewer orders taken to P/L during the first 9 months of 2014, lead to
    - all time high order backlog at the end of 3Q14
    - Strong financial performance in 4Q14

- Continued high order order intake in 4Q14 leads to good momentum into 2015

- Seasonality in Food will lead to somewhat fewer order taken to P/L in 1Q15. Estimated backlog conversion ratio in 1Q15: 55-60%*

*Based upon current production and delivery plans, the revenues in 1Q15 is estimated to be approximately 55-60% of the order backlog at the end of 4Q14

FINANCIAL DASHBOARD – SORTING SOLUTIONS

Industry Growth

5-15%

Recurring revenue

15-20%

Profitability (ROCE)*

45-55%

	Food	Recycling	Mining
Market share	40-50 %[(i)]	55-65 %	40-50 %
Geographical diversity	45-50 markets	40-50 markets	20-30 markets
Cyclicality	Medium	High	High

TARGETS 2013 -2018

Yearly organic growth 10-15%

Geographical expansion

EBITA-margin 18-23%

(i) In markets served. Total food sorting (incl. rice and lane sorting*) 12-15%

TOMRA

* Ex goodwill

YIELD INTO⚬ USAGE

TOMRA SORTING SOLUTIONS | FOOD

GROWTH IN GLOBAL FOOD DEMAND WILL SPUR INVESTMENTS IN AUTOMATION

Drivers and trends

- **Increasing food consumption in emerging markets**, more mid-class consumers

- Industry focus on **increased productivity** and **reducing costs** through automation & quality control

- **Higher quality demands** from the consumers

- **Stricter regulations** from governments concerning **food safety , health & traceability**

- Shift towards packaged **convenience food and fast food**

- **Risk of claims & recalls**

    - Social media snowball effect (Twitter, Facebook, etc.)

- Globalization of brands and sourcing set up

- Scarcity & expense of (seasonal) **manual labor**

- Consolidation in the retail and processing sectors

- Adoption of technology in emerging markets

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MARKET SIZE FOOD SORTING*

Total annual market size

EUR million

CAGR: 7%

~1 100

~770

2013   2018

* Market sizes shown include peeling, meat/process analytics, virgin materials and tobacco.

Market growth

- Total market for food sorting growing around 6-8% per year

- Approximately a third of total growth is dormant potential

  — only unlocked by development of new applications and technologies

- New world share grows but the two old world champions (Europe & Americas) remain strong

Expected development in geographical revenue contribution

2018
31 %
26 %

35 %

43 %   **2013**

31 %

34 %

■ ROW ■ US ■ EUR

TOMRA

WE ARE UNIQUELY POSITIONED TO SERVE THE ENTIRE VALUE CHAIN WITH OUR PRODUCT PLATFORM
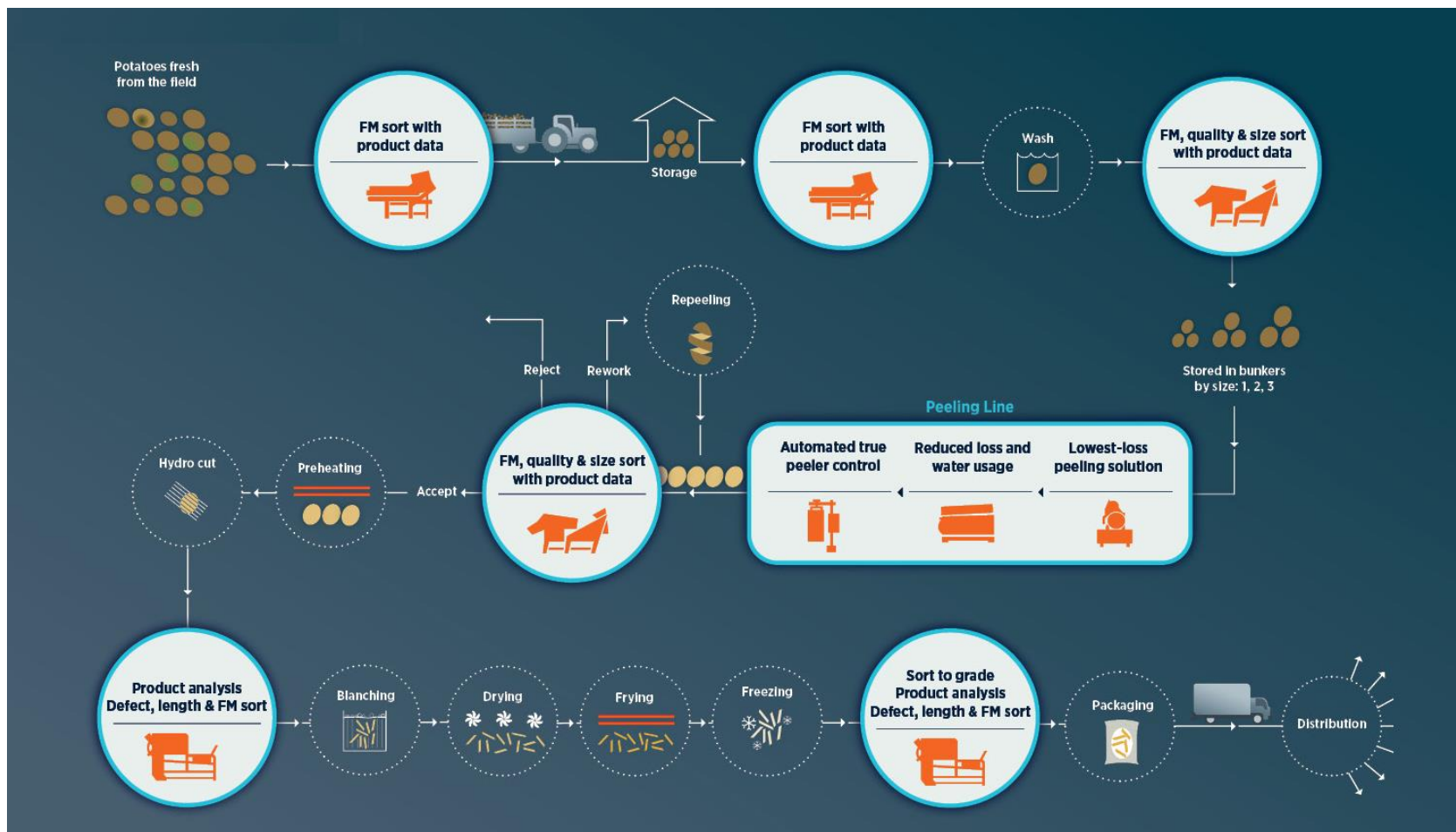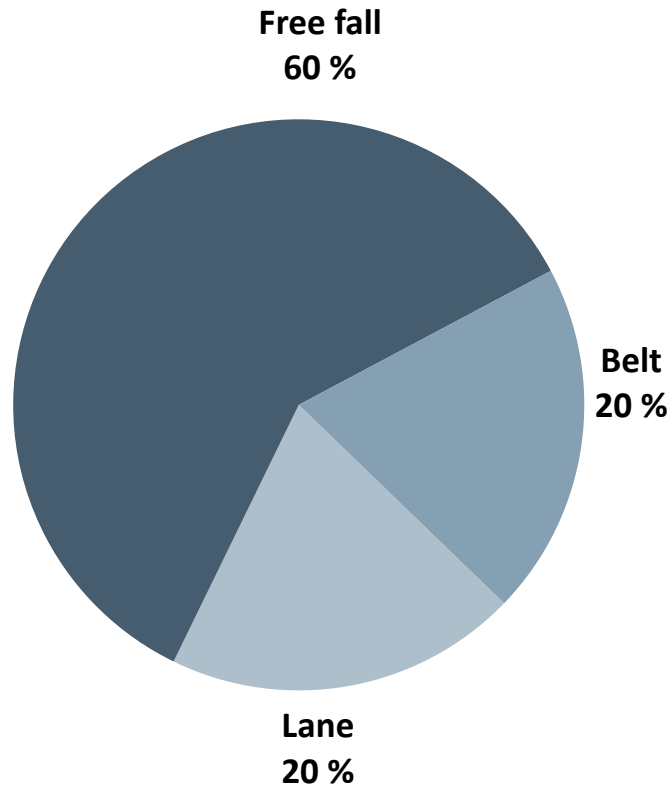

Sales of potato-related products account for about 25% of the sales in the food division

TOMRA HAS THE BROADEST FOOTPRINT WITHIN THE FOOD SORTING UNIVERSE

TOMRA
SORTING SOLUTIONS | FOOD

| Free fall | Belt | Lane |

SK
Rice, Seeds & Kernels

NDF
Nuts & Dried Fruit

PFV
Processed Fruits & Veg

FV
Fresh Vegetables

FF
Fresh Fruits

Other
Confectionary, etc.

Circa 40%* of annual global sorter sales revenue

Circa 30%* of annual global sorter sales revenue

Circa 25%* of annual global sorter sales revenue

Circa 5%* of annual global sorter sales revenue
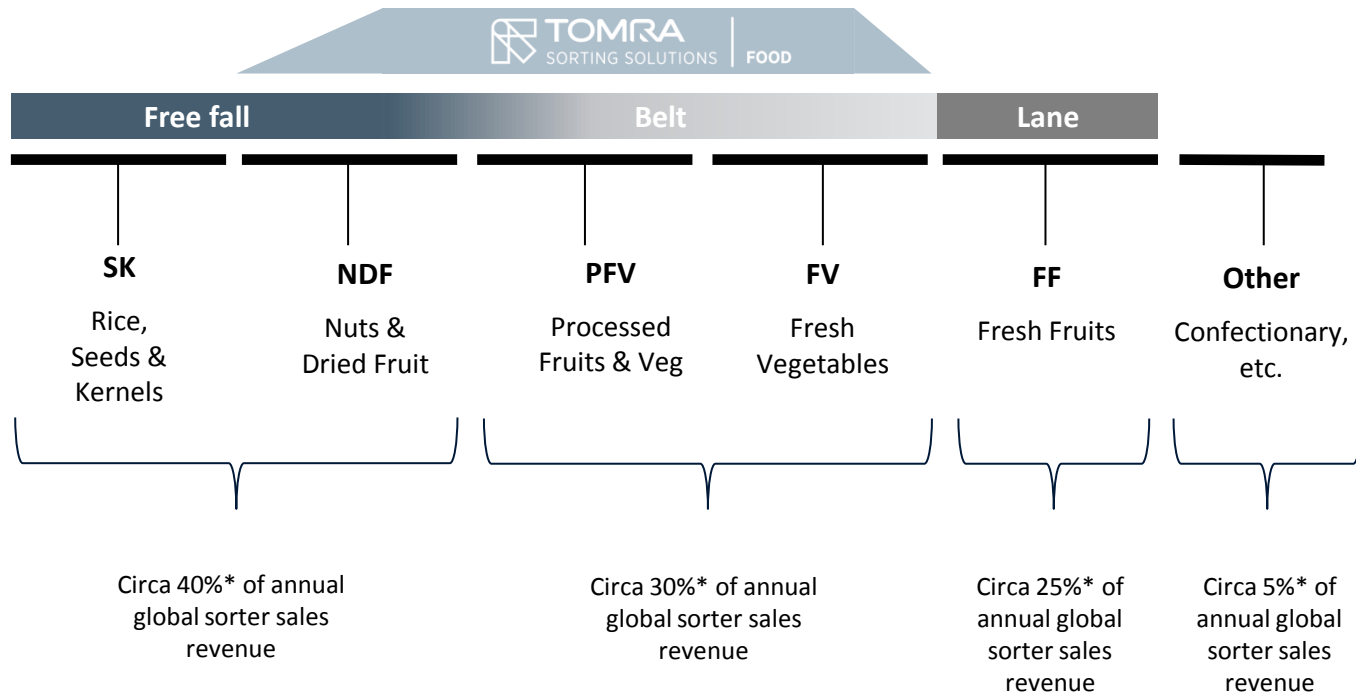
* TOMRA estimates

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THREE WAYS OF SORTING WITHIN THE FOOD SEGMENT

Free fall
60 %

Belt
20 %

Lane
20 %

Free fall (Channel / Chute)	
Application	Seeds, rice, grains
Companies	Buhler, Key, **Best**, Satake, Daewon, Hefei, Orange
Sensor tech.	Camera (simple)

Belt	
Application	Prepared /preserved veg. and fruit
Companies	**Best**, Key, **Odenberg**, Raytec
Sensor tech.	Several (complex)

Lane	
Application	Fresh produce
Companies	MAF, Aweta, Greefa, Compac
Sensor tech.	Several (medium)

Note: Piechart showing estimated total revenue within the food sorting segment

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FOOD COMPETITIVE LANDSCAPE
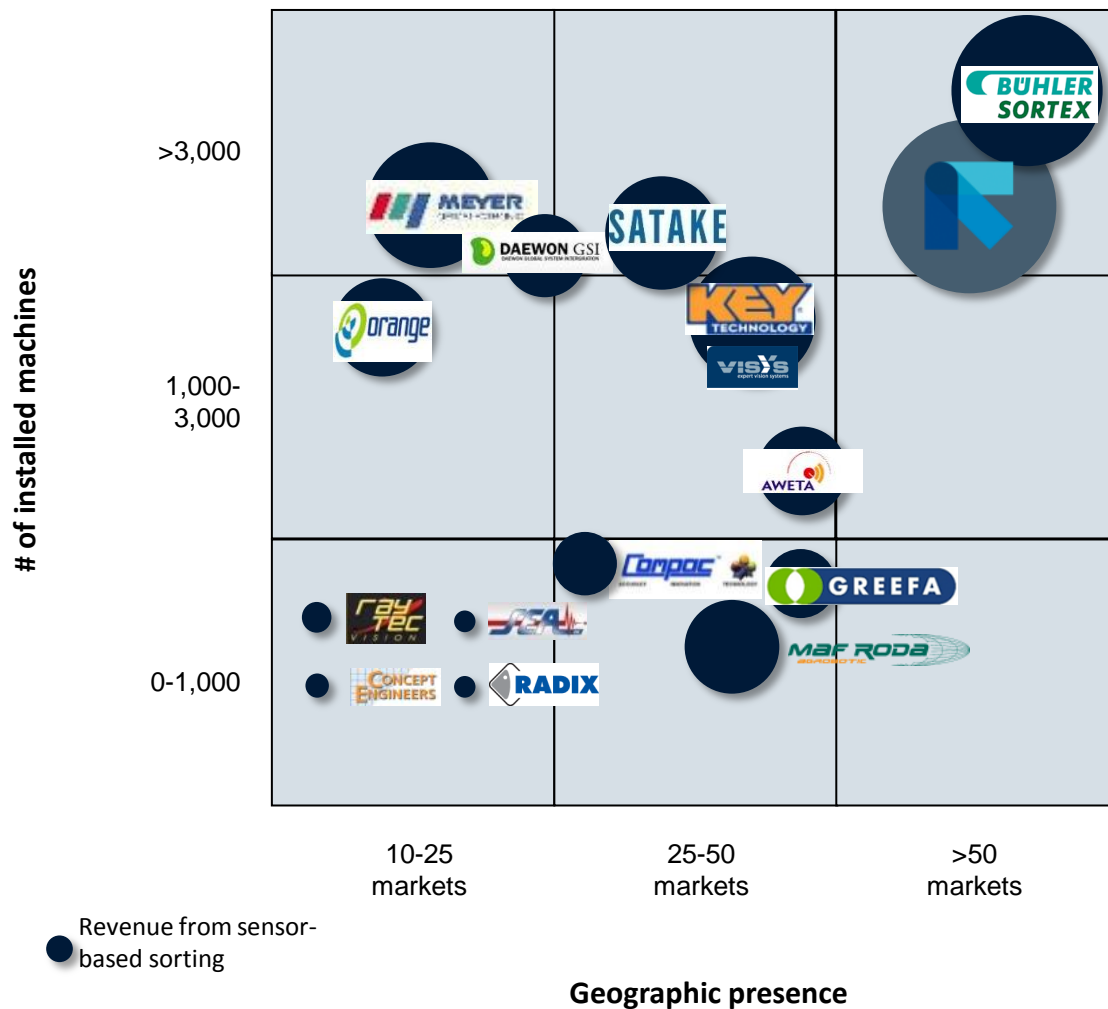
TOMRA competitive positioning

- Size (revenues)
- Widest range of applications (150+)
- Broadest technology base
- Geographic reach (~80 countries)
- Market share in targeted segments
- Transformative solutions (Q-Vision)
- **Market share: 40-50%** in markets served*

Source: TOMRA estimates and analysis

* Total Food sorting (also including rice and lane sorting): 12-15%

OUR BROAD COVERAGE AND TECHNOLOGY BASE IS SETTING US APART

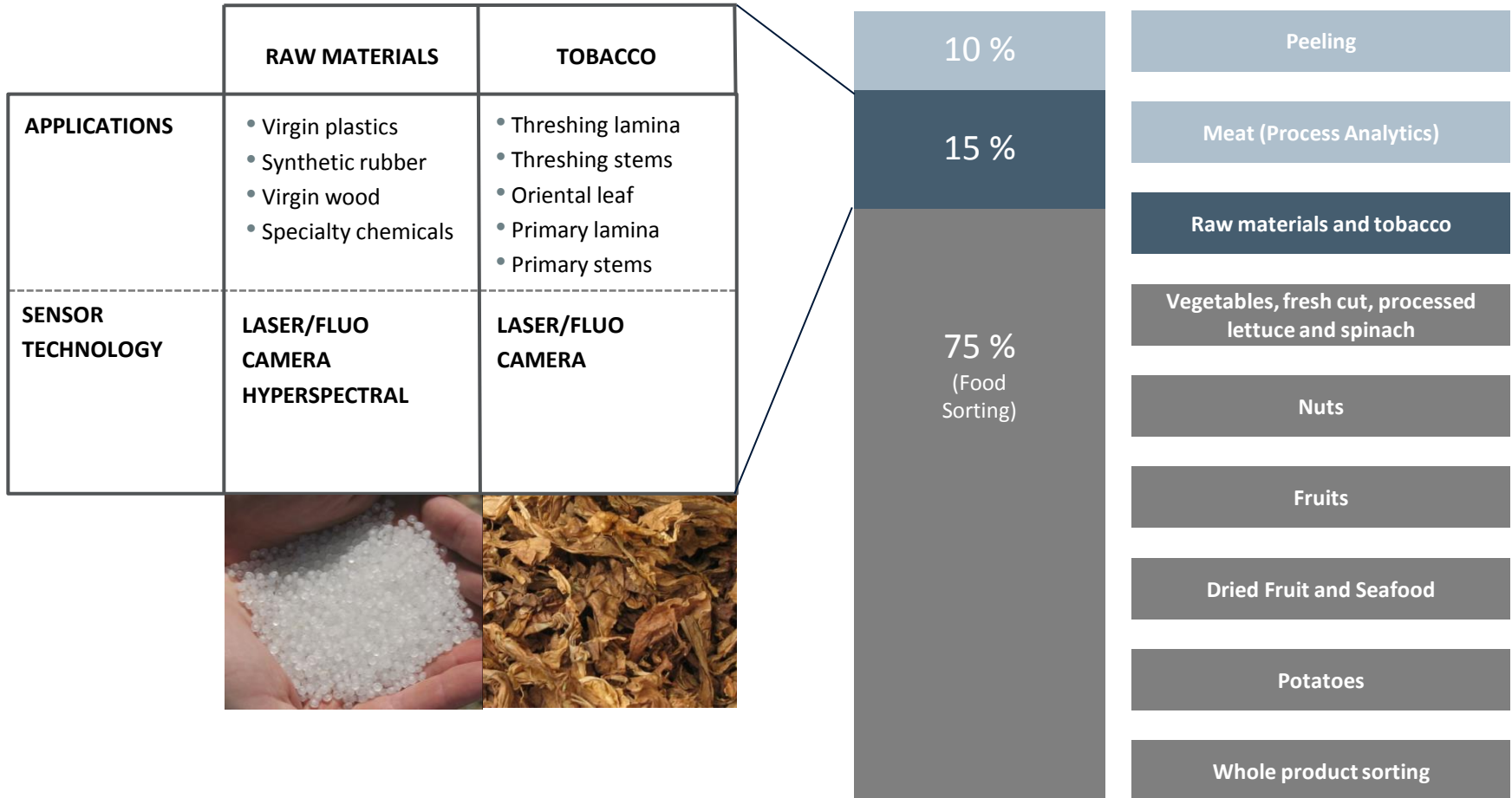|	DRIED FRUIT	NUTS	FRESH CUT	FRUIT	VEGETABLES	MEAT	POTATOES	SEAFOOD
FOOD	• Apricots • Craisins • Figs • Prunes • Raisins	• Almonds • Cashews • Hazelnuts • Macadamias • Peanuts • Pecans • Pistachios • Seeds • Walnuts	• Baby leaves • Iceberg lettuce • Spinach • Spring mix	• Apples • Blackberries • Blueberries • Cherries • Citrus • Cranberries • Peaches & pears • Raspberries • Strawberries • Tomatoes	• Beans • Beet • Broccoli • Carrots • Corn • Cucumbers • IQF vegetables • Jalapenos/ Peppers • Onions • Peas • Pickles	• Bacon bits • Beef • IQF meat • Pork • Pork rind	• Washed • French fries • Unpeeled • Peeled • Potato chips • Specialty products • Sweet	• Mussels • Scallops • Shrimps
SENSOR TECHNOLOGY	LASER NIR VIS X-RAY	LASER CAMERA X-RAY	LASER CAMERA	LASER CAMERA NIR VIS	LASER CAMERA NIR VIS	LASER CAMERA NIR	LASER CAMERA NIR VIS	LASER CAMERA NIR VIS X-RAY

TOMRA

OUR CUSTOMERS

We are active in five continents and 80 markets

- 6 of the 10 largest, global food companies are our customers

- We have ~2,000 customers globally

TSS Food provides sorting solutions for:

- **Growers:** Harvester mounted tomato, onion and garlic sorters

  - ~5% of our customers

- **Packers:** Sorting of many different types of fruit and vegetables by color, size, shape, defect, blemish, damage or foreign objects

  - ~30% of our customers

- **Processors:** Sorting of processed potatoes (French fries, chips), fruits and vegetables

  - ~65% of our customers

SPECIALTY PRODUCTS APPLICATIONS

	RAW MATERIALS	TOBACCO
APPLICATIONS	• Virgin plastics • Synthetic rubber • Virgin wood • Specialty chemicals	• Threshing lamina • Threshing stems • Oriental leaf • Primary lamina • Primary stems
SENSOR TECHNOLOGY	**LASER/FLUO** **CAMERA** **HYPERSPECTRAL**	**LASER/FLUO** **CAMERA**

10 %	Peeling
15 %	Meat (Process Analytics)
	Raw materials and tobacco
75 % (Food Sorting)	Vegetables, fresh cut, processed lettuce and spinach
	Nuts
	Fruits
	Dried Fruit and Seafood
	Potatoes
	Whole product sorting

ONCE INTO ⌐R
AGAIN
AND AGAIN

TOMRA
SORTING SOLUTIONS | RECYCLING

GLOBAL DRIVERS FOR THE RECYCLING SEGMENT

Drivers and trends

- **Consumption and industry production level increase**

- Favorable changes in **regulatory framework** (DSD, WEEE, ELV, etc)

- **Commodity price levels and fluctuation**

- **Access to financing**

- **Demand** for recycled **raw materials**

- Increasing **labor costs** in emerging world drive adoption of automatic sorting technologies

- Some countries in Western Europe partly saturated

- Pre-sorted (plastics) still door opener in new markets

- Municipal Solid Waste (MSW) important in emerging countries

- More aggressive pricing from competitors affect market

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MARKET SIZE RECYCLING

Total annual market size

EUR million

CAGR: 8%

120
2013

180
2018
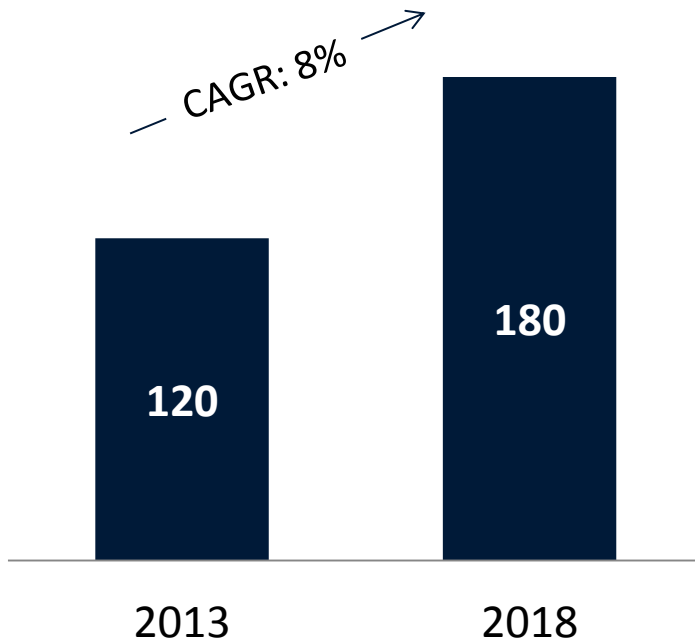
Market growth

- Market expected to grow at around 7-9% per year, lower than previous expectations due to economic slowdown

- Demand in old world flattening, while new markets expected to drive growth

- Existing segments will serve as a base, whilst the majority of growth will come from:

  — New geographies

  — New applications

  — New products

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RECYCLING: APPLICATIONS AND SENSOR TECHNOLOGY

TOMRA SORTING SOLUTIONS | **RECYCLING**

	HOUSEHOLD WASTE	PACKAGING	C & D	AUTOMOBILE SHREDDER	ELECTRONIC SCRAP
MATERIAL	• Hard plastics • Plastic film • Mixed paper • RDF • Metals • Organics/ Biomass	• Plastics • Plastic film • Cardboard • Mixed paper • Deinking paper • Metal	• Inert material • Plastic film • Metals • Wood • Paper & Cardboard • Plastics	• NF metal • Stainless steel • Copper cables • Copper • Brass • Aluminum • Meatball sorting	• Printed circuit boards • Non-ferrous metal concentrates • Cables • Copper • Brass • Stainless steel • Meatball sorting
SENSOR TECHNOLOGY	NIR VIS XRT	NIR VIS EM	NIR VIS XRT EM	NIR VIS XRT EM COLOR XRF	XRT EM NIR COLOR XRF

| Mixed paper | PE/PP flakes | Cleaned wood | Copper Wire | Brass |

AUTOMATED WITH TOMRA SORTING UNITS

NIR for packaging waste

Focus on the PET stream

PP

PE Colored

PE Natural

PET

Packaging

Ballistics (removing films)

ONP Double Deck Screen

Baler

Mixed Paper cleaning

ONP Cleaning

Manual sorting for oversize materials

Input
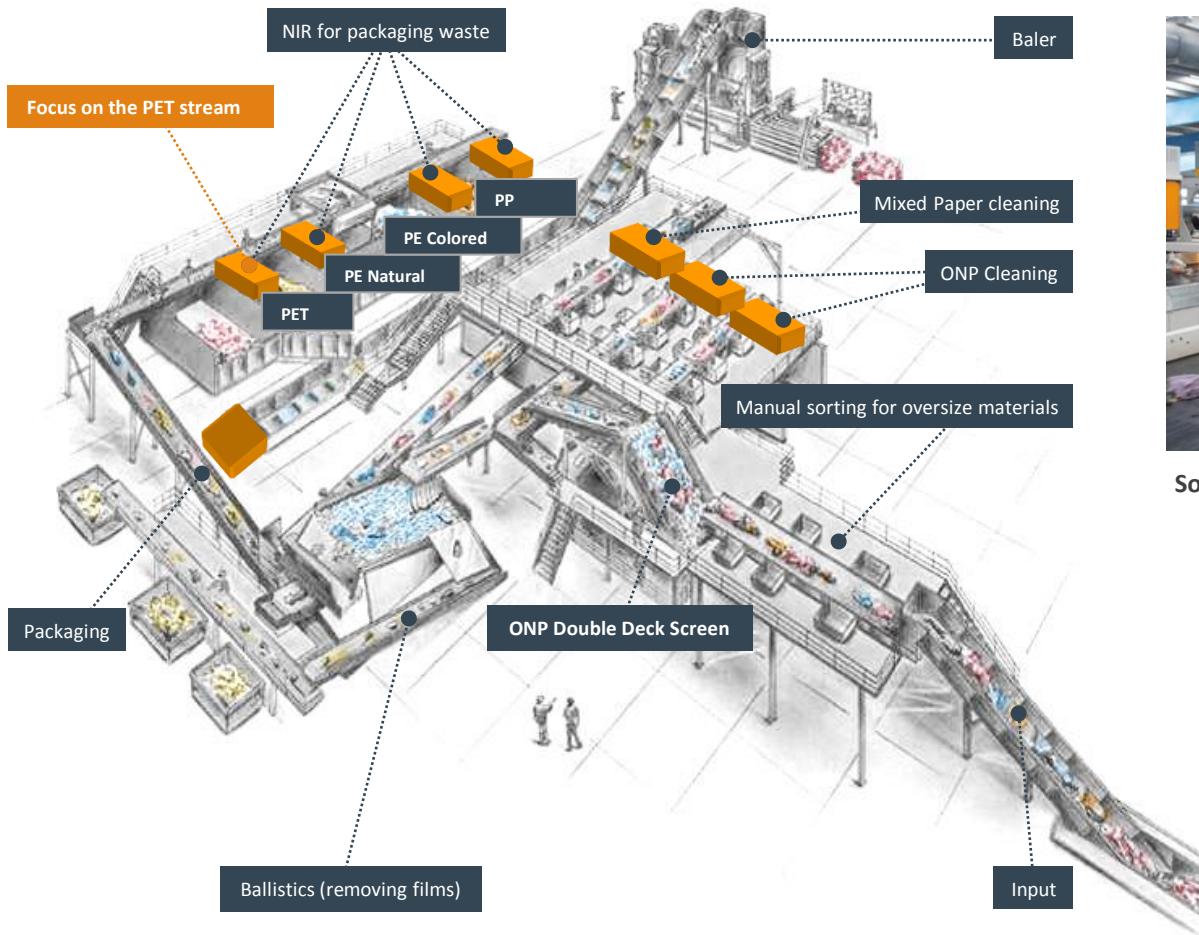
Sorting of Municipal Solid Waste, Cyprus

RECYCLING COMPETITIVE LANDSCAPE
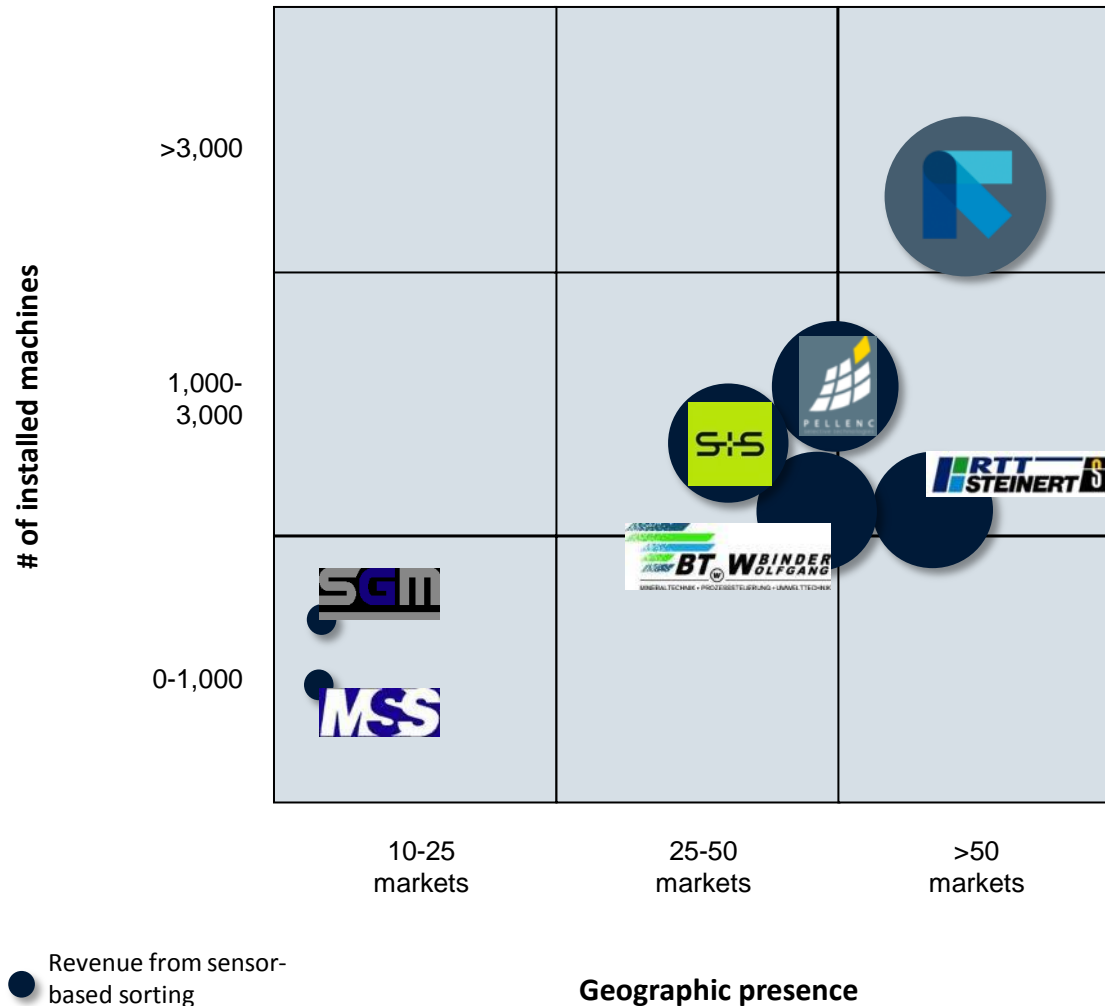
TOMRA competitive positioning

- Largest installed base
- Highest revenues
- Broadest technology platform
- Highest number of applications and markets served
- Leading brand
- **Market share: 55-65%**

# of installed machines

>3,000

1,000-3,000

0-1,000

10-25 markets   25-50 markets   >50 markets

Revenue from sensor-based sorting

Geographic presence

Source: TOMRA estimates and analysis

SOURCE
INTO
RESOURCE

TOMRA
SORTING SOLUTIONS | MINING

GLOBAL DRIVERS FOR THE MINING SEGMENT

- **Energy costs** and **water stress** are major drivers

- **Demand of all commodities** is expected to grow with increased population and urbanization in the drivers seat

- **Increasing labor costs** in emerging world drive adoption of automatic sorting technologies

- **Mining companies capex** impact the investment sentiment

- Sensor based sorting is considered to be a future solution

  - Hardest competition comes from alternative well proven technologies

MARKET SIZE MINING

Total annual market size

EUR million

Chart showing total annual market size in EUR million: 2013 = 20, 2018 = 40, with CAGR: 15%
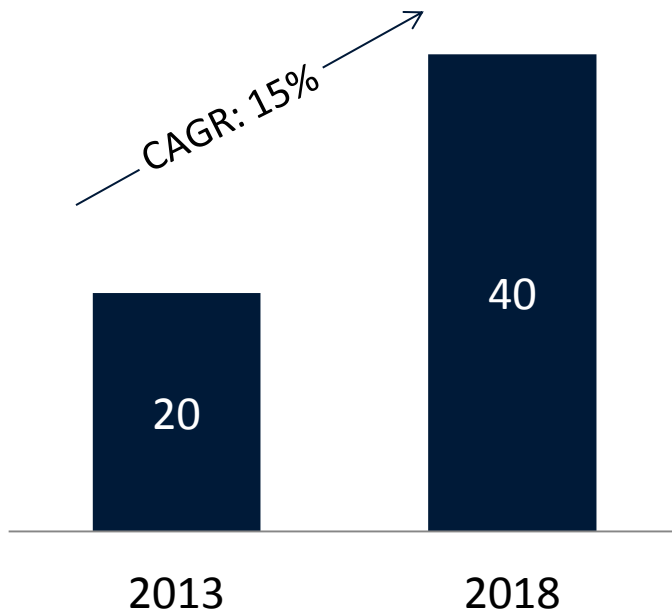
Market growth

- Capex is has declined 2013 and 2014

- Sensor based machines sales expected to grow at around 15% per year

  — Growth is however conditional on new applications and technologies being developed

- Sensor based sorting is still a technology to be accepted and growth in this niche has been limited in recent years

MINING: APPLICATIONS AND SENSOR TECHNOLOGY

TOMRA SORTING SOLUTIONS | **MINING**

	INDUSTRIAL MINERALS	BASE & Fe METALS	FUEL/ ENERGY	PRECIOUS METALS	DIAMONDS & GEMS	METAL SLAG
COMMODITY	• Calcite • Quarts • Feldspar • Magnesite • Talcum • Dolomite • Salt	• Copper • Zinc • Nickel • Tungsten • Iron • Manganese • Chromite	• Coal • Uranium	• Gold • Platinum	• Diamonds • Tanzanite • Colored gemstones	• Stainless steel • Copper • Chrome
SENSOR TECHNOLOGY	COLOR XRT NIR XRF	XRT COLOR EM NIR	XRT RM	XRT COLOR XRF NIR	COLOR XRT XRF NIR	XRT XRF EM

Calcite	Copper	Coal	Gold	Diamonds	Ferro Silica Slag

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THE CONCEPT OF SENSOR-BASED SORTING IN MINING

Mining process:
Industrial minerals

Mining process:
Metal mining

Industrial minerals flow

Run of Mine (ROM)

↓

Primary Crushing
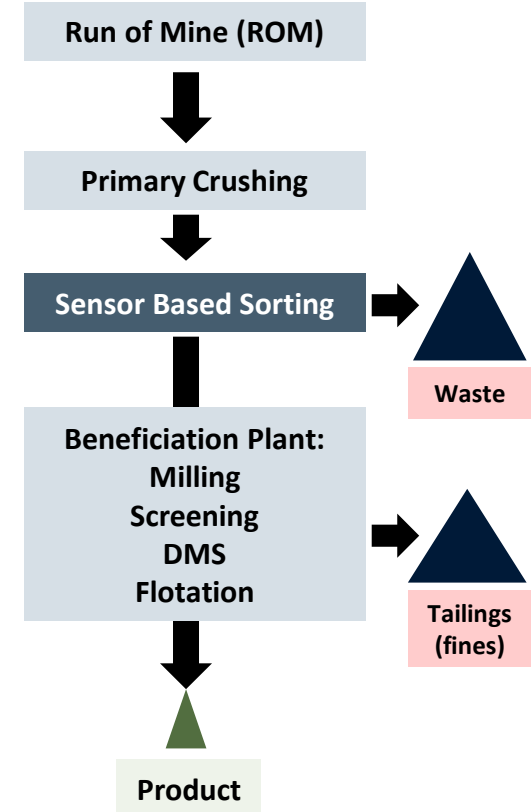
↓

Secondary Crushing

↓

Sensor Based Sorting → Waste

↓

Product

Center notes
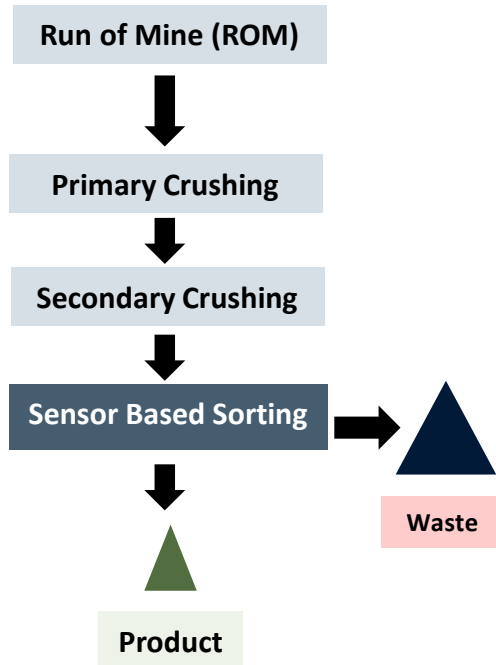
- 15% to 50% of the ROM can be rejected in an early stage of the process (application dependent)

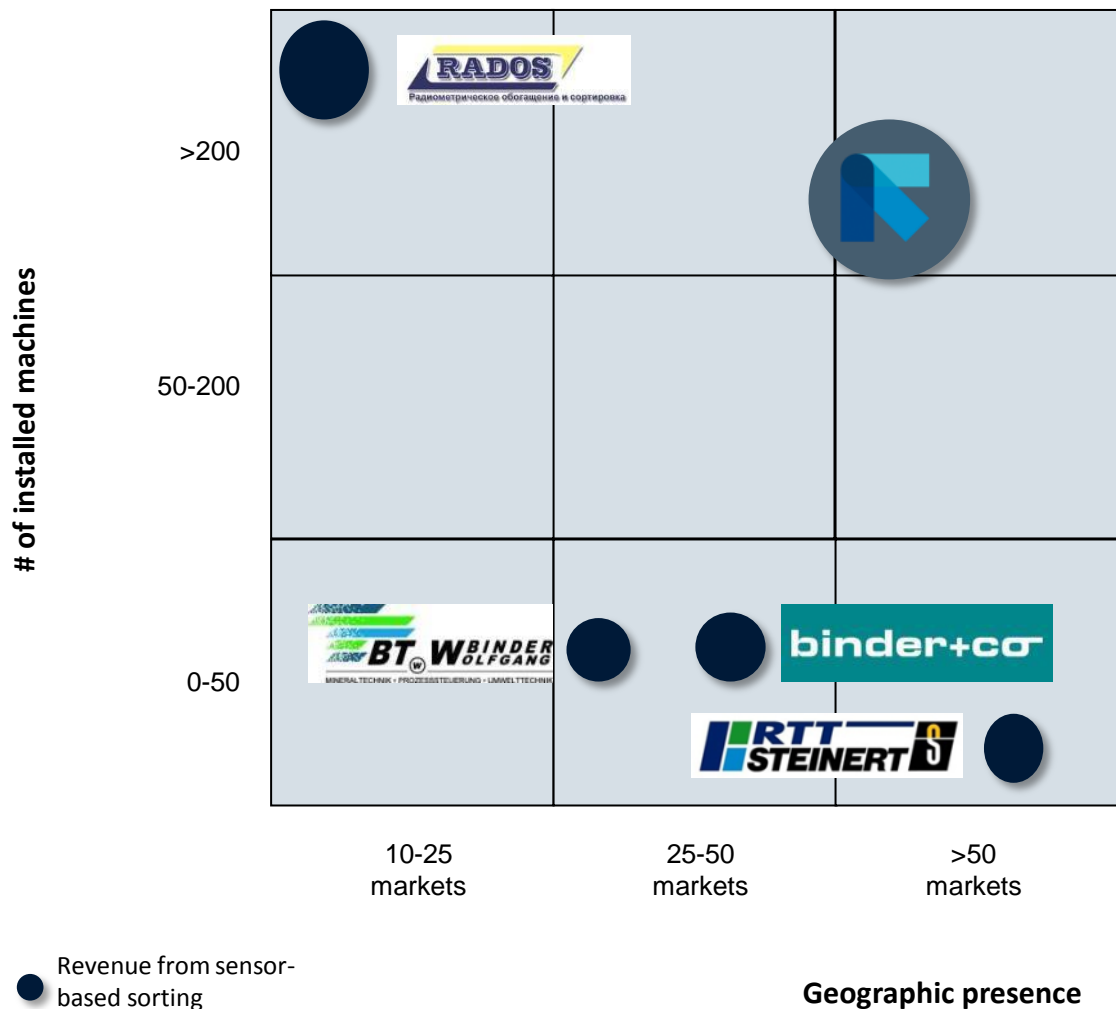- These low grade waste rocks don't need to be transported, crushed, grinded or further treated

Metal mining flow

Run of Mine (ROM)

↓

Primary Crushing

↓

Sensor Based Sorting → Waste

↓

Beneficiation Plant:
Milling
Screening
DMS
Flotation → Tailings (fines)

↓

Product

Current segment

Potential new segment

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MINING COMPETITIVE LANDSCAPE

# of installed machines (y-axis): >200, 50-200, 0-50

Geographic presence (x-axis): 10-25 markets, 25-50 markets, >50 markets

Logos plotted: RADOS, TOMRA, BT W BINDER WOLFGANG, binder+co, RTT STEINERT

TOMRA competitive positioning

- Wide geographical coverage
- Broadest technology platform
- Leading brand
- Pioneering in developing high volume sorter in corporation with Rio Tinto
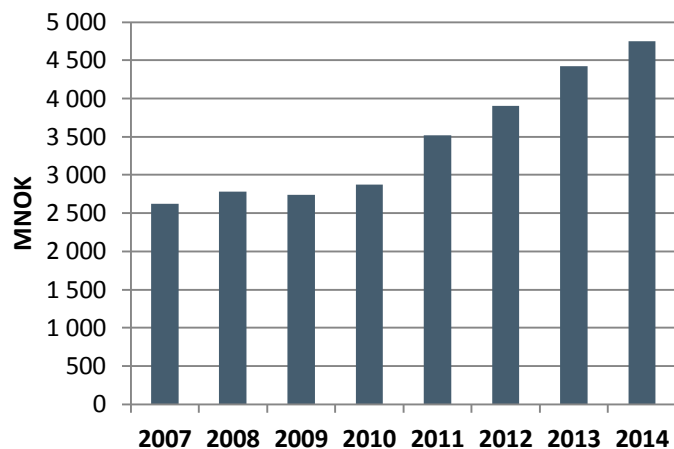- **Market share: 40-50%**

Revenue from sensor-based sorting

Geographic presence

Source: TOMRA estimates and analysis

TOMRA

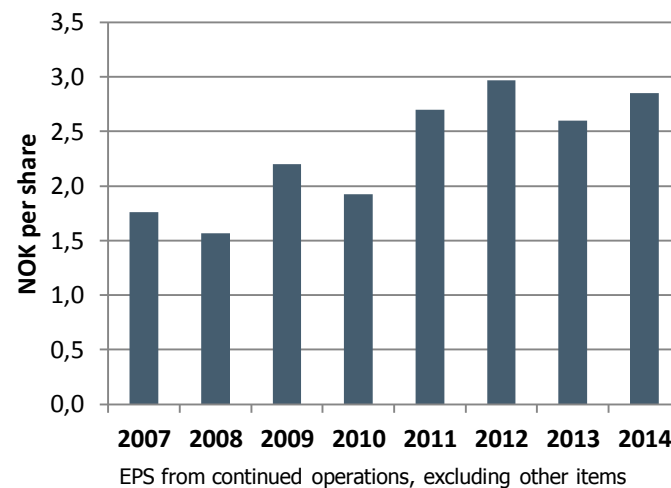# Historical financial performance

KEY FINANCIALS DEVELOPMENT

Revenues

**Gross Contribution and margin**
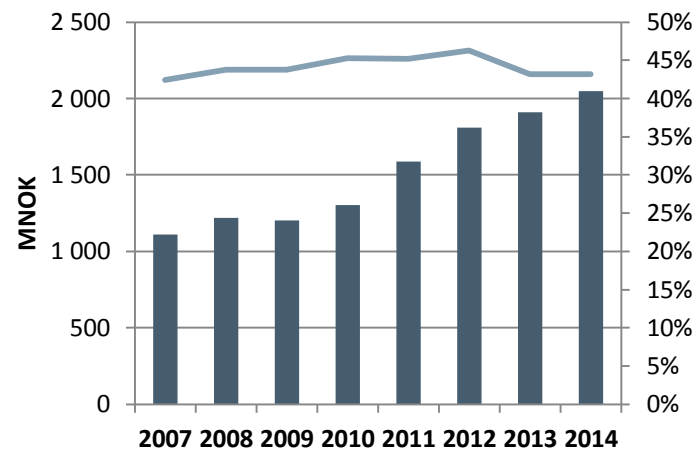
EBITA and margin

Earnings per share

EPS from continued operations, excluding other items

TOMRA
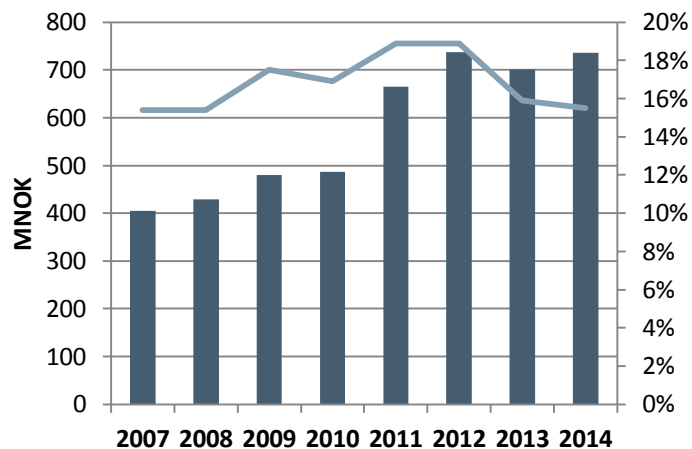
FINANCIAL HIGHLIGHTS
BALANCE SHEET, CASH FLOW AND CAPITAL STRUCTURE

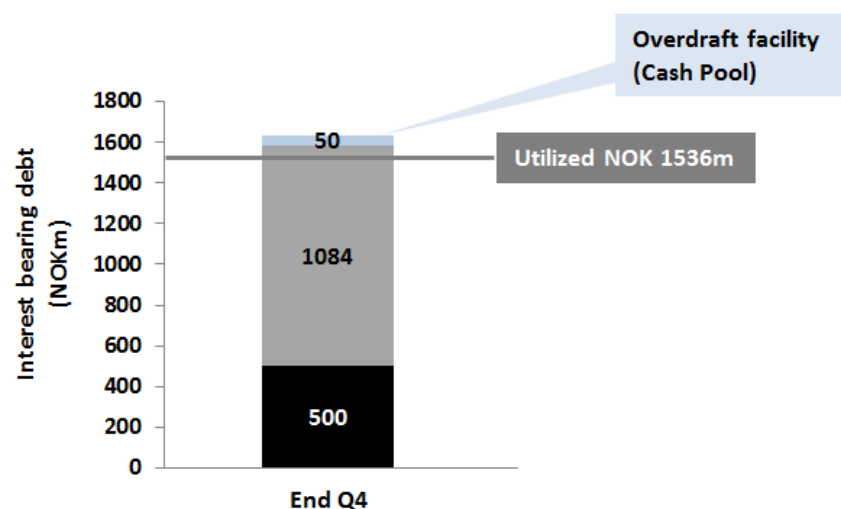| Amounts in NOK million	31 Dec 2014	31 Dec 2013
ASSETS	**6,625**	**5,623**
• Intangible non-current assets	2,623	2,487
• Tangible non-current assets	683	608
• Financial non-current assets	307	267
• Inventory	913	874
• Receivables	1,537	1,224
• Cash and cash equivalents	436	164
• Assets held for sale	126	-
LIABILITIES AND EQUITY	**6,625**	**5,623**
• Equity	3,244	2,741
• Minority interest	115	83
• Interest bearing liabilities	1,649	1,557
• Non-interest bearing liabilities	1,593	1,242
• Liabilities held for sale	24	-

Operating Cash Flow
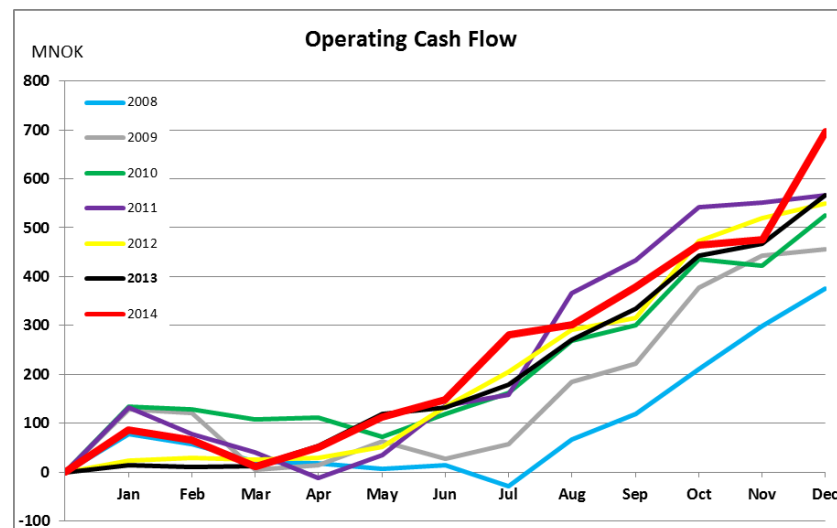
Ordinary cashflow from operations in 4Q

• 312 MNOK (234 MNOK in 4Q 2013)

Solidity

• 49% equity

• NIBD/EBITDA = 1.4 (Rolling 12 months)

• Board propose dividend of NOK 1.45 (NOK 1.35 last year)

STATUS FINANCING

Overdraft facility (Cash Pool)

Utilized NOK 1536m

Bar chart values (Interest bearing debt, NOKm), End Q4: 50, 1084, 500

	DNB	DNB/SEB
Type	5 year revolving credit facility	3 year /5 year revolving credit facility
Established	January 2011	April 2014
Expire	January 2016	April 2017/ April 2019
Amount	NOK 500 milion (or EUR equivalent)	EUR 120 million (NOK 1084 million)
Repayment	Bullet	Bullet
Interest	Floating, 1-12 m	Floating, 1-9 m
Margin	60-90 bps above NIBOR/EUIBOR	45-60 bps above EURIBOR/NIBOR
Pledge	Negative	Negative
Covenants	30% Equity	30% Equity

CURRENCY EXPOSURE

Revenues and expenses per currency;

NOTE: Rounded figures

	EUR*	USD	NOK	SEK	OTHER	TOTAL
Revenues	45 %	30 %	5 %	10 %	10 %	100 %
Expenses	45 %	25 %	10 %	10 %	10 %	100 %
EBITA	**45%**	**50 %**	**- 15 %**	**10 %**	**10 %**	**100 %**

* EUR includes DKK

10% change in NOK towards other currencies will impact;

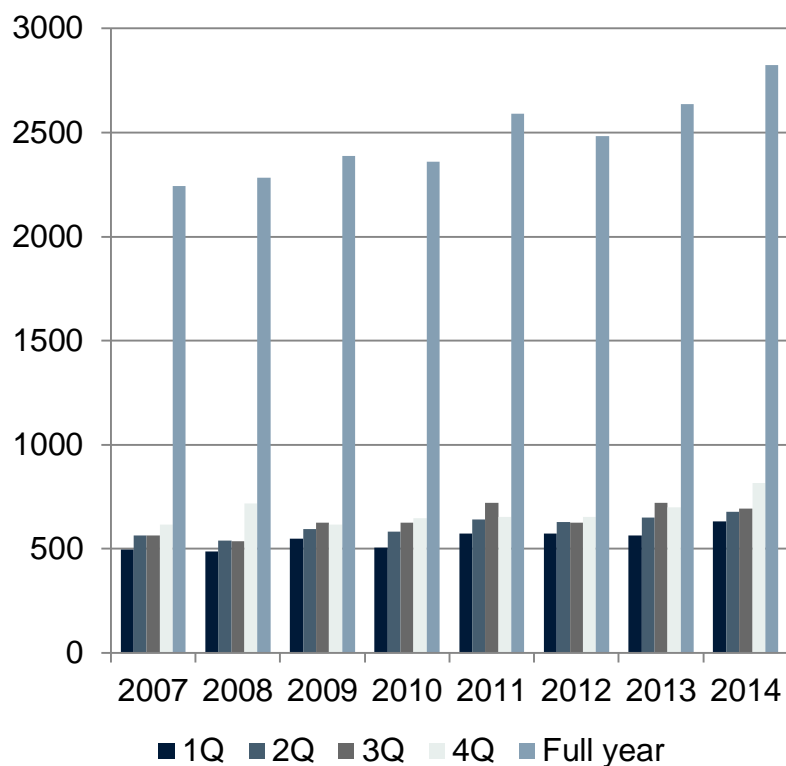|	Revenues	Expenses	EBITA
EUR*	4.5%	4.5%	4.5%
USD	3.0%	2.5%	5.0%
SEK	1.0%	1.0%	1.0%
OTHER	1.0%	1.0%	1.0%
ALL	**9.5%**	**9.0%**	**11.5%**

* EUR includes DKK

HEDGING POLICY

- TOMRA hedges B/S items that will have P/L impact on currency fluctuations

- TOMRA can hedge up to one year of future predicted cash flows. Gains and losses on these hedges are recorded in the finance line, not influencing EBITA
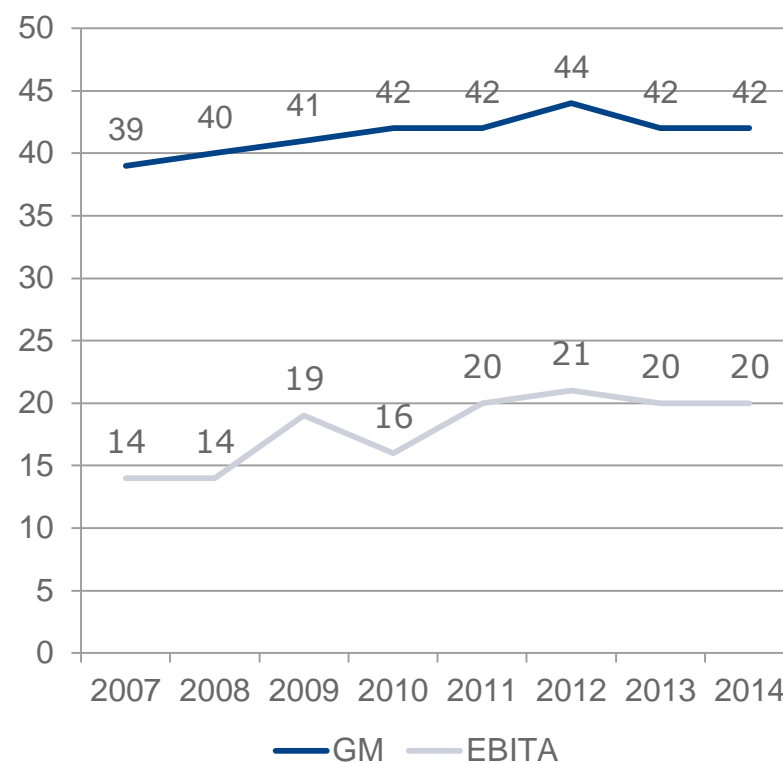
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COLLECTION SOLUTIONS – SEGMENT FINANCIALS

Revenue development
NOK million

Gross and EBITA margin development
Percent

Revenue development chart legend: 1Q, 2Q, 3Q, 4Q, Full year

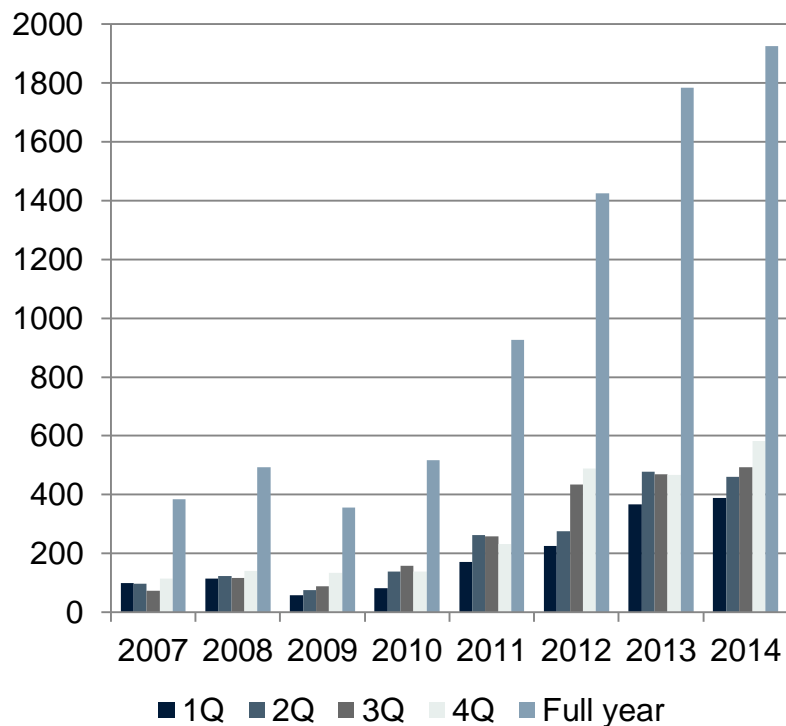Gross and EBITA margin development chart legend: GM, EBITA

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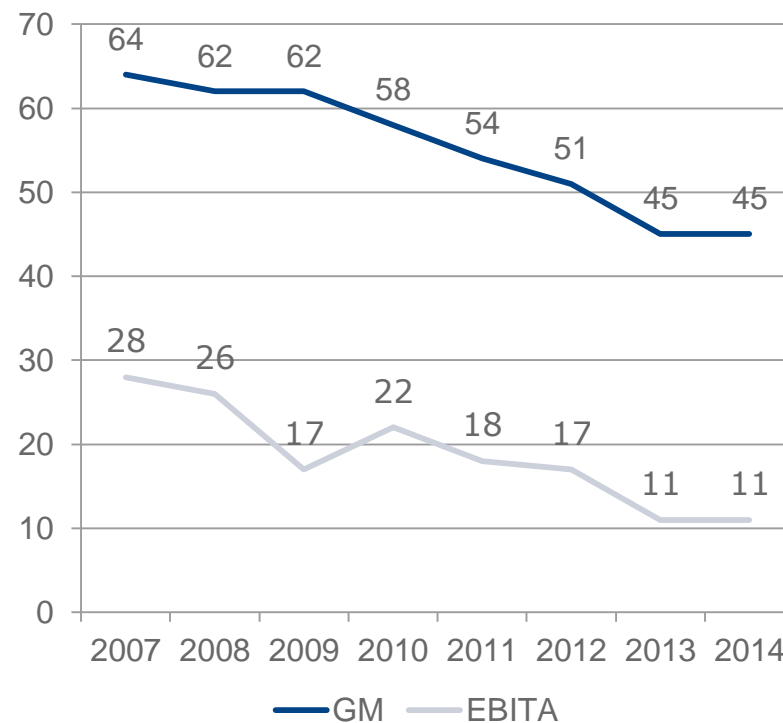# SORTING SOLUTIONS – SEGMENT FINANCIALS

Revenue development
NOK million

Gross and EBITA margin development
Percent

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