DNB MARKETS SME CONFERENCE

TOMRA

Espen Gundersen
Deputy CEO/CFO
5 April 2017


THE WORLD POPULATION AND STANDARD OF LIVING IS INCREASING DRAMATICALLY

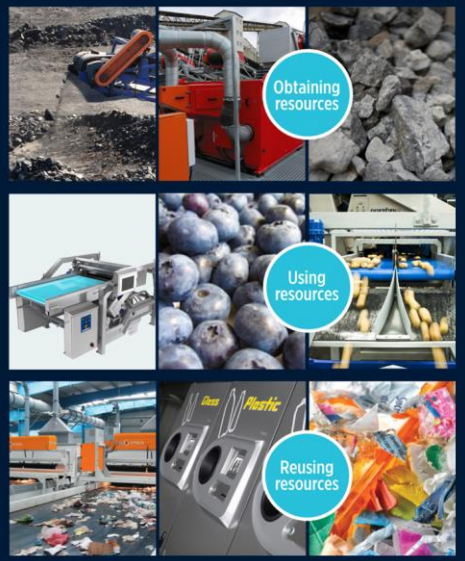


RESOURCE PRODUCTIVITY MUST INCREASE TO ENSURE SUSTAINABLE DEVELOPMENT

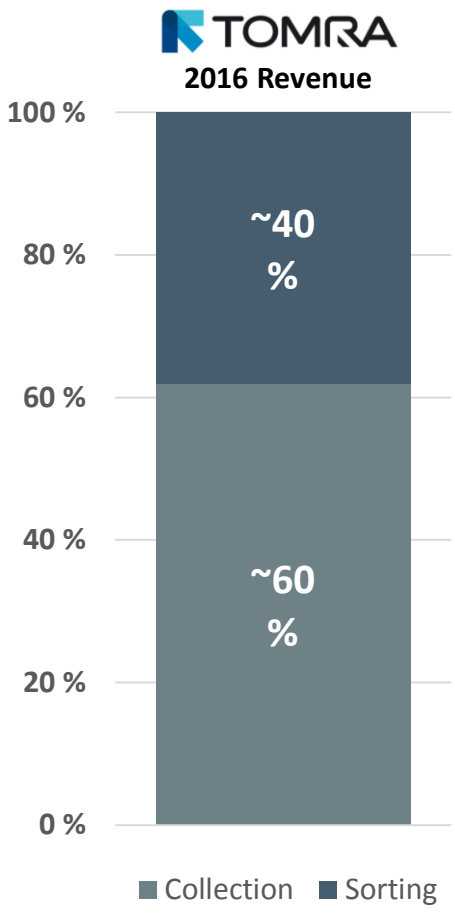


WORLD RESOURCES ARE UNDER UNPRECEDENTED PRESSURE


TOMRA creates sensor-based solutions for optimal resource productivity



CREATING VALUE THROUGH TWO STRONG BUSINESS AREAS*

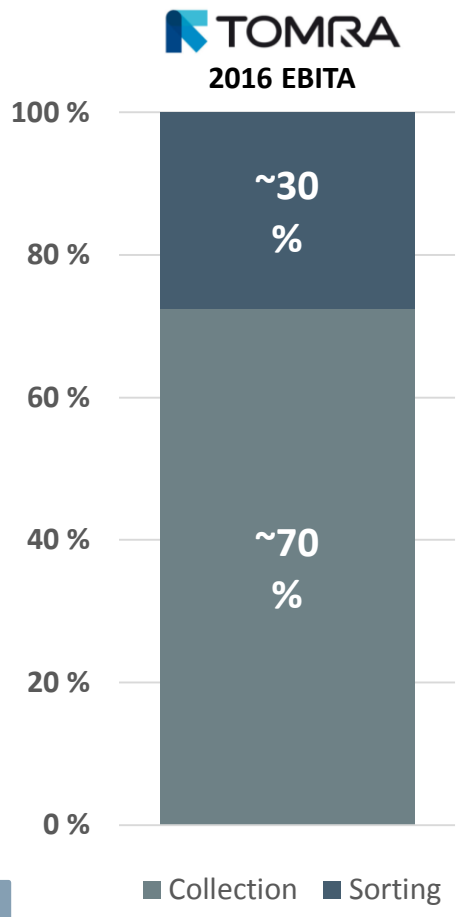


TOMRA SORTING SOLUTIONS

- High growth
- High margins
- Medium cyclicality

TOMRA COLLECTION SOLUTIONS

- Stable
- High margins
- Low cyclicality



High technology - sustainable business

* Not including Compac. Consolidation starts 1 February 2017

TOMRA INSTALLED BASE

TOMRA COLLECTION SOLUTIONS

REVERSE VENDING	
Nordic	~15,300
Germany	~29,500
Other Europe	~14,200
North America	~15,900
Rest of the world	~3,500
TOTAL	**~78,400**

TOMRA SORTING SOLUTIONS

RECYCLING	
EMEA	~3,500
Americas	~700
Asia	~600
Other	~20
TOTAL	**~4,820**

MINING	
Europe	~10
US / Canada	~30
Australia	~5
South Africa	~25
Other	~30
TOTAL	**~100**

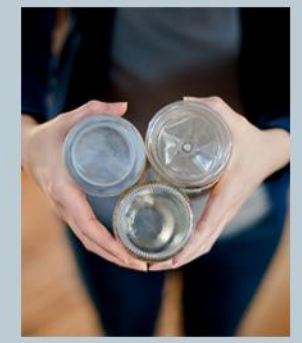
FOOD*	
EMEA	~2,900
Americas	~2,700
Asia	~600
TOTAL	**~6,200**

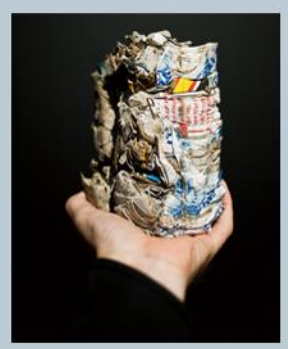
Not including machines sold on OEM agreements.
2016 recount of TSS portfolio

* Not including Compac, with ~5.500 lanes, installed at ~1.000 customers

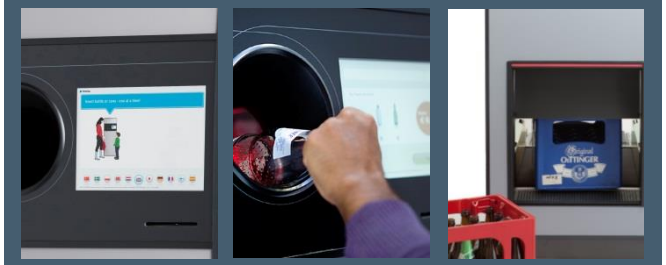
TOMRA Collection Solutions

RETURNS INTO VALUE

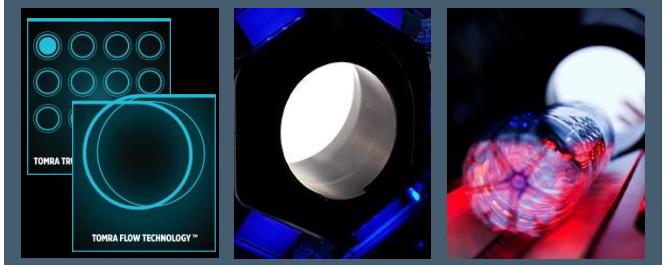




ELEMENTS OF A MODERN REVERSE VENDING SYSTEM

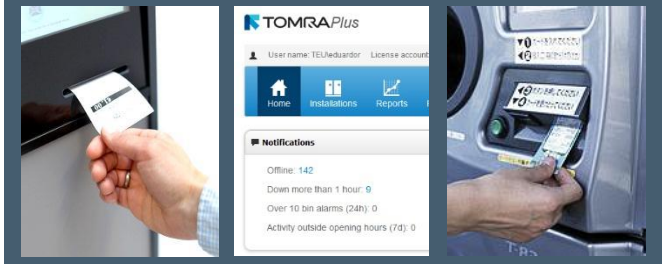


User communication



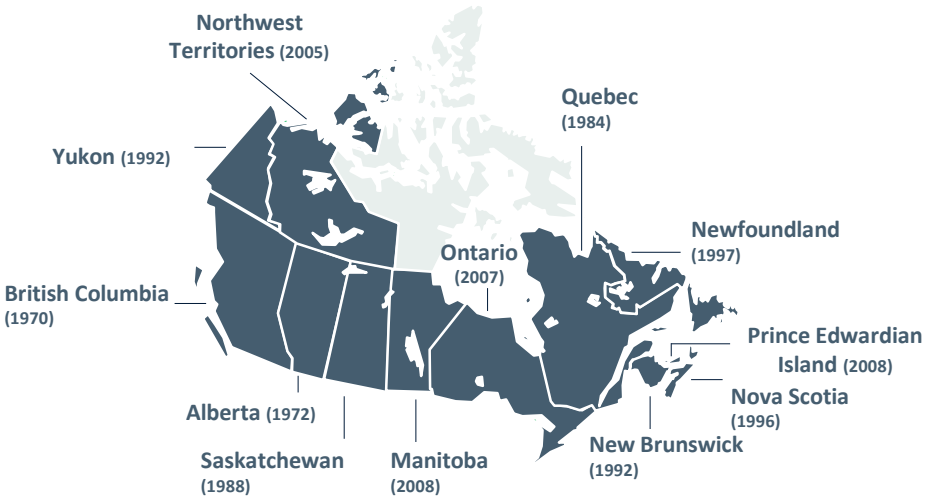
Recognition system

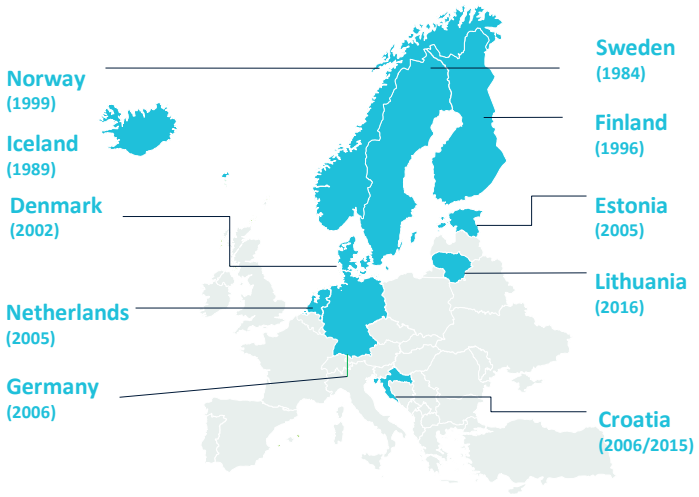
Sorting & processing

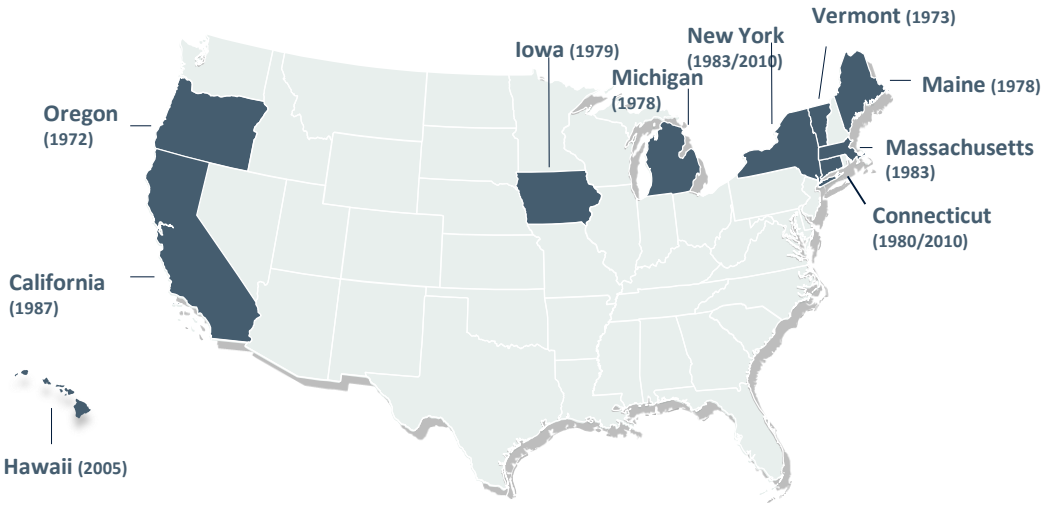


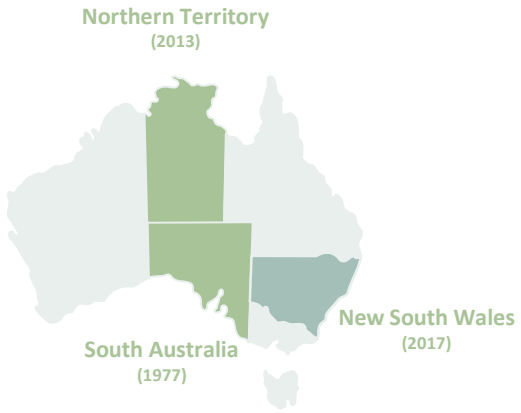
Data administration

CURRENT DEPOSIT MARKETS



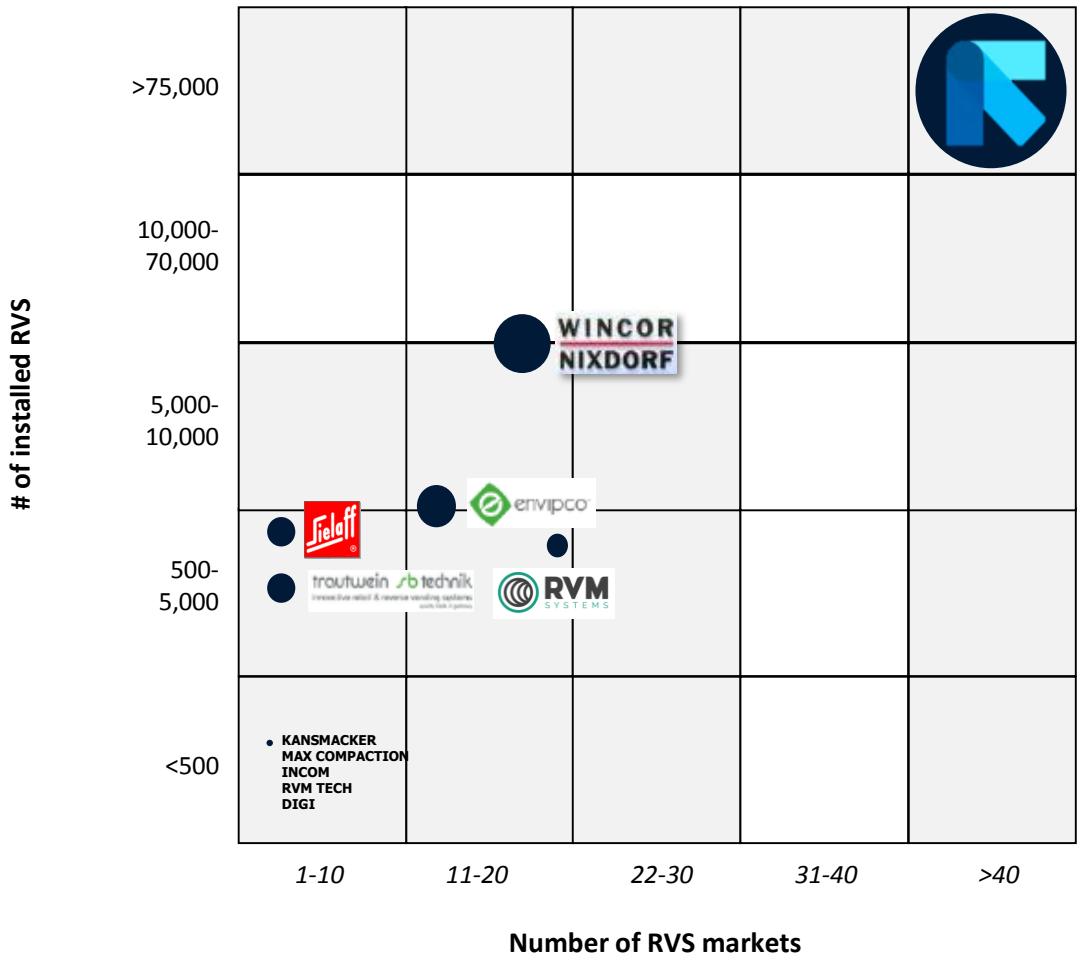






In addition, Tomra has some activity in markets with refillable deposit systems like: Austria, Belgium, Chile, Czech Republic, France, Hungary, Poland and South Korea.

COMPETITIVE LANDSCAPE*



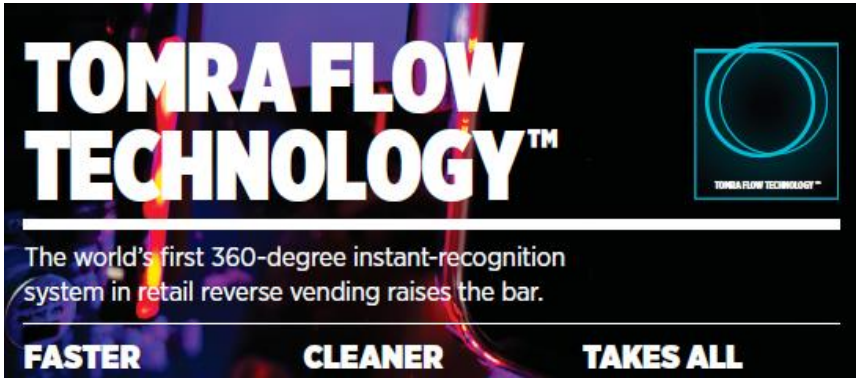
Annual revenue from RVS sales

Source: TOMRA estimates and analysis * Estimates

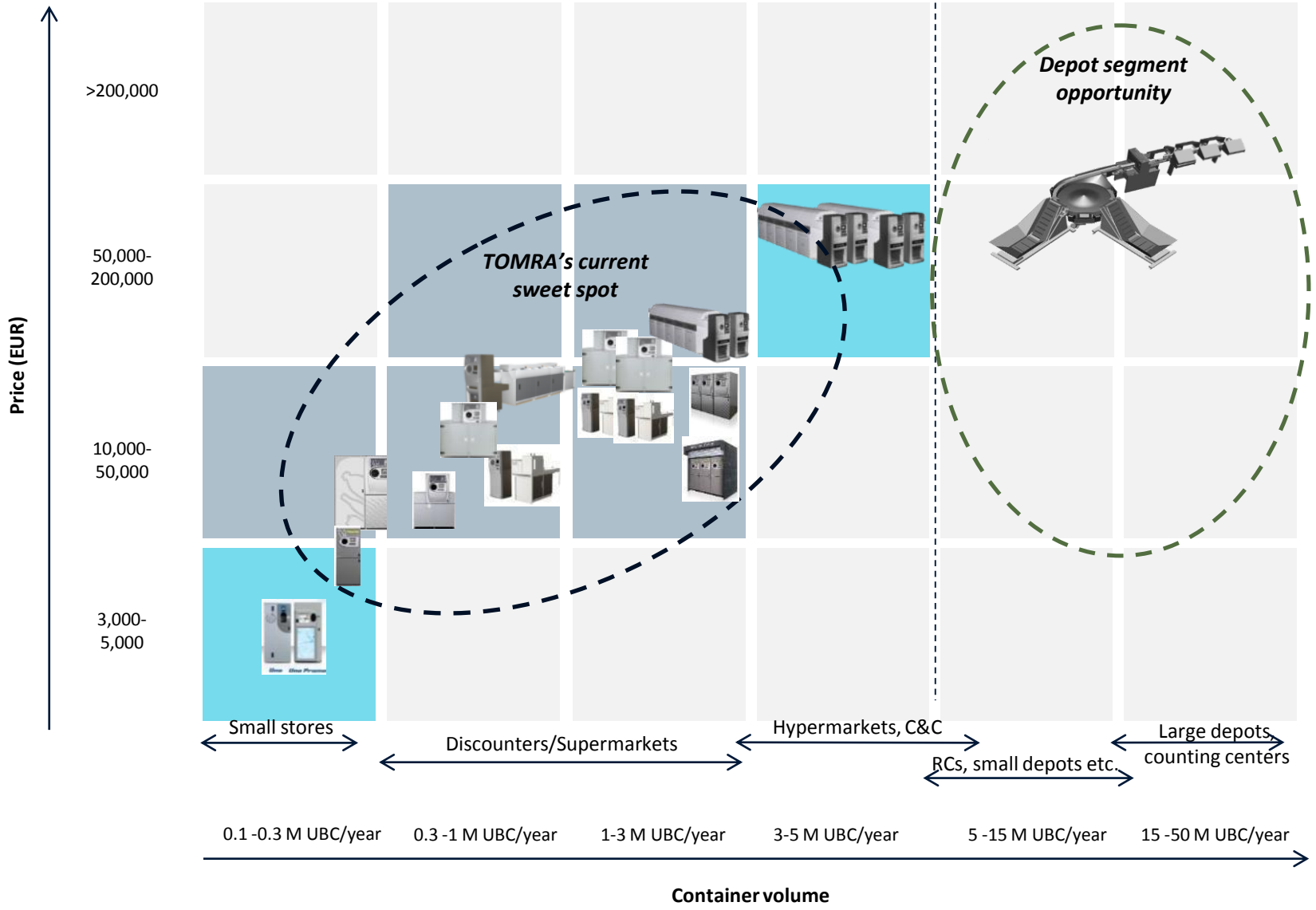
T-9: THE FIRST OF A NEW GENERATION OF MACHINES

- 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
- 2015 installations: ~4,000 machines
- 2016 installations: ~4.600 machines

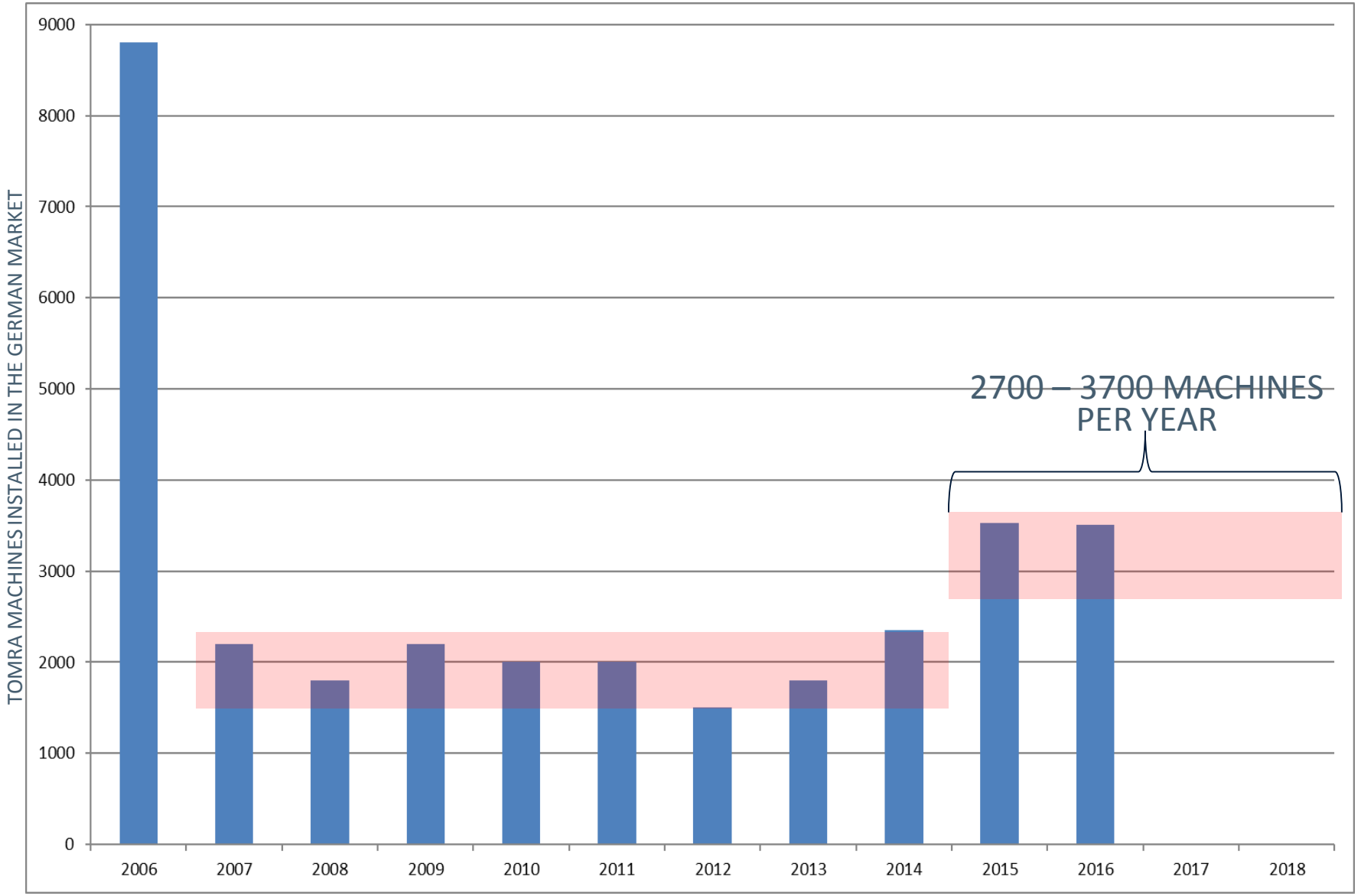
TOMRA is setting the standard for reverse vending for the next decade



ENTER NEW SEGMENTS



GERMANY REPLACEMENT UPDATE



POTENTIAL NEW DEPOSIT MARKETS

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

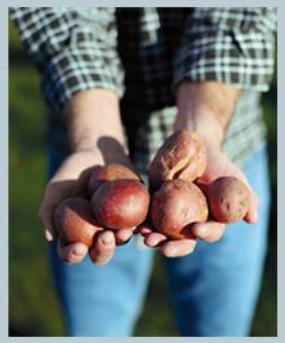
TARGETS 2013 -2018

Yearly growth 4 – 8%

EBITA-margin 18% – 23%

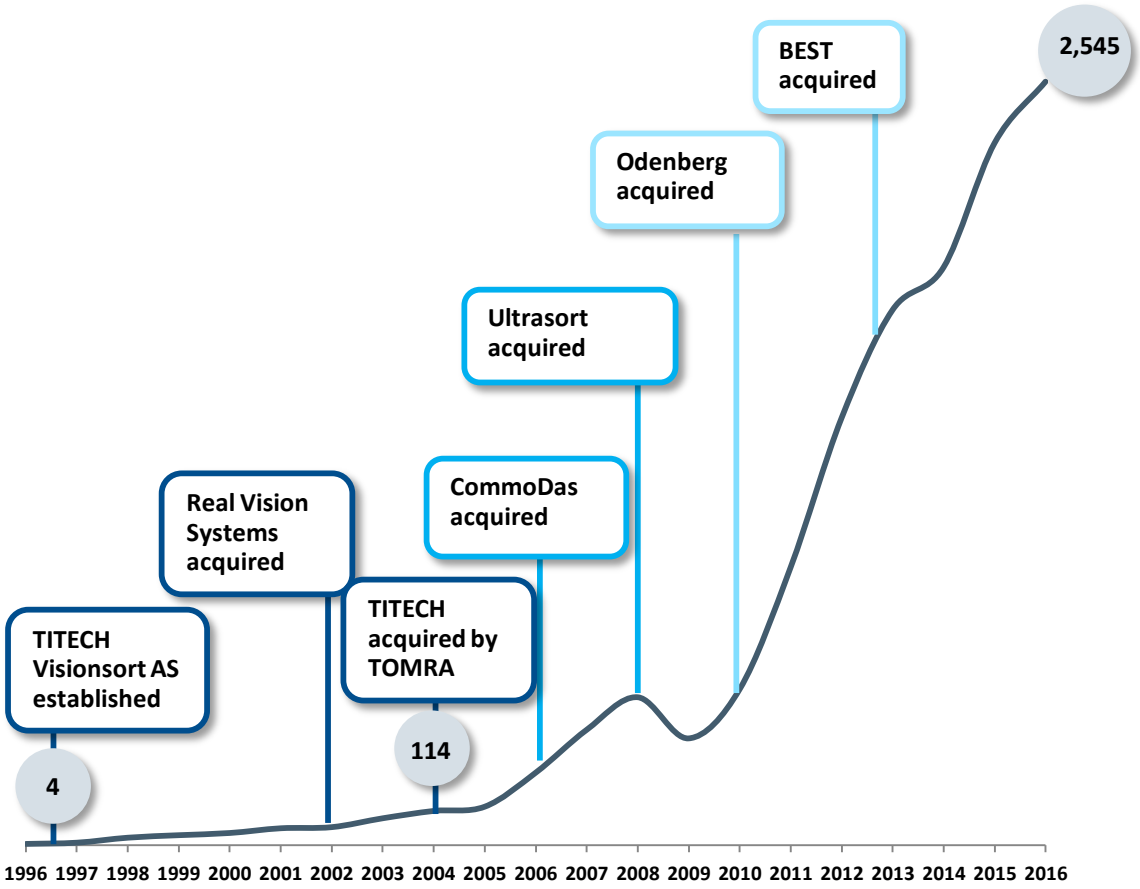
TOMRA Sorting Solutions

WASTE INTO VALUE



STRONG REVENUE GROWTH SINCE INCEPTION IN 1996

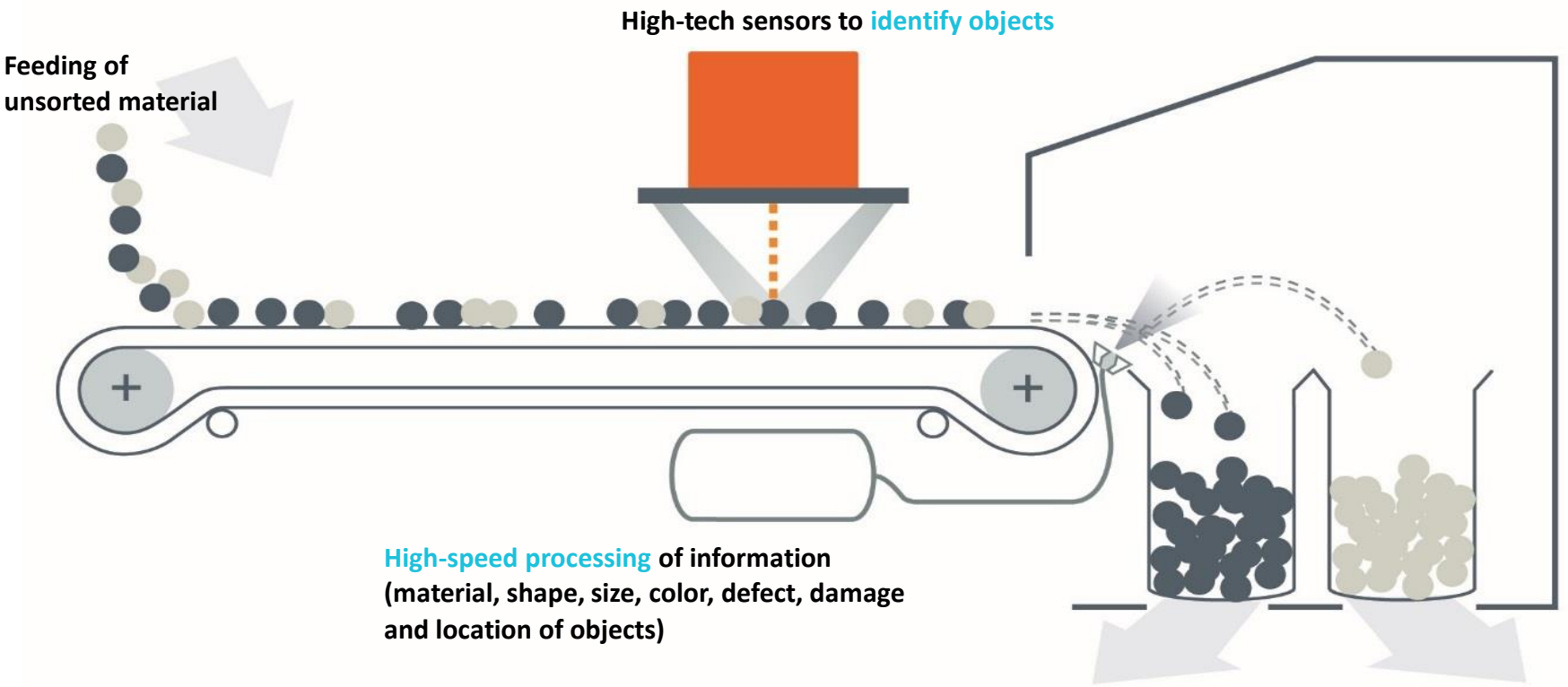
Revenue development and key milestones
MNOK



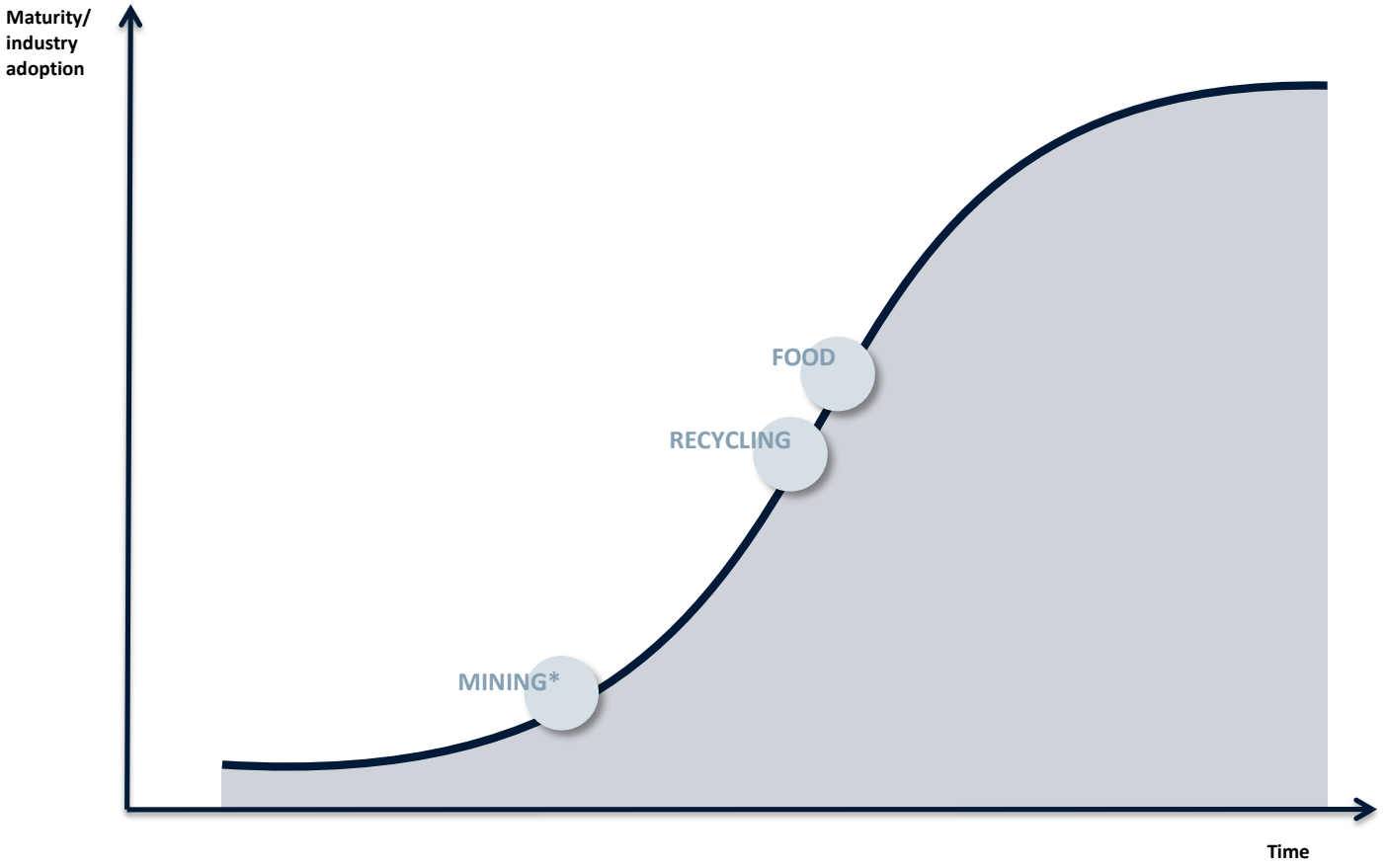
- Total revenue growth (organic plus inorganic) CAGR of ~30% per year from 2004-2016
  - Average annual organic growth for the same period was ~17%
- Technology base and segment/application knowledge expanded both through acquisitions and in-house ventures

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

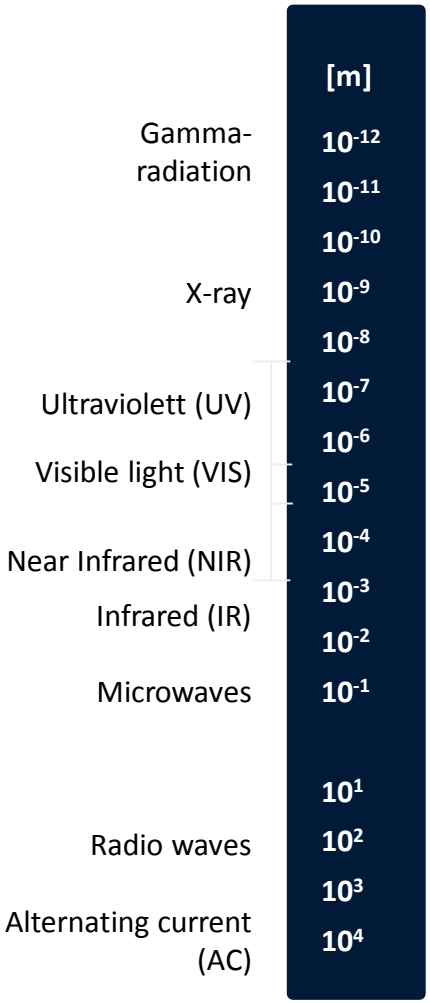


ADOPTION OF SENSOR-BASED SORTING AT DIFFERENT MATURITY LEVELS



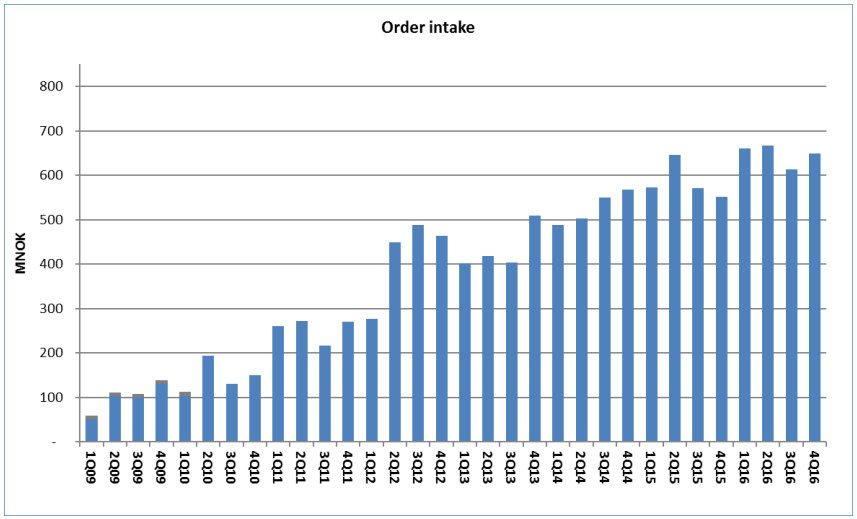
* In certain mining sub-segments, such as industrial minerals and diamonds, sensor-based sorting is a more mature technology.

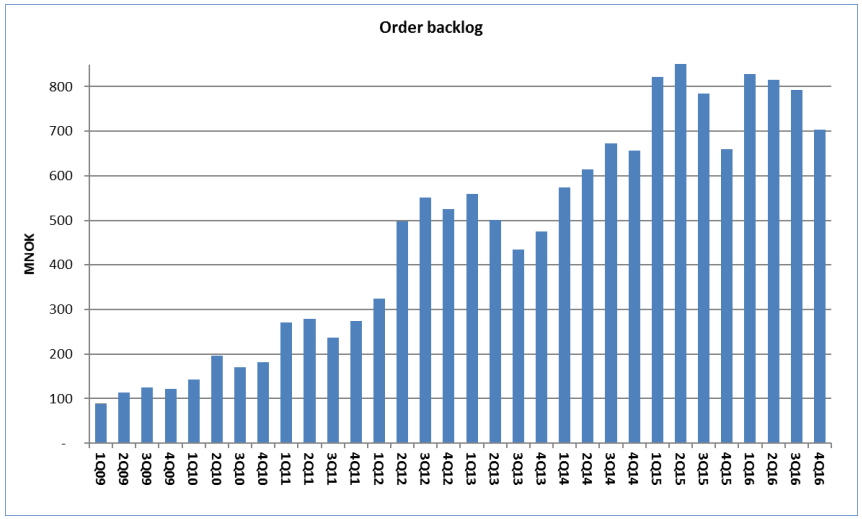
A COMMON SENSOR BASED TECHNOLOGY PORTFOLIO

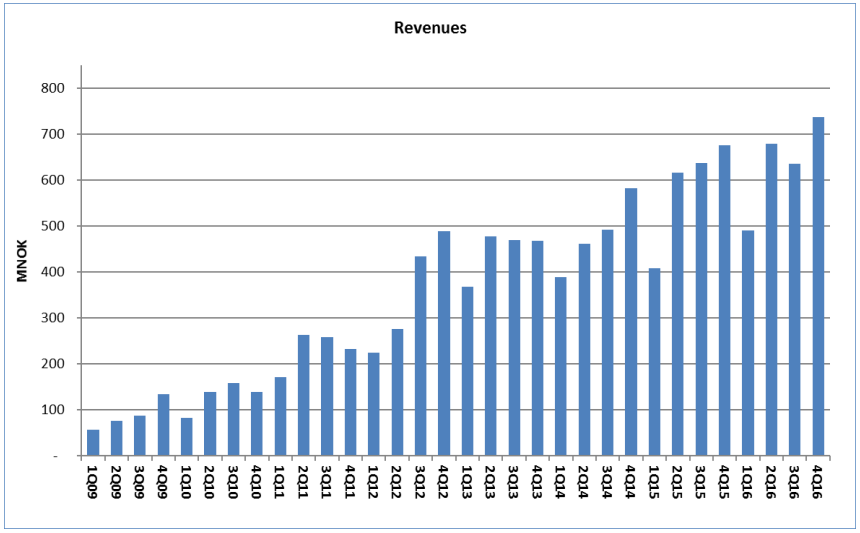


Sensor/ Technology	Material Property	Segment
RM (Radiometric)	Natural Gamma Radiation	Mining
XRT (X-ray transmission) Low Energy X-ray	Atomic Density	Recycling, Mining, Food
XRF	X ray fluorescence (Elemental Spectroscopy)	Recycling, Mining
COLOR (CCD Color Camera)	Reflection, Absorption, Transmission	Recycling, Mining, Food
Laser attenuation and PM (Photometric)	Monochromatic Reflection / Absorption of Laser Light Scattering analysis of Laser Light	Mining, Food
NIR / MIR (Near/Medium Infrared Spectrometry)	Reflection, Absorption (Molecular Spectroscopy)	Recycling, Mining, Food
LIBS	Laser induced breakdown spectroscopy	Recycling, Mining
EM (Electro-Magnetic sensor)	Conductivity, permeability	Recycling, Mining, Food

BACKLOG DEVELOPMENT AND MOMENTUM







- Order intake of 649 MNOK in the quarter (up from 551 MNOK same quarter last year)
- Revenues were 738 MNOK (compared to 677 MNOK in 4Q16)
- Order backlog of 704 MNOK, up from 659 MNOK at the end of fourth quarter 2015
- Estimated backlog conversion ratio in 1Q17: 70-75%*
- NOTE: Figures do not include Compac, which will be consolidated starting 1 February 2017

* Based upon current production and delivery plans, the revenues in 1Q17 (ex Compac) are estimated to be approximately 70-75% of order backlog at the end of 4Q16

FINANCIAL DASHBOARD – SORTING SOLUTIONS

Industry Growth

Recurring revenue

Profitability (ROCE)*

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

TARGETS 2013 -2018

Yearly organic growth 10-15%

Geographical expansion

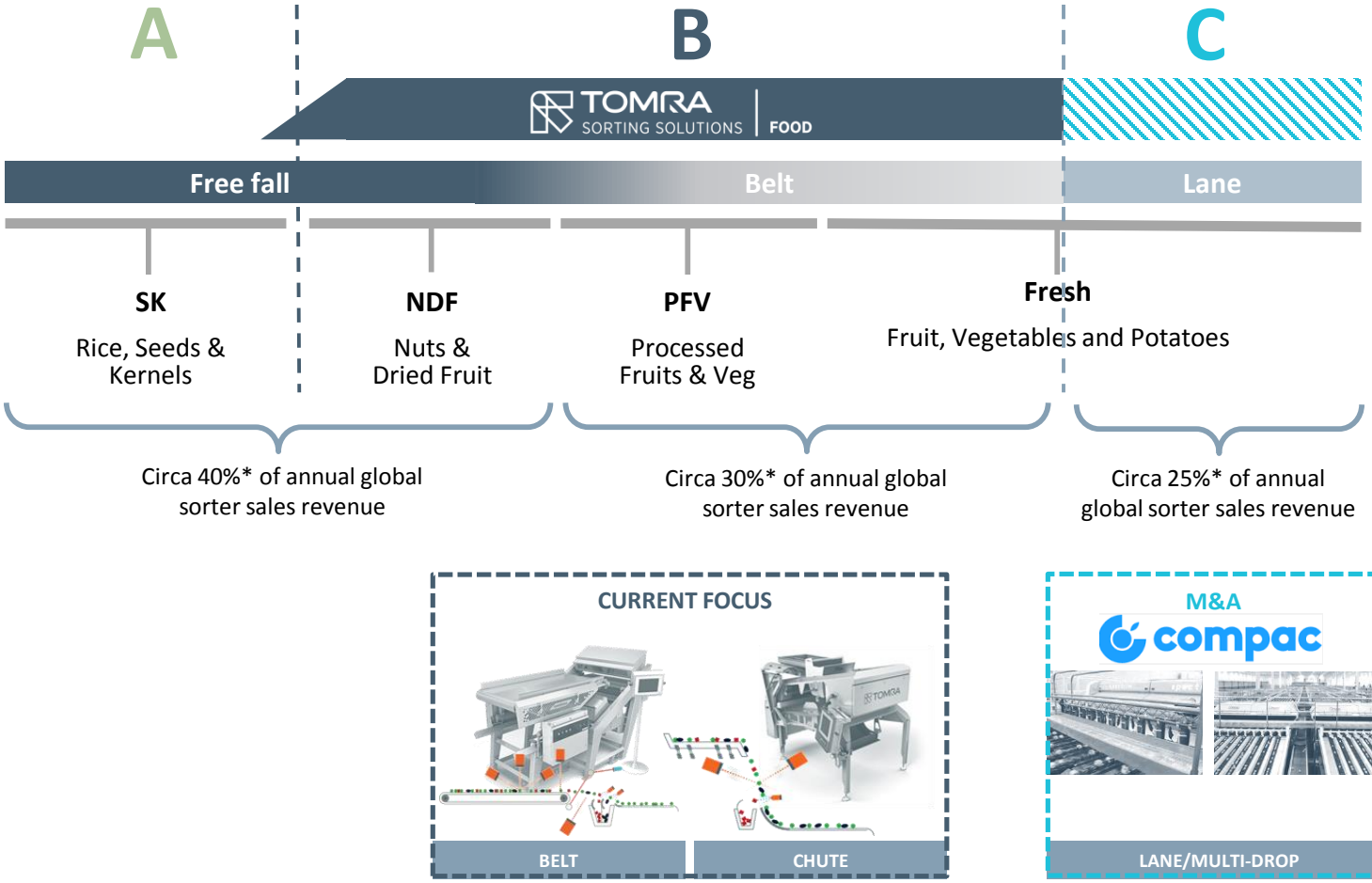
EBITA-margin 18-23%

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

* Ex goodwill

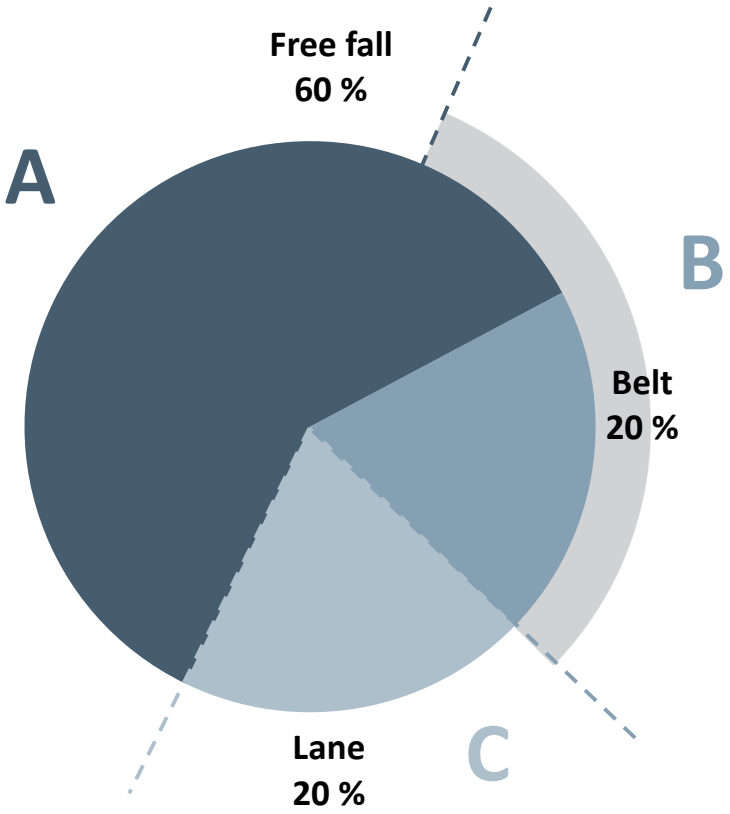

YIELD
INTO
USAGE
TOMRA
SORTING SOLUTIONS
FOOD

TOMRA HAS THE BROADEST FOOTPRINT WITHIN THE FOOD SORTING UNIVERSE



*Approximately 5% of annual global sorter sales revenue comes from other segments, like confectionary

THREE WAYS OF SORTING WITHIN THE FOOD SEGMENT



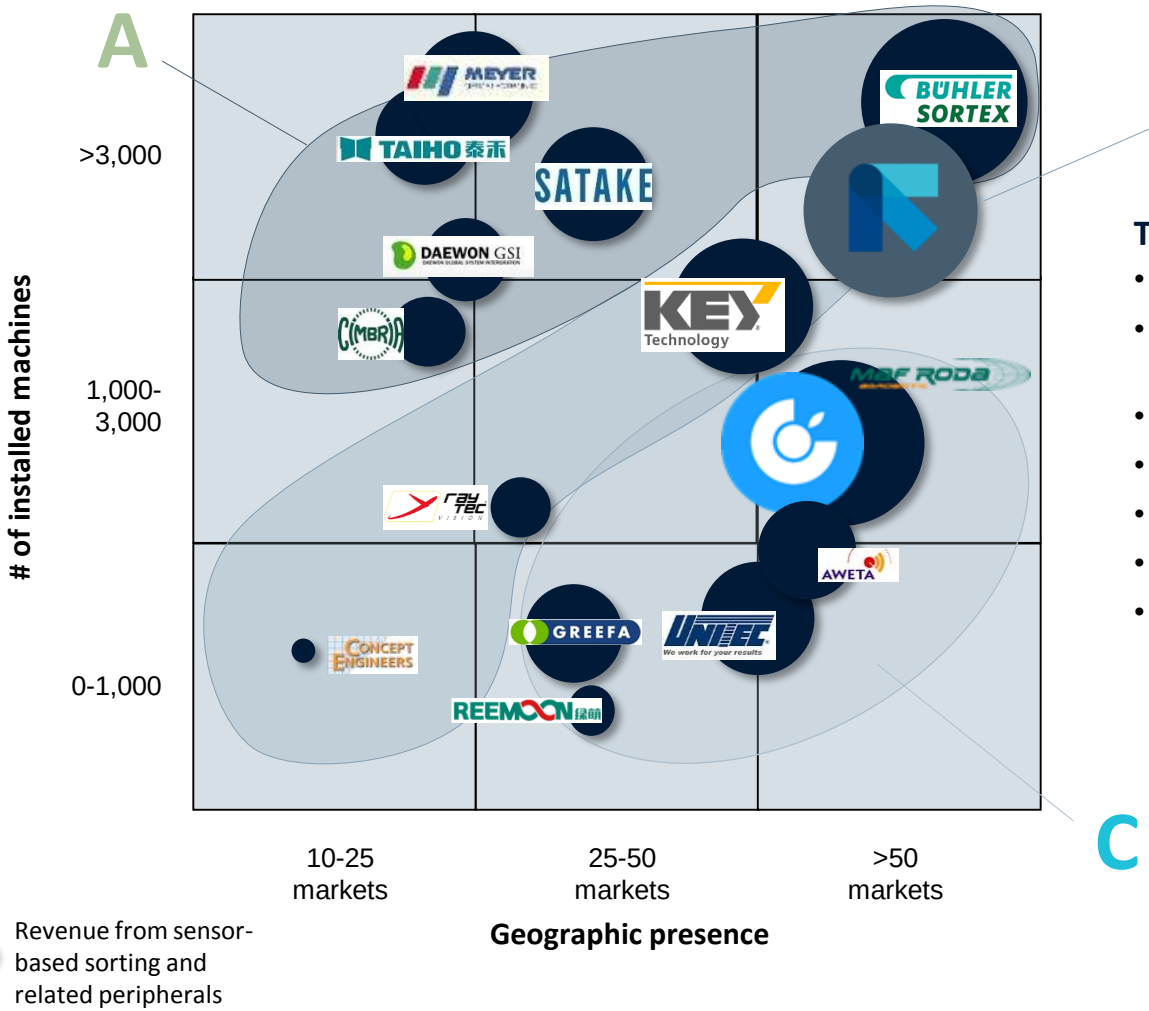
Free fall (Channel / Chute)	
Application	Seeds, rice, grains
Companies	Buhler, Key, **Best**, Satake, Daewon, Hefei, Orange
Sensor tech.	Camera (simple)

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

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 IN BULK SORTING

	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**

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

INTRODUCTION TO COMPAC (ANNOUNCED 12.10.16)

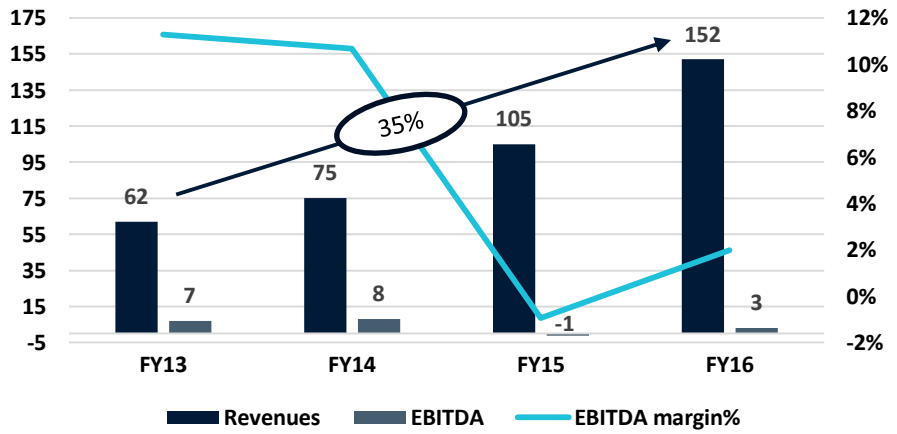
Introduction

- Compac is a New Zealand-based provider of post-harvest solutions and services to the global fresh produce industry
- Founded in 1984 by Hamish Kennedy with HQ in Auckland NZ and has around 700 employees
- Compac has a leading position within sorting of apples, kiwifruit, cherries, citrus, stonefruit, avocados and tomatoes
- The company designs, manufactures, sells and services packhouse automation systems that sort produce based on their weight, size, shape, colour, surface blemishes and internal quality
- Fruit handling equipment singulates fruits into lanes, in-feeds (wash and wax), inspects, sorts/grades and partly packages
- About 6,000 Compac sorting lanes have been sold worldwide in over 40 markets

Spectrim: Compac's latest sorter

- The sorter was launched in 2015
- Represents an unmatched capability of external defect detection and an advanced 3D imaging and modelling
- For sorting of apples, citrus, stone fruit and kiwi fruit
- Uniform lighting that minimizes shadows and reflections
- Sensors and cameras generate up to 500 images of every piece of produce, creating an accurate 3D model of each fruit
- Three different wavelengths that can be configured to target specific defects: color, blemishes, bruising

Key Financials (NZDm)[1]



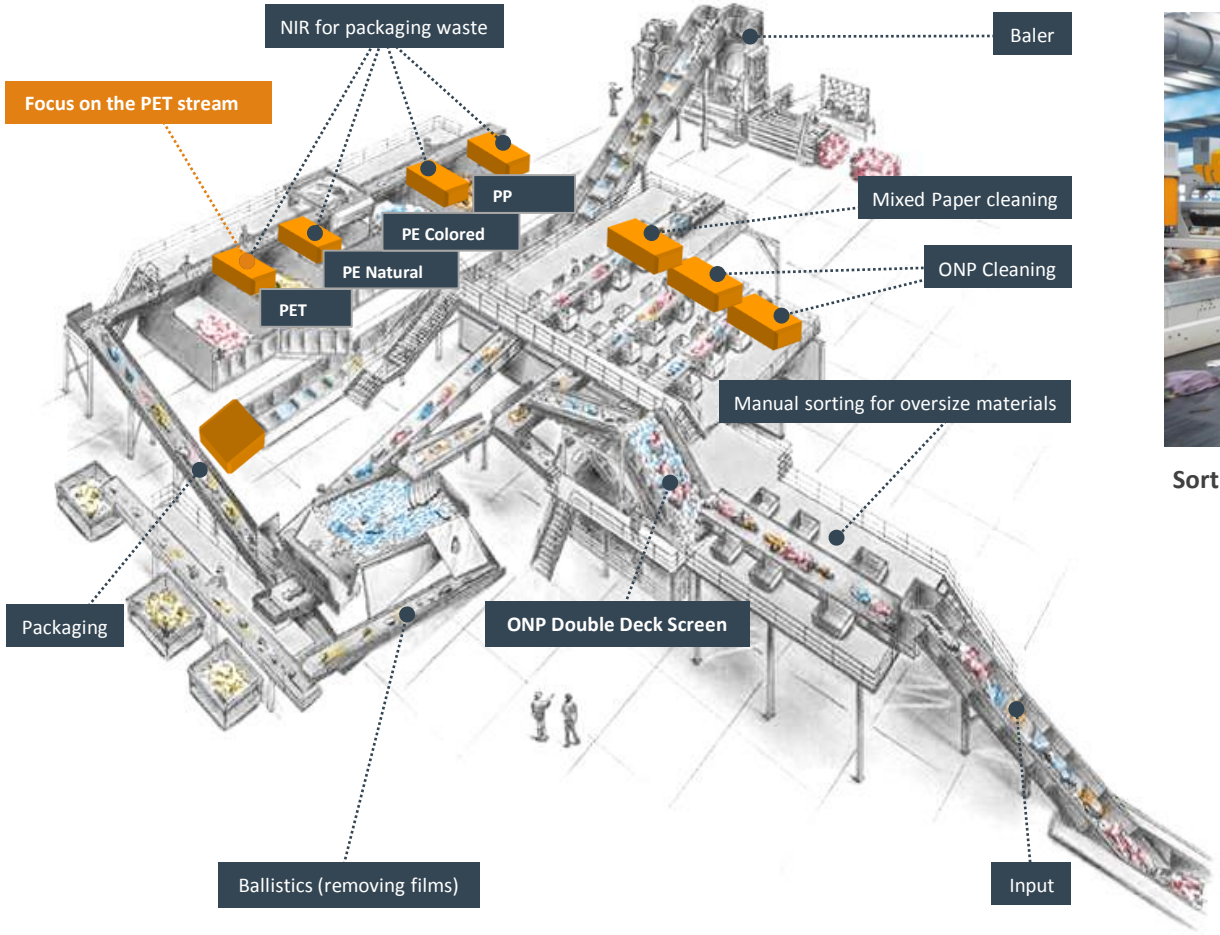
(1) Compac's fiscal year ends 30th of June. FY16 is equal to the period 1 July 15 to 30th of June 16 . FY13 and FY14 extracted from financial statements. FY15 and FY16 is management accounts, adjusted for one-off income and expenses. Not harmonised with TOMRA accounting principles

TRANSACTION RATIONALE ELABORATED

Attractive Market	• Lane sorting is a **fast-growing adjacent segment** with a ~8% historical CAGR and strong future outlook • **Key market trends drive further growth**, especially in the developing markets as a substitute for manual labor as we see wages increase • The industry is **yet to mature** and fully industrialize
Complimentary geographical footprint	• **Geographic expansion:** Utilizing the different footprint and strengths in certain markets • Stronger in **China** together
Application fit expansion	• TOMRA is currently present in processed fruit and vegetables, Compac serves as a "natural" **expansion also into fresh fruit**
Confirming our leading position in food	• Lane and Bulk Sorting **cater to same client needs,** but offers complimentary functionality • Possibility to create a comprehensive **Food Sorting solution provider** • **First mover advantage in combining Lane and Belt sorting**: TOMRA to be the first company, which is active in all technology platforms used for sensor-based sorting of Food
Mutual benefits	• Potential in **data capability, IoT and solution development** • Combine current offering: **Bulk presorter in front of lanes** • Potato business: Utilizing TSS strength in potatoes and the **upcoming demand for sizing** • Complimentary fit within **food traceability and food safety** (emerging demand)
Why Compac	• Strong **potential**. Ongoing and planned business improvement initiatives and funding to get in shape • Strong **brand** name, recognized as the technology leader (Spectrim) • **Established complimentary footprint** in the US, NZ, Australia and Latin America • Good platform for growth


ONCE
INTO
AGAIN
AND AGAIN
TOMRA
SORTING SOLUTIONS
RECYCLING

AUTOMATED WITH TOMRA SORTING UNITS



Sorting of Municipal Solid Waste, Cyprus

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 EM VIS XRT	NIR VIS EM	NIR VIS XRT EM	NIR VIS XRT EM COLOR XRF	XRT EM NIR COLOR XRF

Mixed paper

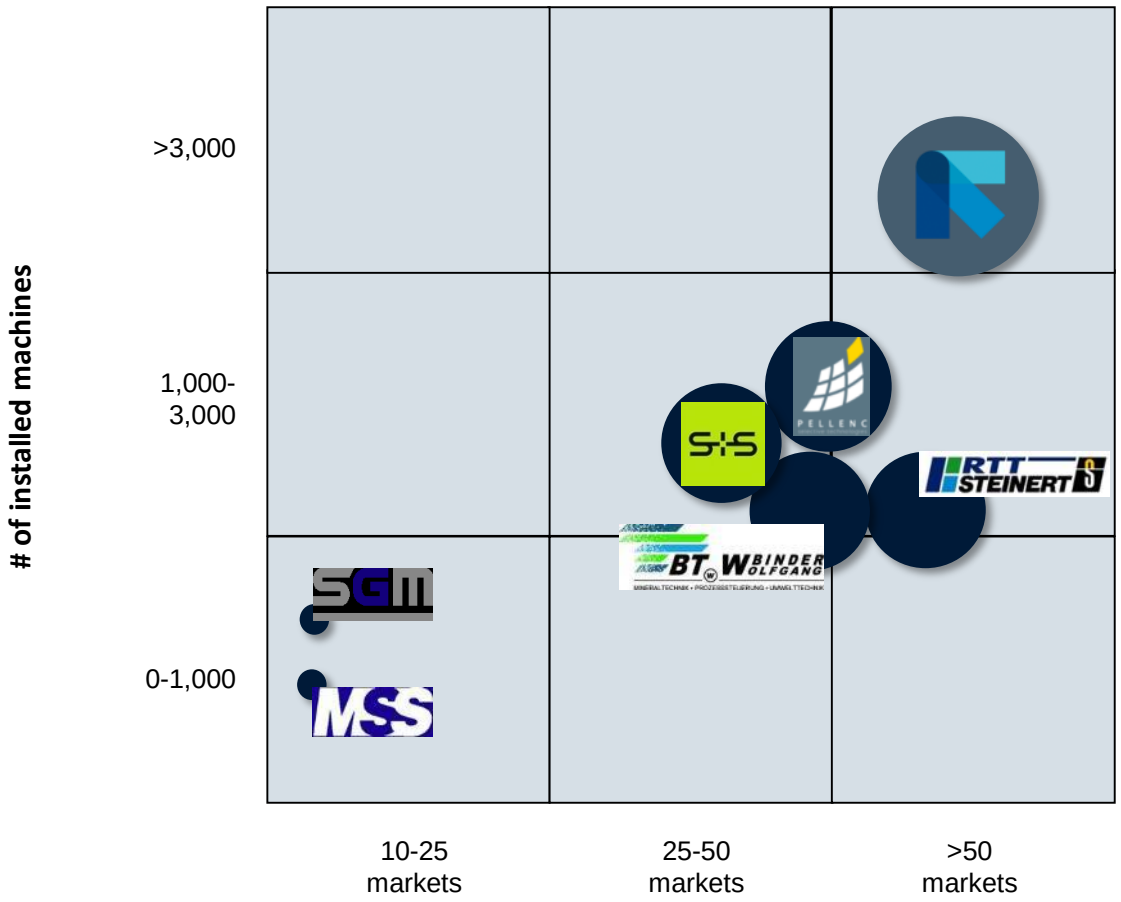
PE/PP flakes

Cleaned wood

Copper Wire

Brass

RECYCLING COMPETITIVE LANDSCAPE



TOMRA competitive positioning

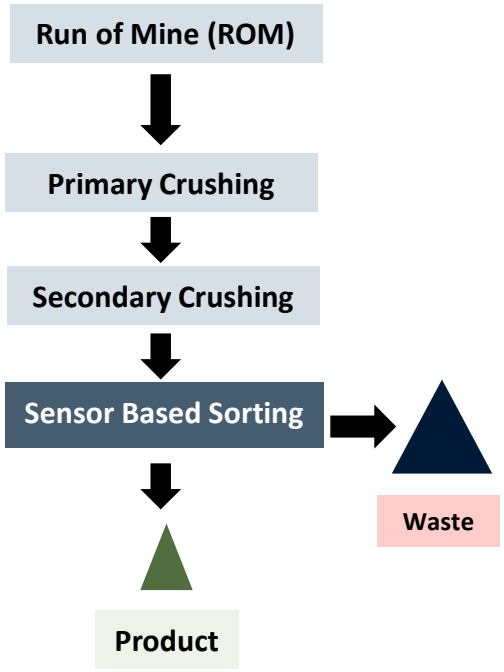
- Largest installed base
- Highest revenues
- Broadest technology platform
- Highest number of applications and markets served
- Leading brand
- **Market share: 55-65%**

Source: TOMRA estimates and analysis


SOURCE
INTO
RESOURCE
TOMRA
SORTING SOLUTIONS
MINING

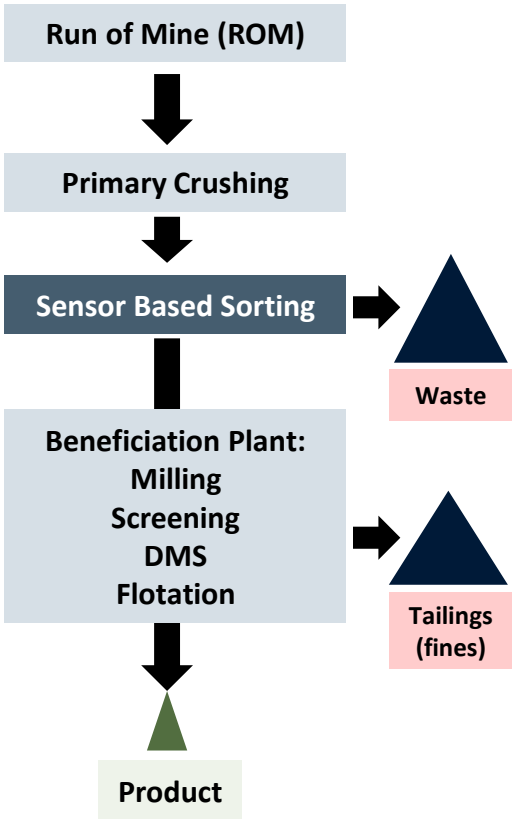
THE CONCEPT OF SENSOR-BASED SORTING IN MINING

Mining process:
Industrial minerals



- 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

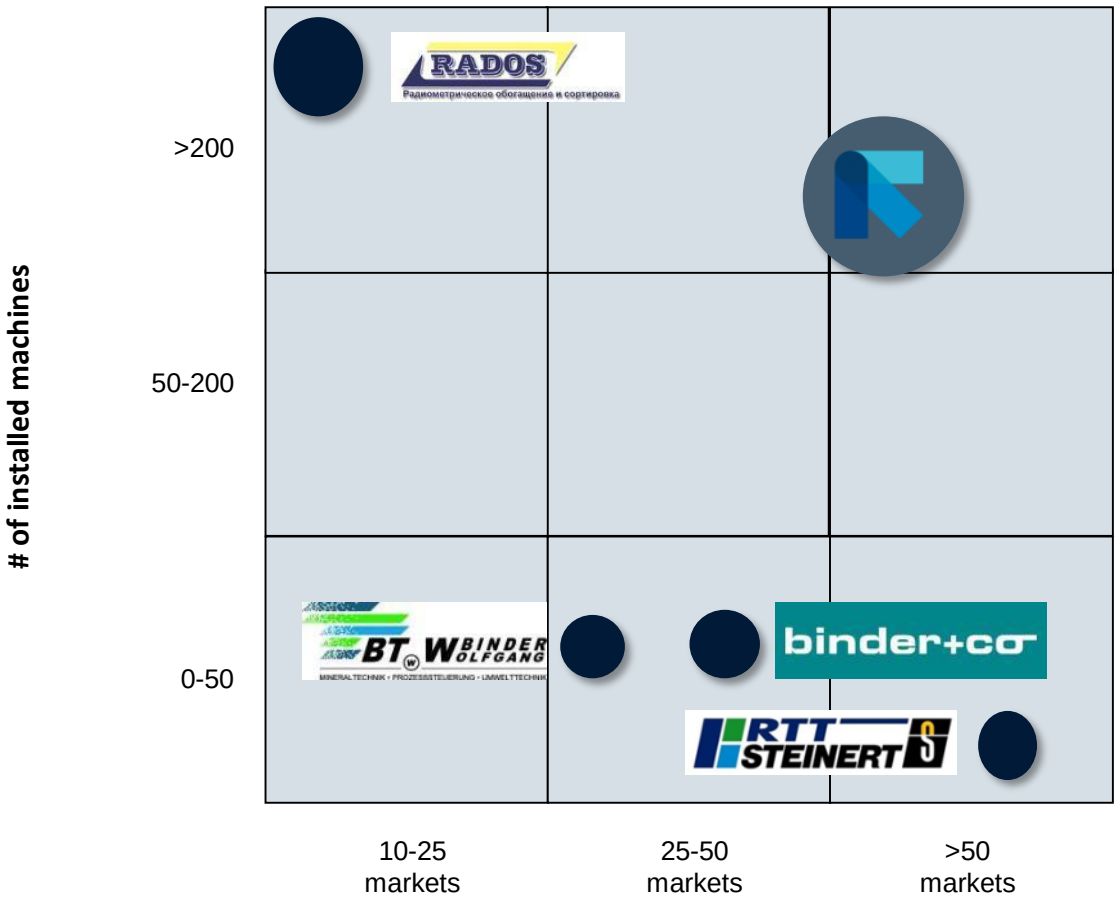
Mining process:
Metal mining



Current segment

Potential new segment

MINING COMPETITIVE LANDSCAPE



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%**

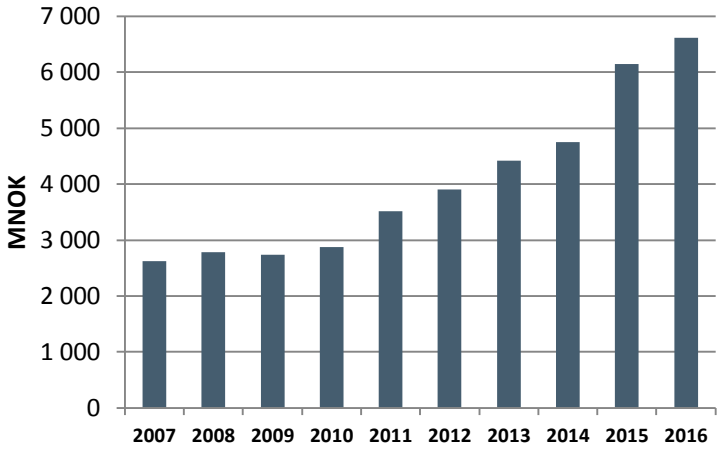
Source: TOMRA estimates and analysis

Historical financial performance

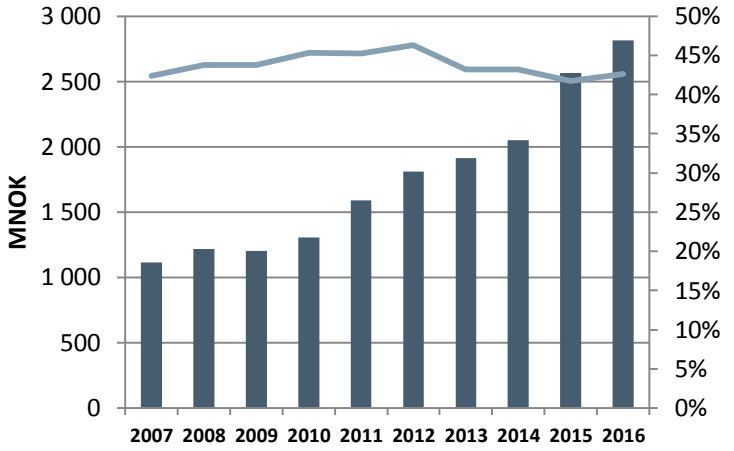


KEY FINANCIALS DEVELOPMENT

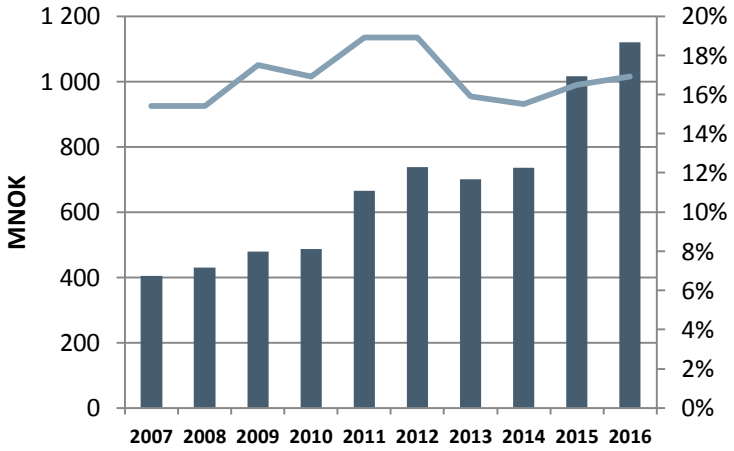
Revenues



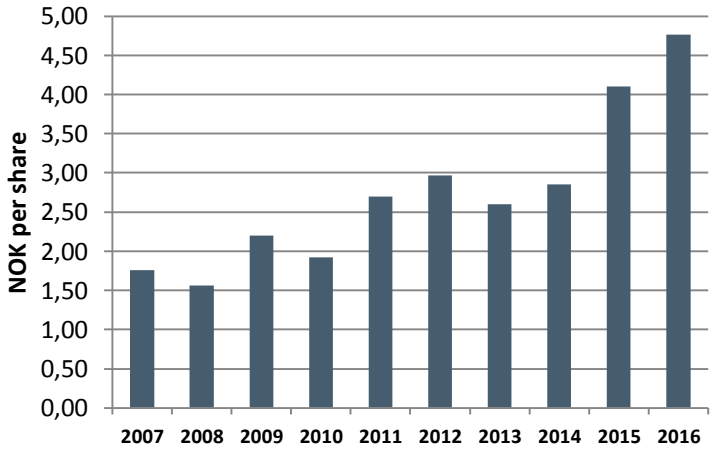
Gross Contribution and margin



EBITA and margin



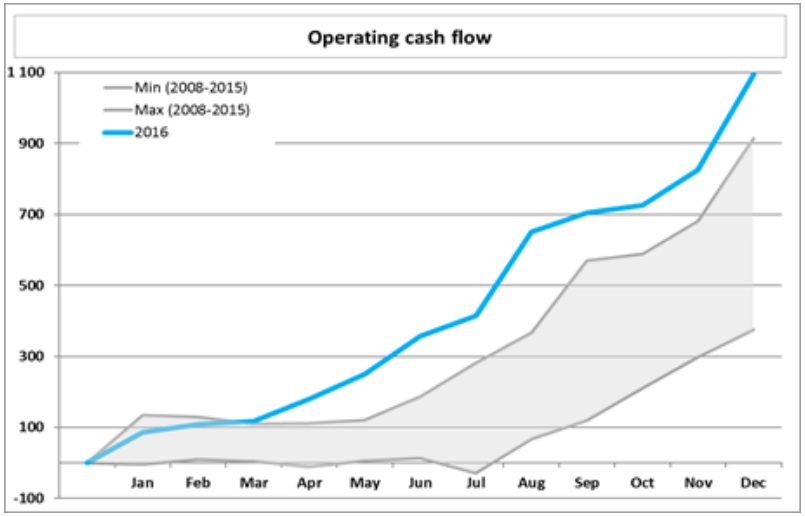
Earnings per share



EPS from continued operations, excluding other items

FINANCIAL HIGHLIGHTS
BALANCE SHEET, CASH FLOW AND CAPITAL STRUCTURE

Amounts in NOK million	31 Dec 2016	31 Dec 2015
ASSETS	**7,115**	**7,318**
• Intangible non-current assets	2,750	2,816
• Tangible non-current assets	801	721
• Financial non-current assets	342	309
• Inventory	1,127	1,158
• Receivables	1,696	1,918
• Cash and cash equivalents	399	396
LIABILITIES AND EQUITY	**7,115**	**7,318**
• Equity	4,192	3,648
• Minority interest	178	136
• Interest bearing liabilities	760	1,439
• Non-interest bearing liabilities	1,985	2,095



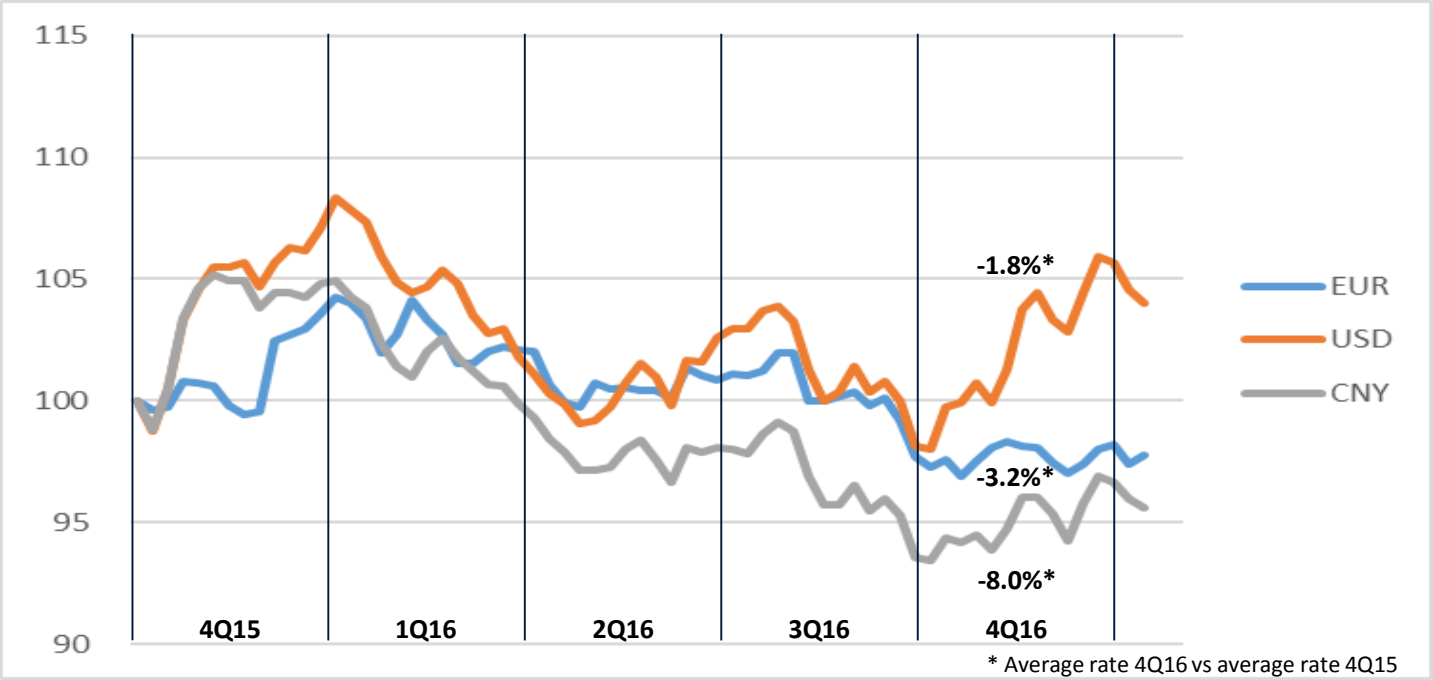
Ordinary cashflow from operations

- 390 MNOK (343 MNOK in 4Q 2015)

Solidity

- 59% equity
- NIBD/EBITDA = 0.3x (Rolling 12 months)

CURRENCY



* Average rate 4Q16 vs average rate 4Q15

Some negative impact from currencies in 4Q16 vs 4Q15

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**

Including CNY

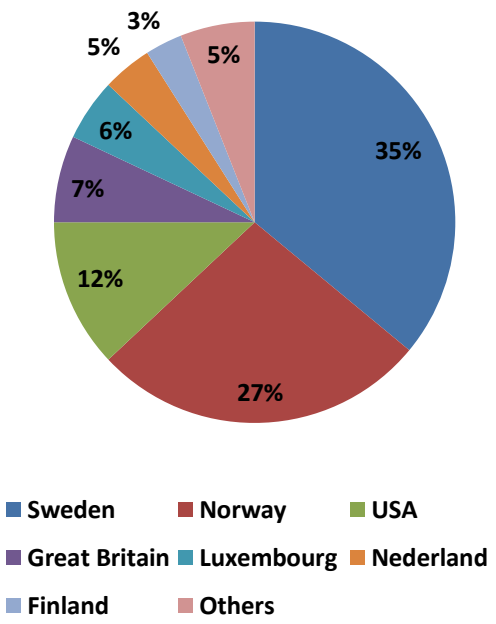
TOMRA SHAREHOLDER STRUCTURE

Top 10 shareholders as of 31st of December 2016

1	Investment AB Latour	38 130 000	25.8%	
2	Folketrygdfondet	9 529 819	6.4%	
3	The Bank of New York BNYM, Stitching Dep	7 845 000	5.3%	(NOM)
4	Skandinaviska Enskilda A/C Clients account	4 055 568	2.7%	(NOM)
5	Goldman Sachs & Co	3 395 592	2.3%	(NOM)
6	Clearstream Banking	2 751 495	1.9%	(NOM)
7	The Bank of New York BNYM	2 612 603	1.8%	(NOM)
8	Nordea Nordic Small	2 349 276	1.6%	
9	Odin Norge	2 280 188	1.5%	
10	Danske invest Norske C/O Danske Capital A	2 219 530	1.5%	
	Sum Top 10	**75 169 071**	**50.8%**	
	Other shareholders	**72 851 007**	**49.2%**	
	TOTAL (5,595 shareholders)	**148 020 078**	**100.0%**	

Source: VPS

Shareholders by country



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