4TH QUARTER 2014
RESULTS ANNOUNCEMENT

TOMRA SYSTEMS ASA
18th February 2015

HIGHLIGHTS FROM THE QUARTER INCLUDE

Revenues	• All time high **Revenues of 1,400 MNOK** (1,169 MNOK in fourth quarter 2013) Currency adjusted revenues were: - Up 13% for TOMRA Group - Up 10% in TOMRA Collection Solutions - Up 18% in TOMRA Sorting Solutions
Gross margin	• **Gross margin 44%**, unchanged from fourth quarter 2013 - Stable margin in TOMRA Collection Solutions - Stable margin in TOMRA Sorting Solutions
Operating expenses	• **Operating expenses of 344 MNOK** (313 MNOK in fourth quarter 2013) - Up 3% adjusted for currency and one time costs
EBITA	• All time high **EBITA of 266 MNOK** (199 MNOK in fourth quarter 2013)
Cashflow	• **Cashflow from operations of 312 MNOK** (234 MNOK in fourth quarter 2013)
TOMRA Collection Solutions	• Strong performance in all markets • **Compaction** divested
TOMRA Sorting Solutions	• All time high **order intake of 568 MNOK**, compared to 509 MNOK same period last year • **Order backlog of 657 MNOK**, down from 672 MNOK at the end of third quarter 2014

HIGHLIGHTS FROM 2014

Revenues

- **Revenues of 4,749 MNOK** (4,421 MNOK in 2013) Currency adjusted revenues were:
  - Up 2% for TOMRA Group
  - Up 1% in TOMRA Collection Solutions
  - Up 3% in TOMRA Sorting Solutions

Gross margin

- **Gross margin 43%**, unchanged from 2013
  - Stable margin in TOMRA Collection Solutions
  - Stable margin in TOMRA Sorting Solutions

Operating expenses

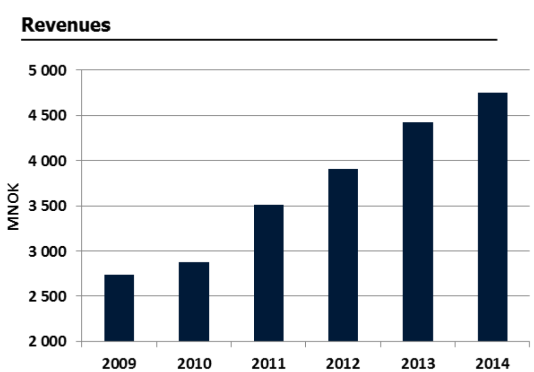
- **Operating expenses 1,313 MNOK** (1,210 MNOK in 2013)
  - Up 1% adjusted for currency and one time costs

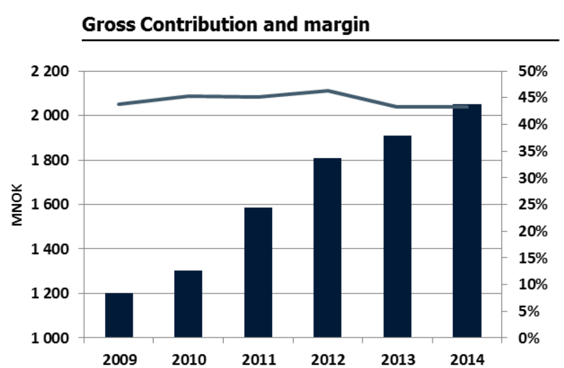
EBITA

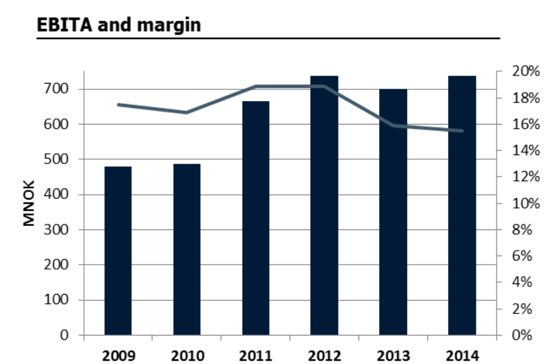
- **EBITA of 737 MNOK** (701 MNOK in 2013)

Cashflow

- **Cashflow from operations of 696 MNOK** (567 MNOK in 2013)







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**

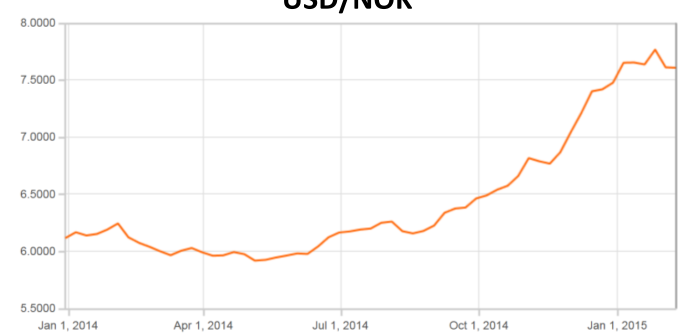
EUR/NOK

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**

USD/NOK



TOMRA

TOMRA COMPACTION

- TOMRA acquired Orwak Group in 2005.
- Orwak (later named TOMRA Compaction) has been a business stream within TOMRA Collection Solutions, leveraging potential front-end synergies (sales and service) based on overlapping customer segments
- Actual synergies between compaction and reverse vending have proven to be insignificant.
- TOMRA’s former strategy of providing recycling technology equipment has changed into creating sensor-based solutions for optimal resource productivity
- As a consequence of TOMRA’s strategic shift and the lack of tangible synergies between Compaction and reverse vending solutions, TOMRA has divested TOMRA Compaction (Orwak).
- Agreement signed 12 December 2014, Transaction closed 30 January 2015
- Buyer: San Sac Nordic AB, owned by investment fund Accent Equity 2012
- TOMRA to continue as distributor in five markets in a period of up to two years

DISCONTINUED OPERATIONS

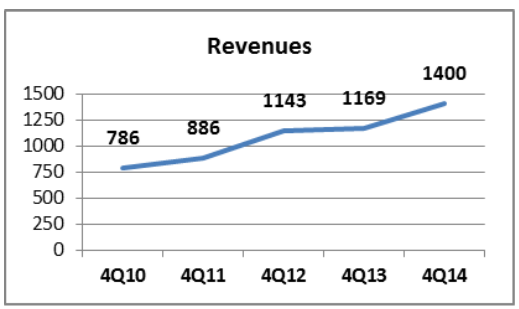
	2014			2013		
	TOTAL	TOMRA Compaction	Continued operations	TOTAL	TOMRA Compaction	Continued operations
Operating revenues	**4 953,1**	**204,1**	**4 749,0**	**4 602,1**	**181,1**	**4 421,0**
Cost of goods sold	2 765,3	129,1	2 636,2	2 562,3	113,1	2 449,2
Depreciations/write-down	63,3	-	63,3	60,9	-	60,9
Gross contribution	**2 124,5**	**75,0**	**2 049,5**	**1 978,9**	**68,0**	**1 910,9**
Operating expenses	1 290,4	65,2	1 225,2	1 180,9	59,7	1 121,2
Depreciations/write-down	91,6	3,8	87,8	92,0	3,3	88,7
EBITA	**742,5**	**6,0**	**736,5**	**706,0**	**5,0**	**701,0**
Amortizations	110,4	1,4	109,0	105,0	1,3	103,7
EBIT	**632,1**	**4,6**	**627,5**	**601,0**	**3,7**	**597,3**
Net financial income	(24,1)	-	(24,1)	(39,9)	-	(39,9)
Profit before tax	**608,0**	**4,6**	**603,4**	**561,1**	**3,7**	**557,4**
Taxes	149,7	1,3	148,4	139,0	1,0	138,0
Profit from continuing operations	**458,3**	**3,3**	**455,0**	**422,1**	**2,7**	**419,4**
Discontinued operations	(64,0)	(3,3)	(60,7)	(9,7)	(2,7)	(7,0)
Net profit	**394,3**	**-**	**394,3**	**412,4**	**-**	**412,4**
Non-Controlling interest (Minority interest)	(33,4)	-	(33,4)	(35,7)	-	(35,7)
Earnings per share (EPS)	2,44	-	2,44	2,55	-	2,55

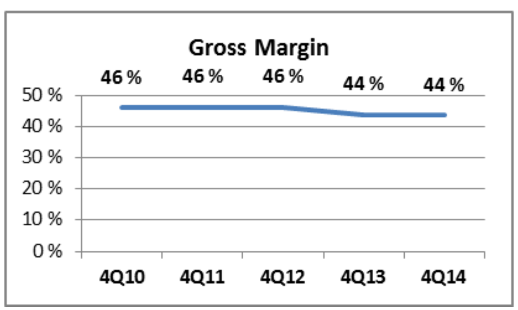
- Sales price of 110 MSEK, net of cash and interest bearing debt
- Loss of 64 MNOK recorded in 4Q2014

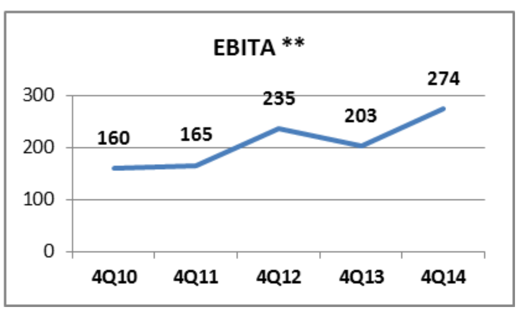
- Compaction business classified as discontinued operations
- Assets and liabilities classified as “held for sale”

FINANCIAL HIGHLIGHTS
P&L STATEMENT

Continuing operations	4th Quarter			YTD		
Amounts in NOK million	**2014**	**2013**	**13 Adj***	**2014**	**2013**	**13 Adj***
Revenues	**1,400**	**1,169**	**1,241**	**4,749**	**4,421**	**4,663**
• Collection Solutions	817	701	746	2,823	2,637	2,786
• Sorting Solutions	583	468	495	1,926	1,784	1,877
Gross contribution	**610**	**512**	**546**	**2,050**	**1,911**	**2,012**
in %	*44%*	*44%*	*44%*	*43%*	*43%*	*43%*
Operating expenses	344	313	329	1,313	1,210	1,275
EBITA	**266**	**199**	**217**	**737**	**701**	**737**
in %	*19%*	*17%*	*17%*	*16%*	*16%*	*16%*
One time costs included in operating expenses	*8*	*4*	*4*	*33*	*12*	*12*





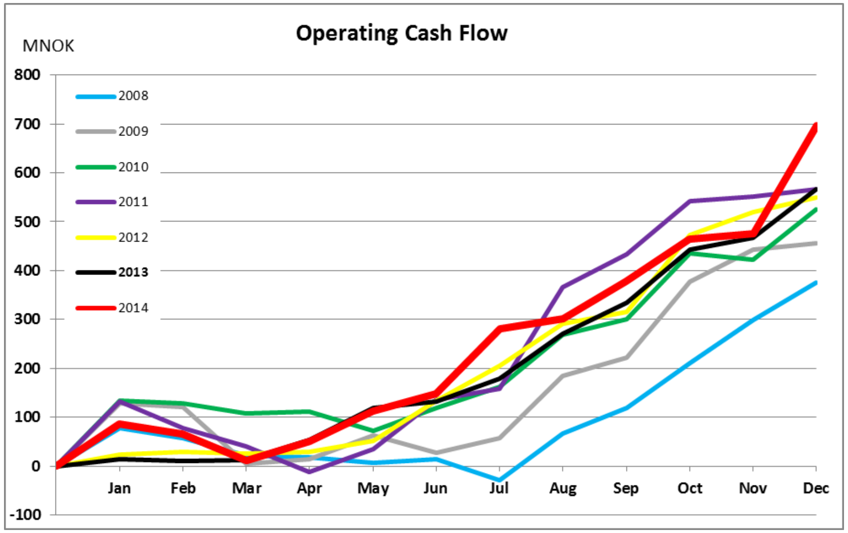


*2013 actual restated at 2014 exchange rates, estimated

** Adjusted for one-time costs

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	-



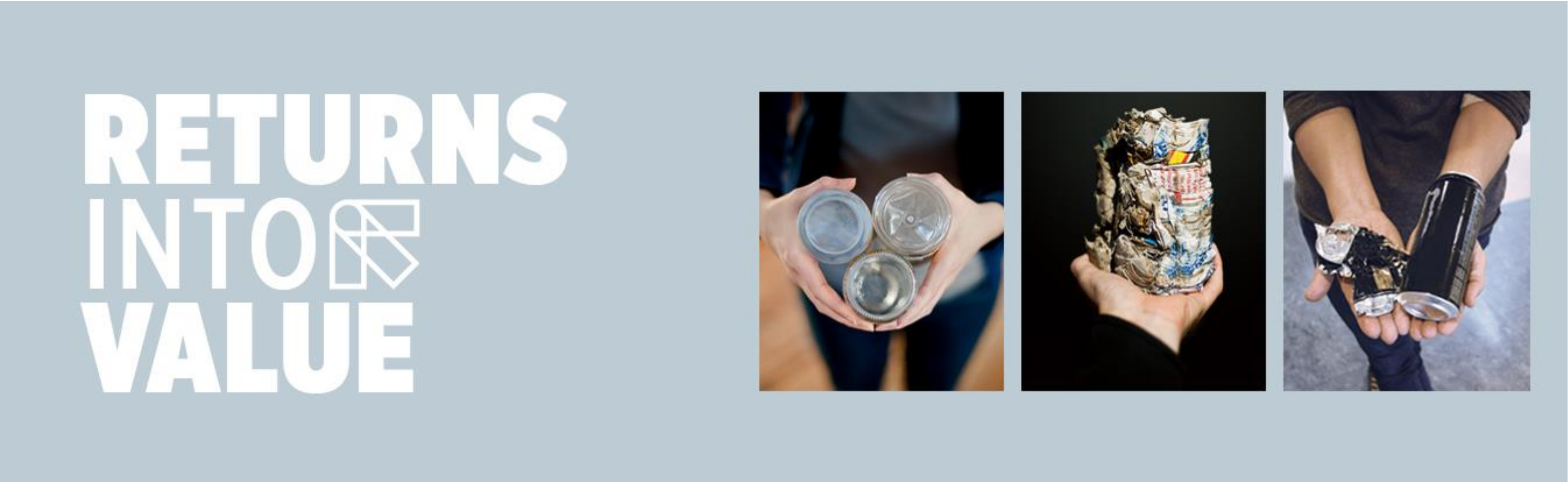
Ordinary cashflow from operations in 4Q

- 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)

TOMRA Collection Solutions

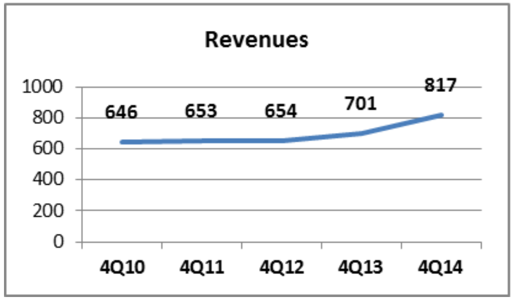


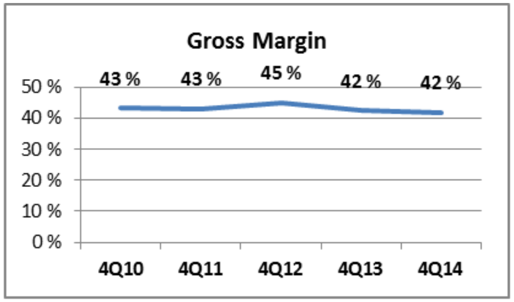
HIGHLIGHTS COLLECTION SOLUTIONS

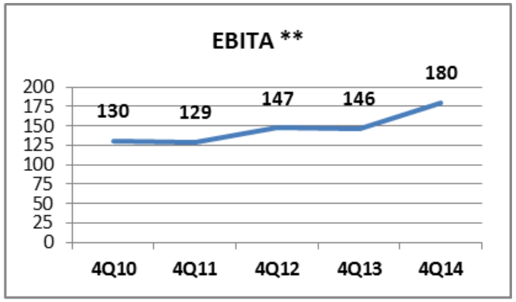
	4Q 2014	FULL YEAR 2014
Overall	• **Revenues equaled 817 MNOK** in fourth quarter 2014, up from 701 MNOK in fourth quarter 2013. Revenues were up 10% in local currencies • **Gross margin was 42%** in the quarter, unchanged from same period last year • Operating expenses was 170 MNOK, up 10 MNOK from same quarter last year (currency adjusted). Negatively influenced by one-time costs of 8 MNOK • **EBITA** increased from 146 MNOK to **172 MNOK**	• **Revenues equaled 2,823 MNOK** in 2014, up from 2,637 MNOK in 2013. Adjusted for currency, revenues increased by 1% • **Gross margin was 42%**, unchanged from last year • Operating expenses was 628 MNOK, up 2 MNOK from last year (currency adjusted) • **EBITA** increased from 526 MNOK to **561 MNOK** due to stronger EUR and USD
Europe	• Currency adjusted revenues were up 9% in Europe • Increased activity in all regions, particularly strong in Germany	• Stable sales in regions (in local currencies) • T9 well received • New markets in Croatia and Lithuania
US	• Currency adjusted revenues up 10% in USA • Flat through-put volumes • Stronger machine sales	• Stable overall performance in the US • Increased activities within Material Recovery offsets slower activities within RVM

COLLECTION SOLUTIONS FINANCIALS

Continuing operations	4th Quarter			YTD		
Amounts in NOK million	**2014**	**2013**	**13 Adj***	**2014**	**2013**	**13 Adj***
Revenues	**817**	**701**	**746**	**2,823**	**2,637**	**2,786**
• Nordic	*125*	*92*		*417*	*402*	
• Central Europe & UK	*385*	*361*		*1,272*	*1,196*	
• Rest of Europe	*1*	*1*		*8*	*3*	
• US East/Canada	*298*	*245*		*1,094*	*1,018*	
• Rest of the world	*8*	*2*		*32*	*18*	
Gross contribution	**342**	**297**	**319**	**1,189**	**1,113**	**1,184**
in %	*42%*	*42%*	*43%*	*42%*	*42%*	*42%*
Operating expenses	170	151	160	628	587	618
EBITA	**172**	**146**	**159**	**561**	**526**	**566**
in %	*21%*	*21%*	*21%*	*20%*	*20%*	*20%*
One time costs included in operating expenses	*8*	-	-	*8*	-	-







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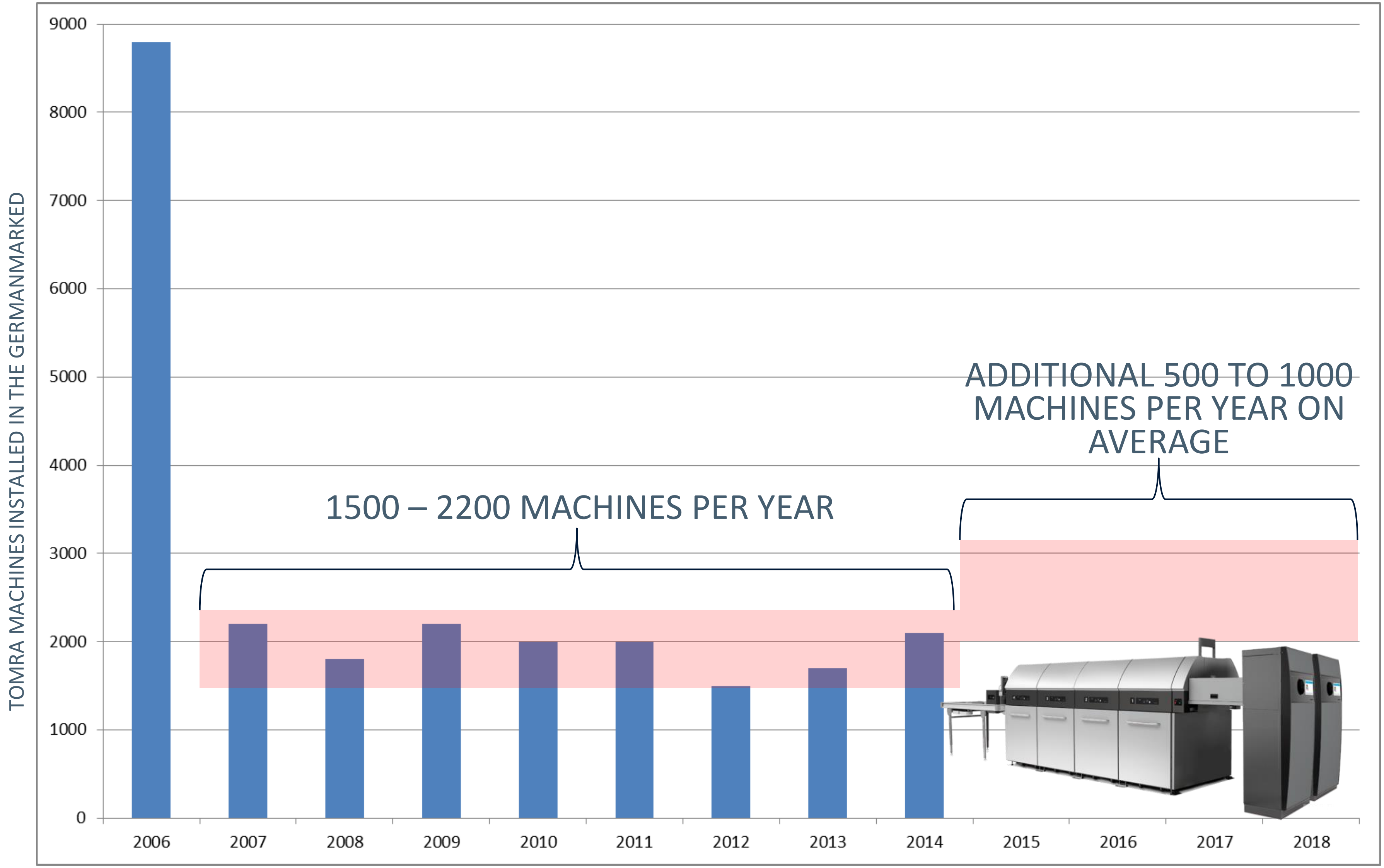
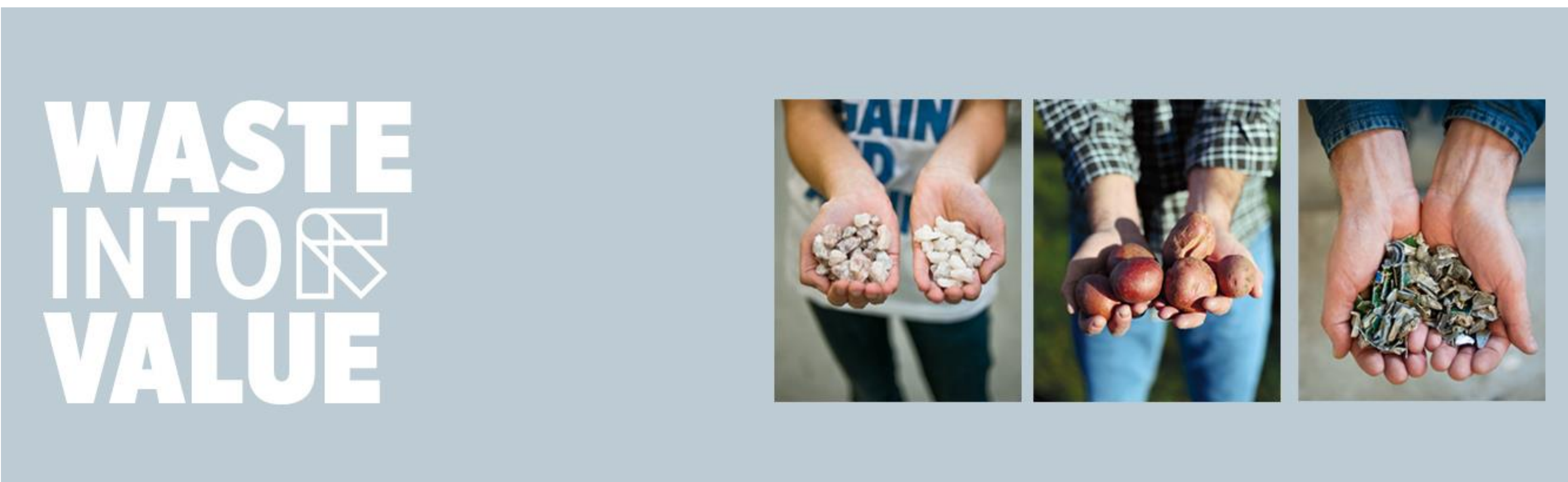
GERMANY REPLACEMENT



TOMRA Sorting Solutions

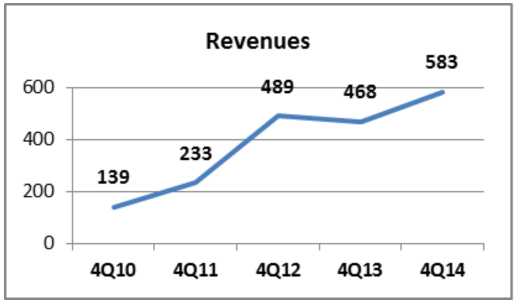


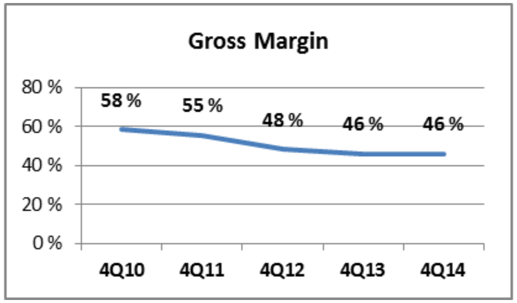
HIGHLIGHTS SORTING SOLUTIONS

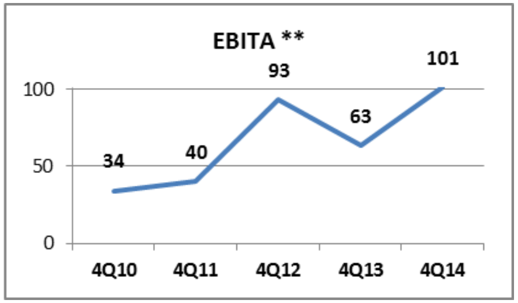
	4Q 2014	FULL YEAR 2014
Overall	• **Revenues equaled 583 MNOK** in fourth quarter 2014, up from 468 MNOK in fourth quarter 2013. Revenues were up 18% in local currencies • **Gross margin was 46%** in the quarter, unchanged from same period last year • Operating expenses was 167 MNOK, up from 163 MNOK same quarter last year (currency adjusted). • **EBITA** increased from 64 MNOK to **101 MNOK** (currency adjusted)	• **Revenues equaled 1,926 MNOK** in 2014, up from 1,784 MNOK in 2013. Adjusted for currency, revenues increased by 3% • **Gross margin was 45%**, unchanged from last year • Operating expenses was 657 MNOK, up from 633 MNOK last year (currency adjusted), negatively influenced by 25 MNOK in one-time costs • **EBITA** increased from 195 MNOK to **204 MNOK** (currency adjusted)
Orders	• All time high **order intake of 568 MNOK**, compared to 509 MNOK same period last year • **Order backlog of 657 MNOK**, down from 672 MNOK at the end of third quarter 2014	• Strong increase in order intake in 2014 vs 2013 • Order backlog of **657 MNOK**, compared to NOK 475 MNOK at the end 2013
Other	• Strong quarter in all business streams	• Improved revenues within Recycling and Mining, slightly down in Food (due to lower order backlog in the beginning of the year)

SORTING SOLUTIONS FINANCIALS

	4th Quarter			YTD		
Amounts in NOK million	**2014**	**2013**	**13 Adj***	**2014**	**2013**	**13 Adj***
Revenues	**583**	**468**	**495**	**1,926**	**1,784**	**1,877**
• Nordic	*8*	*13*		*17*	*33*	
• Central Europe & UK	*205*	*131*		*626*	*554*	
• Rest of Europe	*104*	*56*		*244*	*135*	
• US East/Canada	*106*	*122*		*576*	*577*	
• Rest of the world	*160*	*146*		*463*	*485*	
Gross contribution	**268**	**215**	**227**	**861**	**798**	**828**
in %	*46%*	*46%*	*46%*	*45%*	*45%*	*44%*
Operating expenses	167	156	163	657	599	633
EBITA	**101**	**59**	**64**	**204**	**199**	**195**
in %	*17%*	*13%*	*13%*	*11%*	*11%*	10%
One time costs included in operating expenses	-	*4*	*4*	*25*	*12*	*12*







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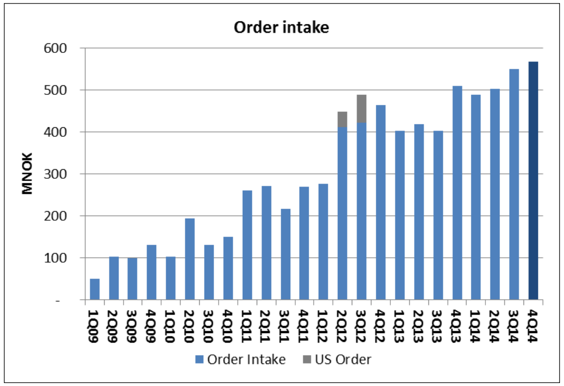
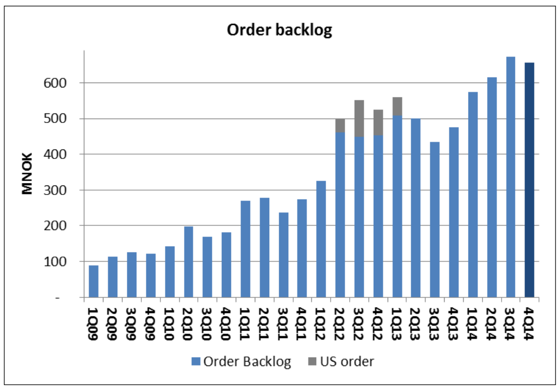
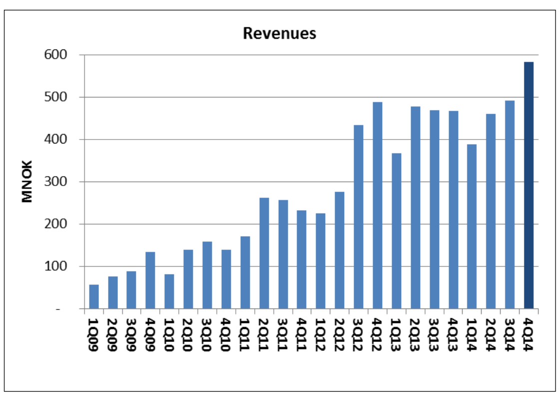
** Adjusted for one-time costs

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%*

TOMRA

*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

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:

- Activity in Collection Solutions is assumed to be higher in 2015 than in 2014.
- However, due to timing of orders, first quarter 2015 is expected to be somewhat weaker than first quarter 2014 whereas second half is expected to be stronger than prior year..

Sorting Solutions:

- Improved backlog by the end of 2014 compared to end of 2013, indicates better momentum in TOMRA Sorting.
- Due to timing of installations, the conversion rate (order taken to P/L compared to order backlog) is expected to be low in first quarter 2015. Revenues is consequently expected to be in line with first quarter 2014.

Q&A

TOMRA SHAREHOLDER STRUCTURE

Top 10 shareholders as of 6th of January 2015

1	Investment AB Latour	36 560 000	24,7 %	
2	Folketrygdfondet	15 232 640	10,3 %	
3	Jupiter European Fund	6 079 651	4,1 %	
4	Skandinaviska Enskil A/C Clients account	5 407 010	3,7 %	(NOM)
5	Nordea Nordic Small	4 438 693	3,0 %	
6	ODIN Norge	3 542 532	2,4 %	
7	The Bank of New York BNY Mellon	2 910 431	2,0 %	(NOM)
8	Verdipapirfondet DNB	2 737 868	1,8 %	
9	Clearstream Banking	2 382 602	1,6 %	(NOM)
8	Skandinaviska Enskil A/C Finnish Resident	2 285 518	1,5 %	(NOM)
	Sum Top 10	**81 576 945**	**55.1%**	
	Other shareholders	**66 443 133**	**44.9%**	
	TOTAL (5,763 shareholders)	**148 020 078**	**100.0%**	

Source: VPS

Shareholders by country