

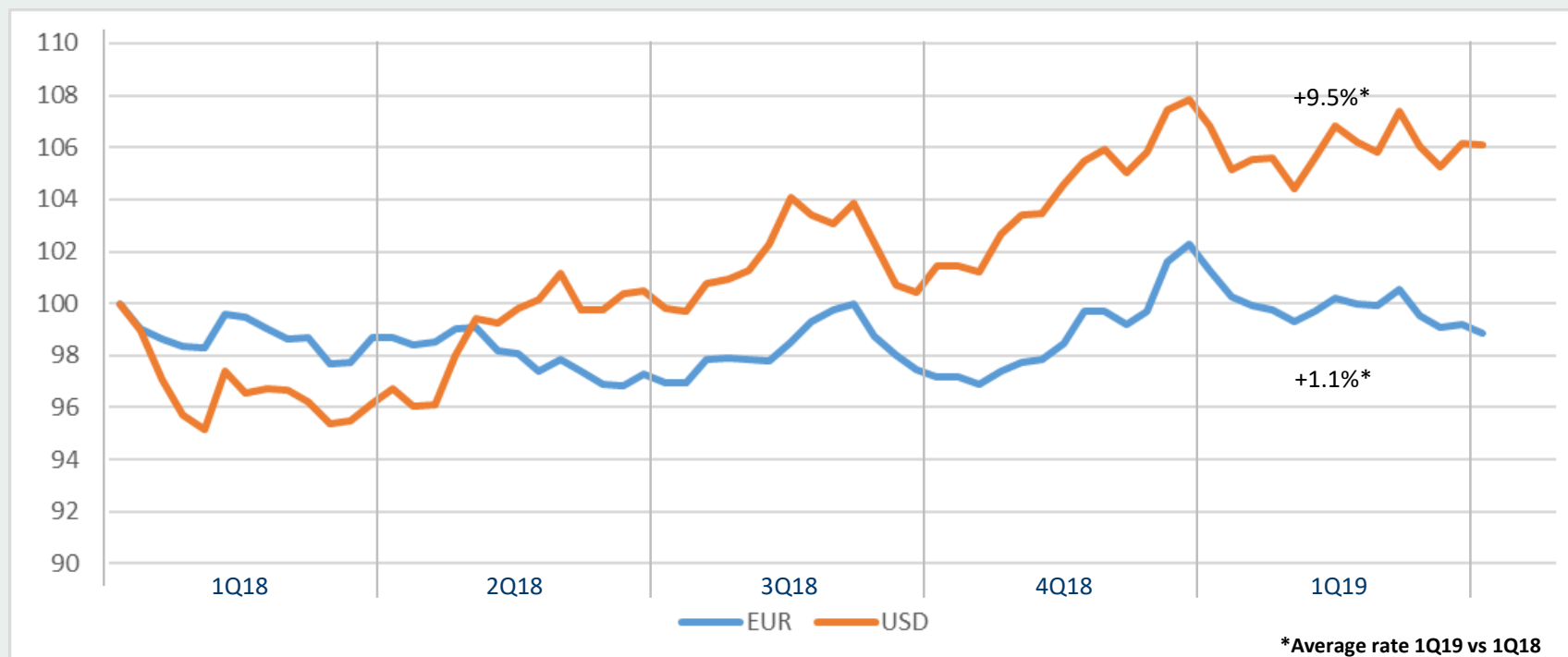
1st quarter 2019 results announcement

Highlights from the quarter

Revenues	• Revenues of 2,081 MNOK (1,754 MNOK in first quarter 2018) – up 19% Adjusted for currency and acquisitions, revenues were: - Up 14% for TOMRA Group - Up 8% in TOMRA Collection Solutions - Up 20% in TOMRA Sorting Solutions
Gross margin	• Gross margin 42%, up from 41% in first quarter 2018 - Improved margins in TOMRA Sorting Solutions
Operating expenses	• Operating expenses of 667 MNOK (580 MNOK in first quarter 2018) - Higher activity - BBC acquired in March 2018 - Currencies
EBITA	• EBITA of 207 MNOK – up 46% from first quarter 2019 - Positive effect from IFRS 16 of 7 MNOK
Cash flow	• Cash flow from operations of 229 MNOK (120 MNOK in first quarter 2018) - Positive effect from IFRS 16 with 64 MNOK
TOMRA Collection Solutions	• Strong revenues growth in Australia • Preparations for new deposit markets ongoing
TOMRA Sorting Solutions	• Order intake of 1,104 MNOK, down from 1,188 MNOK same period last year. - Improved in Recycling, offset by weaker in Food • Order backlog of 1,464 MNOK, down from 1,515 MNOK at the end of first quarter 2018



Currency



Positive impact
from stronger USD
vs EUR in TSS

Revenues and expenses per currency:

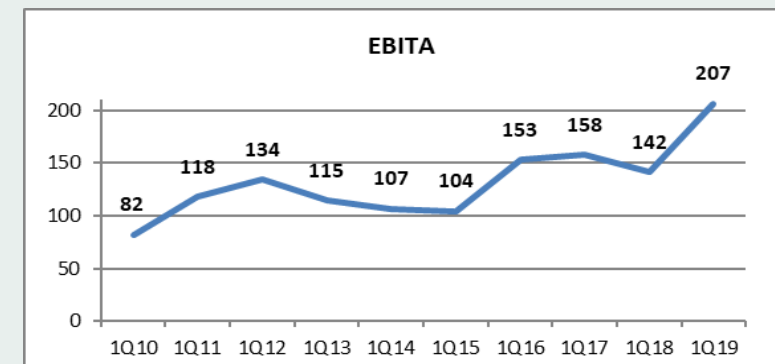
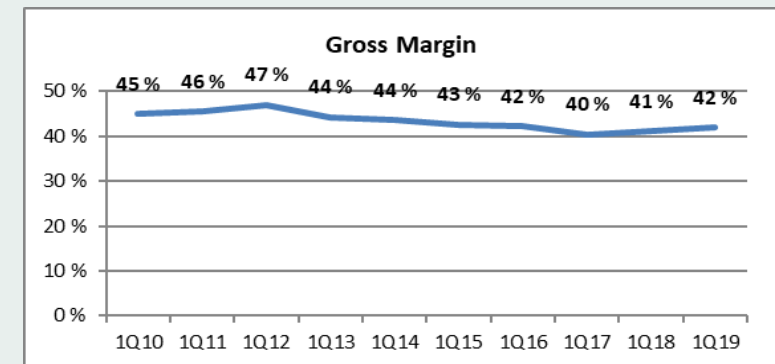
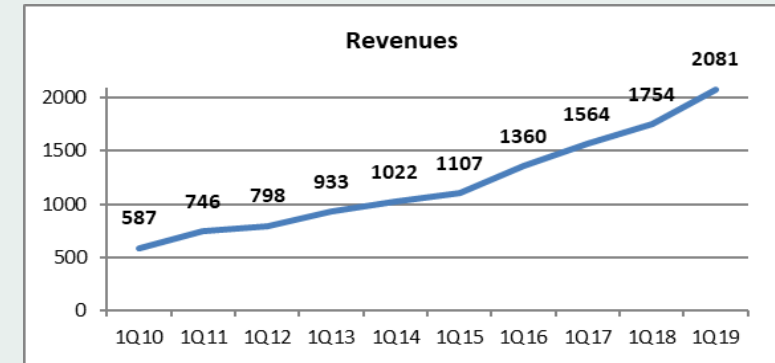
	EUR*	USD	NOK	NZD	OTHER	TOTAL
Revenues	45 %	45 %	0 %	0 %	10 %	100 %
Expenses	40 %	30 %	5 %	5 %	20 %	100 %
EBITA	50 %	100 %	- 20 %	- 20 %	-10 %	100 %

* EUR includes DKK

NOTE: Rounded figures

Financial highlights | P&L statement

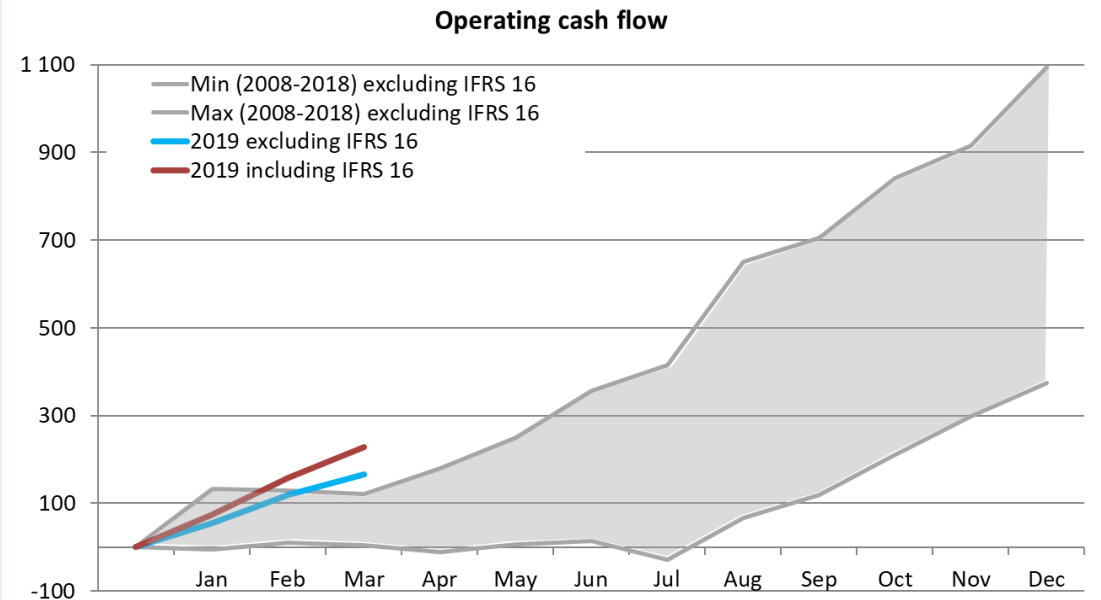
1 st Quarter			
Amounts in NOK million	2019	2018	18 Adj*
Revenues	2,081	1,754	1,815
Collection Solutions	1,042	934	962
Sorting Solutions	1,039	820	853
Gross contribution	874	722	749
in %	42%	41%	41%
Operating expenses	667	580	595
EBITA	207	142	154
in %	10%	8%	8%



Financial highlights | Balance sheet, cash flow and capital structure

* Excluding IFRS 16

Amounts in NOK million	31 Mar 2019	31 Mar 2018 *	31 Dec 2018 *
ASSETS	10,695	8,808	9,595
Intangible non-current assets	3,765	3,673	3,821
Tangible non-current assets	2,281	996	1,276
Financial non-current assets	343	350	340
Inventory	1,563	1,276	1,447
Receivables	2,267	1,917	2,314
Cash and cash equivalents	476	596	397
LIABILITIES AND EQUITY	10,695	8,808	9,595
Equity	5,060	4,493	5,077
Minority interest	161	143	159
Interest bearing liabilities	2,588	1,668	1,524
Non-interest bearing liabilities	2,886	2,504	2,835



Ordinary cashflow from operations

- 229 MNOK (120 MNOK in first quarter 2018)
 - Positive effect from IFRS 16 of 64 MNOK

Solidity

- 47% equity
- NIBD/EBITDA = 0.7x (Rolling 12 months), ex IFRS 16 effects

Dividend: The AGM approved 6th of May a dividend of NOK 2.50 (ordinary) + NOK 2.00 (extraordinary), to be paid out around 20th of May 2019

IFRS 16

Limited impact on P/L

P/L

	1Q19		
	Before	IFRS 16	After
Revenues	2 080,5		2 080,5
Cost of goods sold	1 209,7	(2,7)	1 207,0
Gross contribution	870,8	2,7	873,5
- in %	41,9 %		42,0 %
Operating expenses	671,6	(4,7)	666,9
EBITA	199,2	7,4	206,6
- in %	9,6 %		9,9 %
Amortizations	52,0		52,0
EBIT	147,2	7,4	154,6
Net finance	2,1	(9,5)	(7,4)
Profit before tax	149,3	(2,1)	147,2
Taxes	35,8	(0,5)	35,3
Net profit	113,5	(1,6)	111,9
Minority interest	(4,0)		(4,0)
EPS	0,74	(0,01)	0,73

Specifications COGS/op.exp. effects:

Lease expenses under COGS	30,9	(30,9)	0,0
Depreciations under COGS	45,1	28,2	73,3
Total COGS effect	76,0	(2,7)	73,3
Lease expenses under op.exp.	33,1	(33,1)	0,0
Depreciations under op.exp.	36,6	28,4	65,0
Total op.exp. effect	69,7	(4,7)	65,0

EBITDA	280,9	64,0	344,9
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10% B/S increase

B/S

	31 March 2019		
	Before	IFRS 16	After
Intangible non-current assets	3 752,8	12,2	3 765,0
Tangible non-current assets	1 287,2	993,5	2 280,7
Financial non-current assets	343,4		343,4
Inventory	1 563,2		1 563,2
Receivables	2 267,4		2 267,4
Cash	475,7		475,7
Total assets	9 689,7	1 005,7	10 695,4
Equity	5 098,4	(38,6)	5 059,8
Minority interest	161,7		161,7
Deferred taxes	196,2		196,2
Interest bearing liabilities	1 543,3	1 044,3	2 587,6
Other liabilities	2 690,1		2 690,1
Total liabilities and equity	9 689,7	1 005,7	10 695,4
Equity %	52,6 %		47,3 %

Specification of right-of-use assets:

- Buildings/land	786,3
- Cars	200,8
- Machines and equipment	6,4
TOTAL	993,5

NIBD / EBITDA (1Q19 x 4)	1,37	1,88
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Improved cash from operations

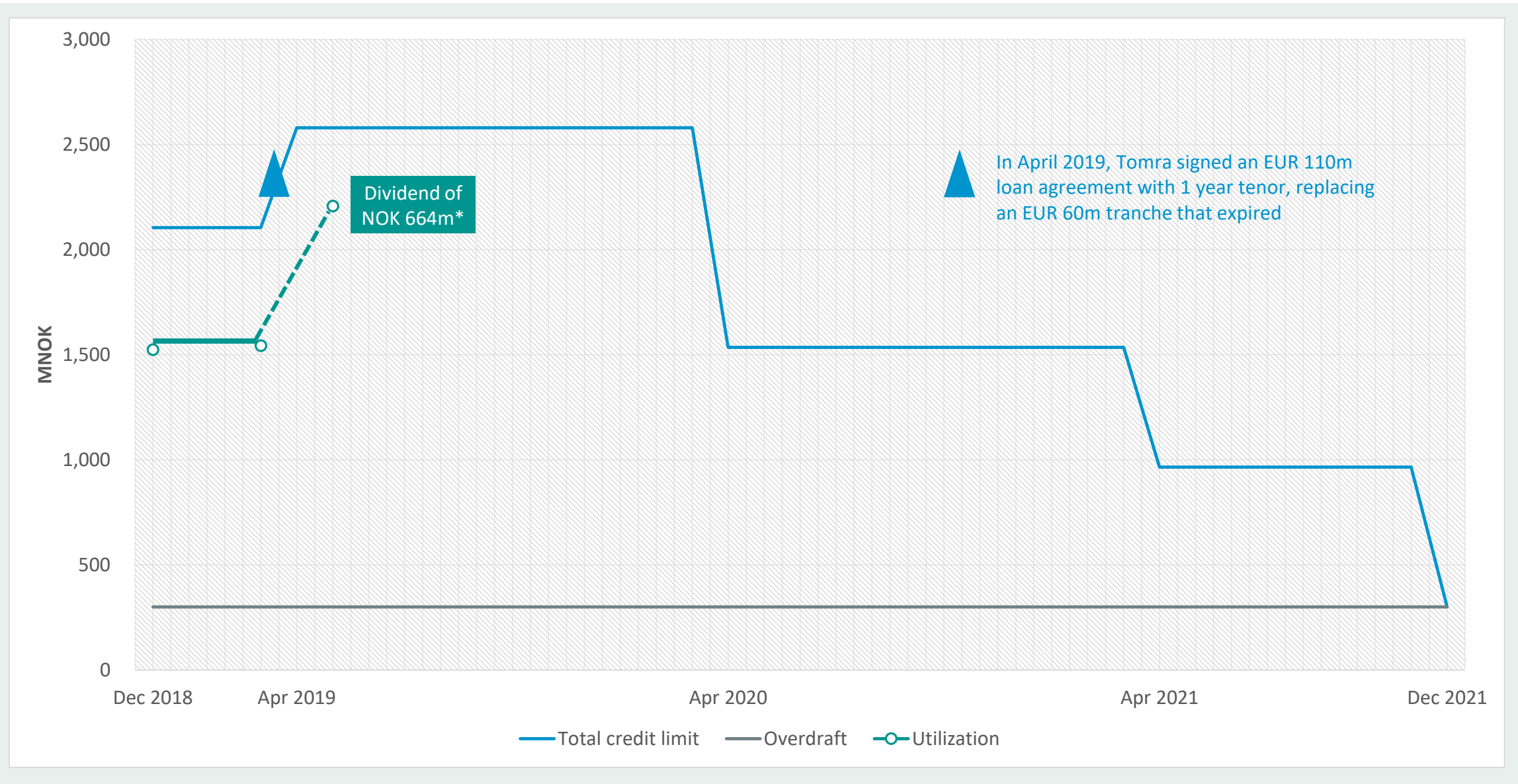
C/F

	1Q19		
	Before	IFRS 16	After
Profit before tax	149,3	(2,1)	147,2
Change in working capital	(52,2)		(52,2)
Other operating changes	67,9	66,1	134,0
Total cashflow from operations	165,0	64,0	229,0
Cashflow from investments	(136,5)	0,0	(136,5)
Cashflow from financing	68,9	(64,0)	4,9
Total cashflow for the period	97,4	0,0	97,4

Specifications of effects on C/F items:

Profit before tax	(2,1)
Other operating changes	2,1
Lease payments	64,0
Effect cashflow from operations	64,0
Effect on cashflow from investments	0,0
Lease payments	(64,0)
Effect on cashflow from financing	(64,0)

Financing structure





TOMRA COLLECTION SOLUTIONS



Highlights Collection Solutions

P/L

- **Revenues of 1,042 MNOK**, up from 934 MNOK in first quarter 2018
 - Revenues up 8% in local currencies, driven by higher activity in Australia
- **Gross margin was 40%** in the period
 - Unchanged from first quarter 2018
- **Operating expenses of 278 MNOK**, up from 253 MNOK in first quarter 2018
 - Ramp-up
 - Currencies
- **EBITA increased** from 121 MNOK to 139 MNOK

Europe

- Currency adjusted, revenues were down 2% in Europe
 - Somewhat down in Central/Eastern Europe, partly offset by higher revenues in Northern Europe

North America

- Currency adjusted, revenues were unchanged in North America
 - Overall stable performance in both machine sales and throughput volumes

Australia

- Strong growth in New South Wales
 - Ramp-up concluded in 2018
 - Good volumes in summer months
- Deposit introduced fourth Quarter 2018 in Queensland
 - First quarter 2019 first fully operational quarter with 10 Collection Refund Points

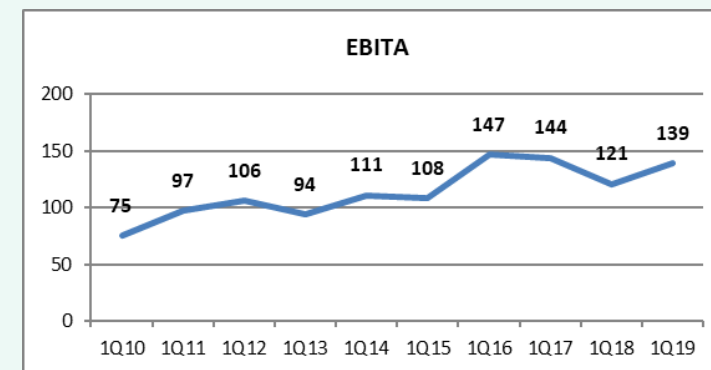
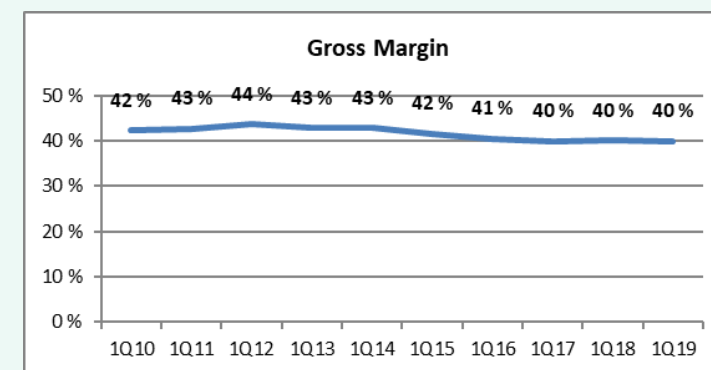
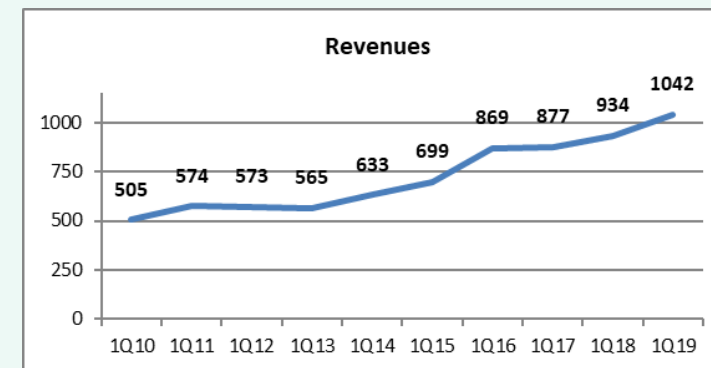


Initiatives on new container deposit markets

Western Australia	Scotland	Portugal	England
- Beverage containers accounts for 35% of all litter in WA - Deposit value: 0.1 AUD (150mL – 3L) - Draft position statement for collection infrastructure published in January 2019 - Ongoing selection of scheme coordinator role	- September 2017, First Minister Nicola Sturgeon announced a deposit return scheme for drink containers - Consultation round ended 25th of September 2018 - Minister of Environment to present deposit system proposal	- December 2018, the Government published a law establishing a system for return and deposit of beverage containers - Decree with details around the scheme to be worked out during 2019 - Pilot projects implemented during 2019	- March 2018, UK Environment Secretary Michael Gove announced plans for a deposit return scheme - December 2018, UK Waste and Resource Strategy was published - Consultation opened 18th of February 2019
			
Estimated Startup: Early 2020	Estimated Startup: Late 2020	Estimated Startup: Early 2022	Estimated Startup: 2023

Collection Solutions financials

1 st Quarter			
<i>Amounts in NOK million</i>	2019	2018	18 Adj*
Revenues	1,042	934	962
Northern Europe	152	148	
Europe (ex Northern)	391	409	
North America	353	322	
Rest of the world	146	55	
Gross contribution	417	374	381
<i>in %</i>	40%	40%	40%
Operating expenses	278	253	260
EBITA	139	121	121
<i>in %</i>	13%	13%	13%





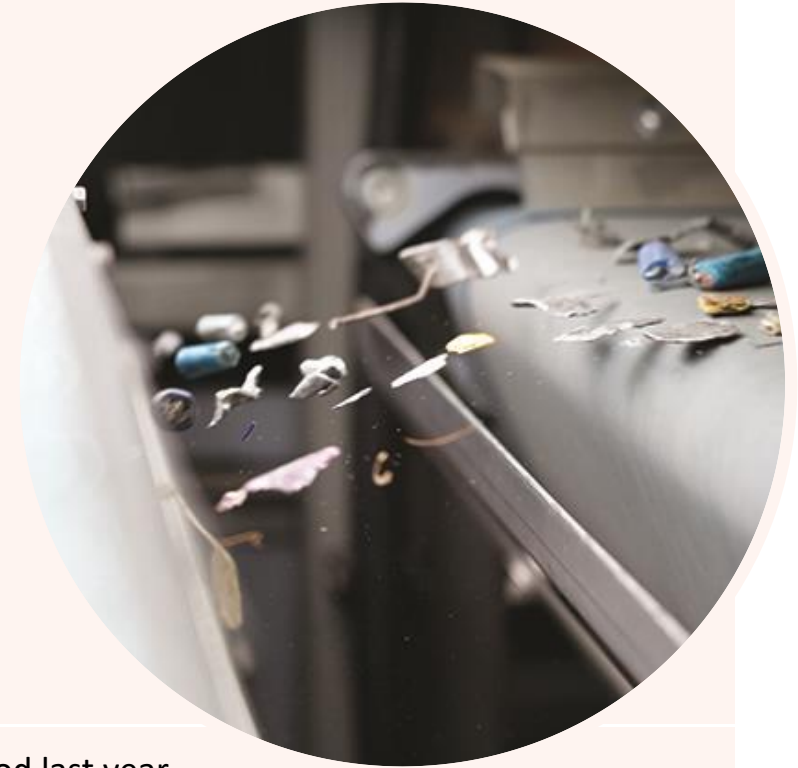
TOMRA SORTING SOLUTIONS



Highlights Sorting Solutions

P/L

- **Revenues** equaled **1,039 MNOK** in first quarter 2019, up from 820 MNOK in first quarter 2018
 - Adjusted for currency and acquisitions, revenues were up 20%
 - Includes BBC revenues of three months in 2019 (vs one month in 2018)
- **Gross margin 44%**
 - Up from 42% in first quarter 2018
- **Operating expenses** up from 307 MNOK to **365 MNOK**
 - Higher activity
 - BBC
 - Currency
- **EBITA of 92 MNOK** (41 MNOK in first quarter 2018)
 - Margin 9%, up from 5% in first quarter 2018



Orders

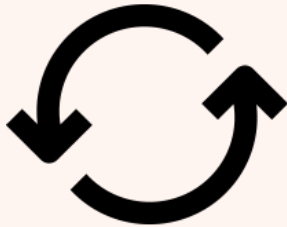
- **Order intake of 1,104 MNOK, down** from 1,188 MNOK same period last year
 - Improved in Recycling, offset by weaker in Food
- **Order backlog of 1,464 MNOK**, down from 1,515 MNOK at the end of first quarter 2018

Business stream update



FOOD

- Revenues in 1Q19 improved compared to 1Q18
- Order intake down in 1Q19, compared to a strong 1Q18
- Order backlog down end 1Q19 compared to end of 1Q18
 - Lower order intake in US and more orders taken to P/L during the quarter



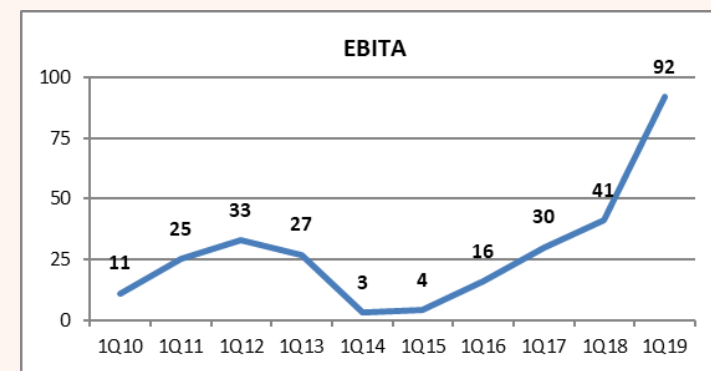
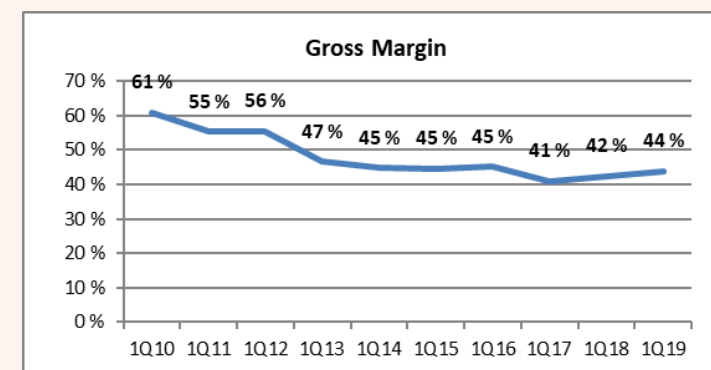
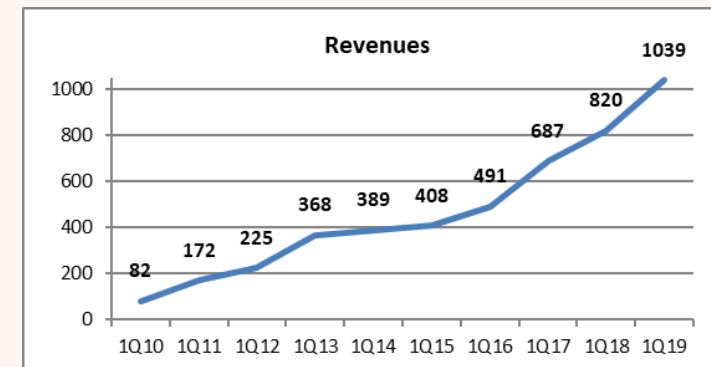
RECYCLING & MINING



- Strong growth in revenues in 1Q19 compared to 1Q18
- Order intake up 1Q19, compared to a strong intake in 1Q18
- Order backlog significantly up from end of 1Q18

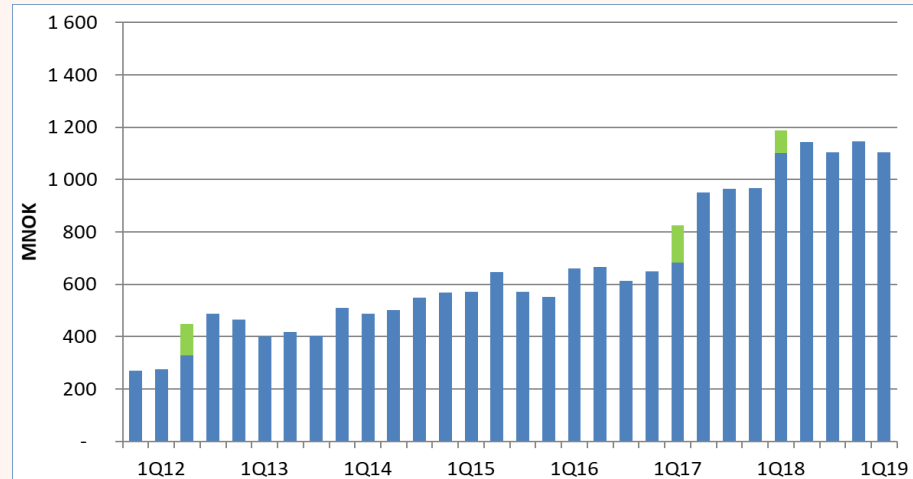
Sorting Solutions financials

1 st Quarter			
Amounts in NOK million	2019	2018	18 Adj*
Revenues	1,039	820	853
Europe	403	256	
North America	326	282	
South America	33	29	
Asia	149	115	
Oceania	88	86	
Africa	40	52	
Gross contribution	457	348	368
<i>in %</i>	44%	42%	43%
Operating expenses	365	307	315
EBITA	92	41	53
<i>in %</i>	9%	5%	6%

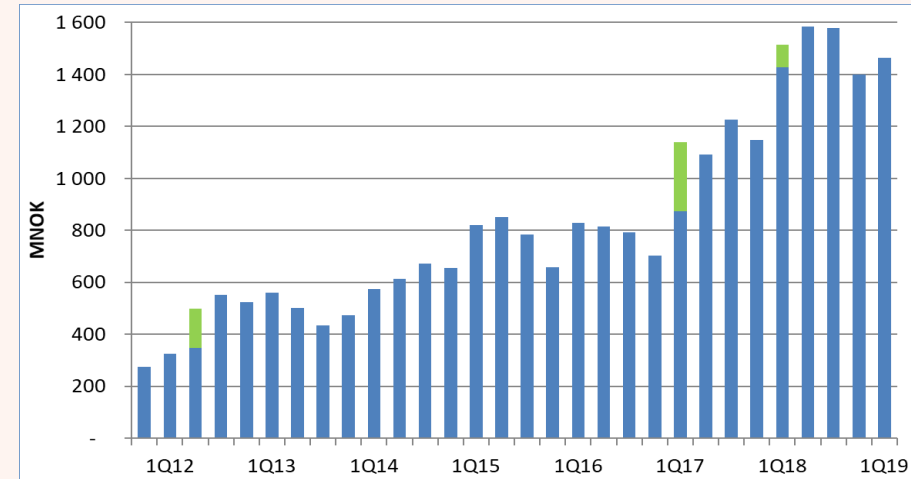


Development in order intake and order backlog

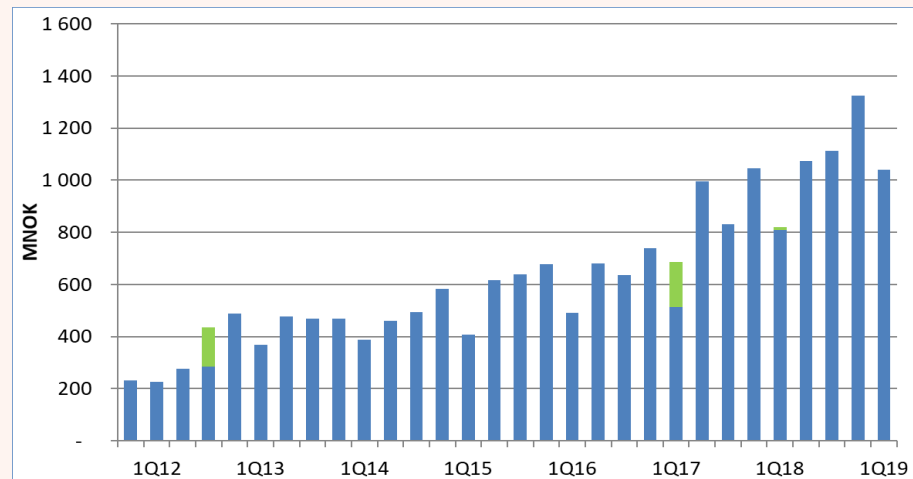
Order intake



Order backlog



Revenues



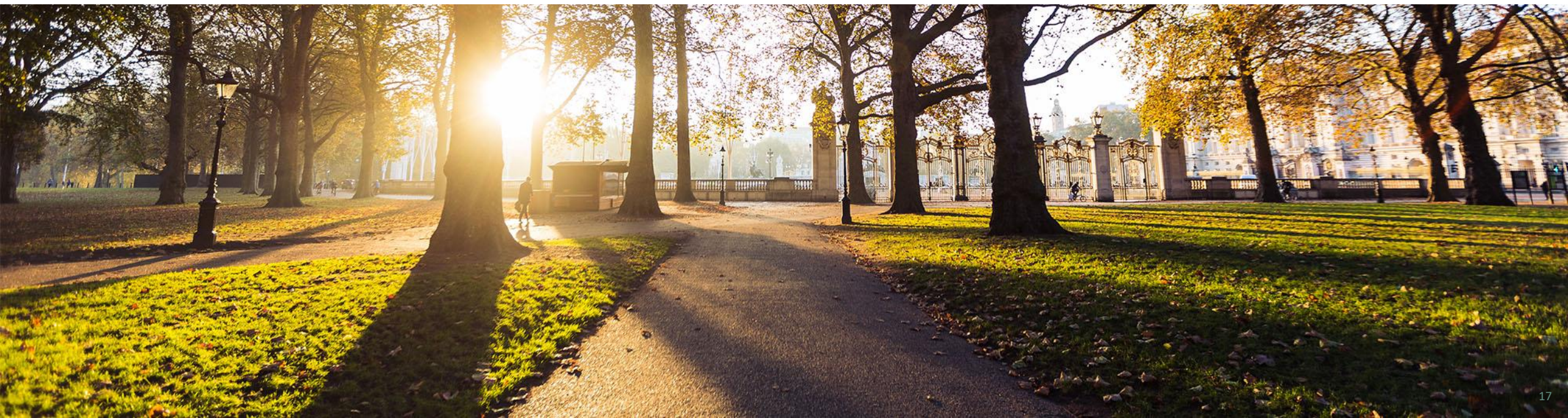
- **TOMRA Sorting Solutions (TSS):**

- Revenues of 1,039 MNOK, up from 820 MNOK last year
- Order intake of 1,104 MNOK in the quarter, compared to 1,188 MNOK last year
- Order backlog of 1,464 MNOK by the end of first quarter, compared to 1,515 MNOK last year

- **Estimated backlog conversion ratio in 2Q19: 80-85%***



OUTLOOK



Outlook

Collection Solutions

- Overall stable business
- Increased operating expenses due to preparation for new markets

Sorting Solutions

- The positive momentum in Recycling is continuing
- Temporary slower momentum in Food

Currency

- Reporting in NOK and with some NOK cost base, TOMRA will in general benefit from a weak NOK, particularly measured against EUR.
- With significant revenues in USD and costs in EUR and NZD, TOMRA Sorting is exposed to USD/EUR and USD/NZD.



Q&A



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