3RD QUARTER 2016
RESULTS ANNOUNCEMENT

TOMRA

TOMRA SYSTEMS ASA
3rd Quarter Results
21.10.2016

HIGHLIGHTS FROM THE QUARTER

Revenues

- **Revenues of 1,715 MNOK** (1,748 MNOK in third quarter 2015)
  Currency adjusted revenues were:
  - Down 4% for TOMRA Group
  - Down 5% in TOMRA Collection Solutions
  - Down 2% in TOMRA Sorting Solutions

Gross margin

- **Gross margin 43%**, up from 41% in third quarter 2015 (currency adjusted)
  - Improved margin in TOMRA Collection Solutions
  - Stable margin in TOMRA Sorting Solutions

Operating expenses

- **Operating expenses of 408 MNOK** (393 MNOK in third quarter 2015)
  - Up 2% adjusted for currency

EBITA

- **EBITA of 331 MNOK** (324 MNOK in third quarter 2015)

Cashflow

- **Cash flow from operations of 348 MNOK** (384 MNOK in third quarter 2015)

TOMRA Collection

- Good momentum in Germany, due to replacement demand
- Still high activity in the Nordic market, due to replacement in Sweden

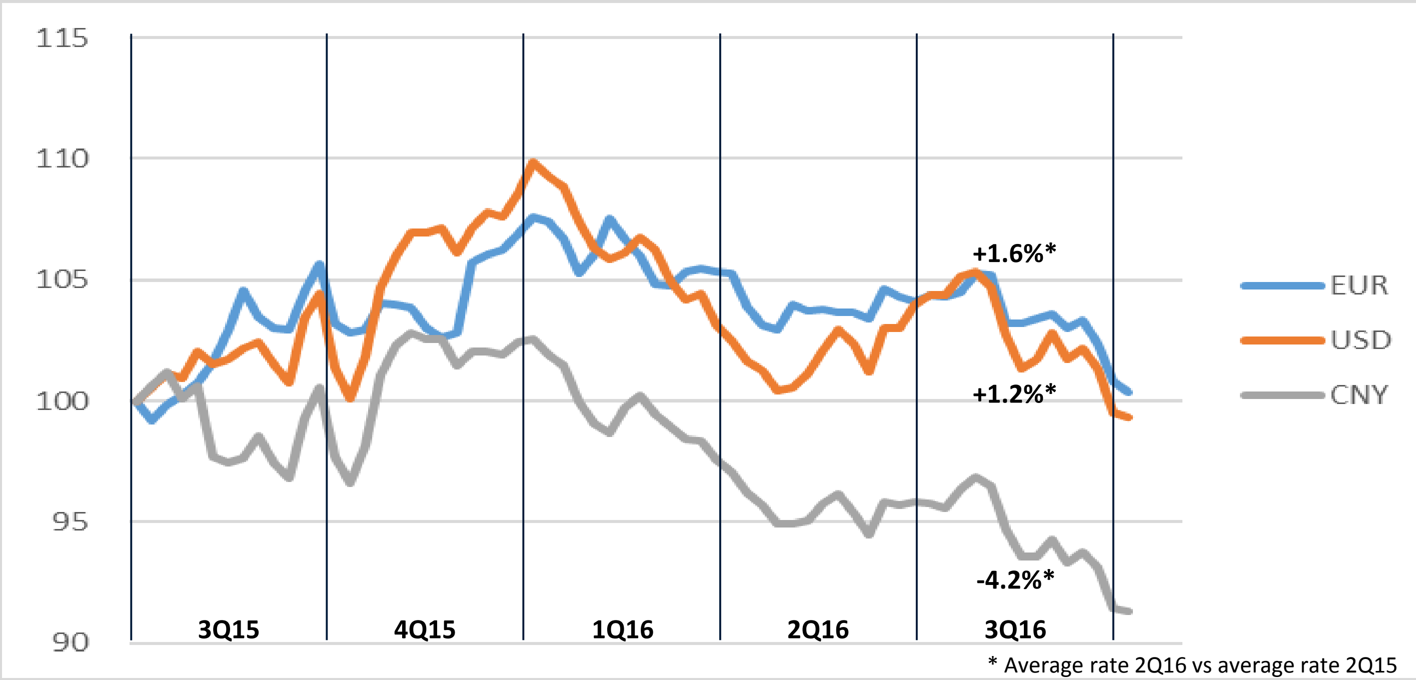
TOMRA Sorting Solutions

- **Order intake of 613 MNOK**, up from 572 MNOK same period last year, currency adjusted up 5%
- **Order backlog of 793 MNOK**, down from 816 MNOK at the end of second quarter 2016

Subsequent event

- TOMRA to acquire New Zealand Sorting Machine Manufacturer **Compac**

CURRENCY



Limited impact from currencies in 3Q16 vs 3Q15

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 %**

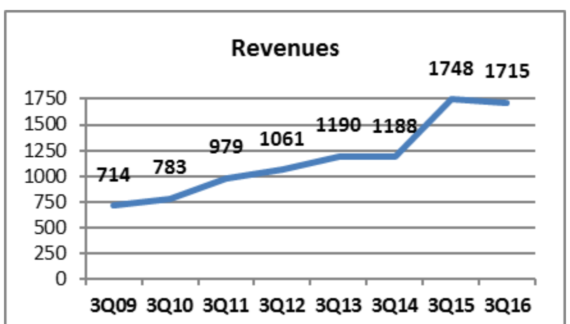
**** EUR includes DKK**

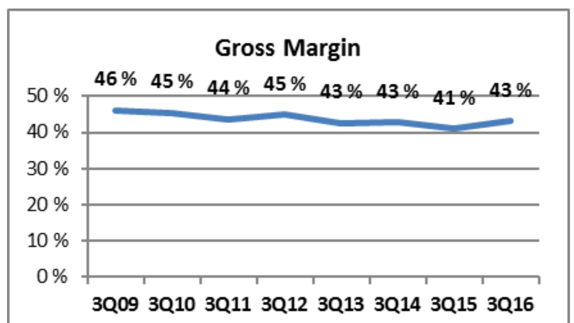
Mainly CNY

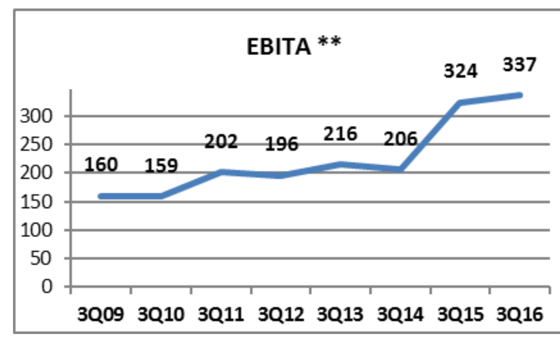
FINANCIAL HIGHLIGHTS
P&L STATEMENT

	3rd Quarter			YTD		
Amounts in NOK million	**2016**	**2015**	**15 Adj***	**2016**	**2015**	**15 Adj***
Revenues	**1,715**	**1,748**	**1,779**	**4,844**	**4,327**	**4,575**
• Collection Solutions	1,079	1,110	1,129	3,037	2,664	2,811
• Sorting Solutions	636	638	650	1,807	1,663	1,764
Gross contribution	**739**	**717**	**731**	**2,071**	**1,812**	**1,920**
in %	*43%*	*41%*	*41%*	*43%*	*42%*	*42%*
Operating expenses	408	393	400	1,268	1,144	1,212
EBITA	**331**	**324**	**331**	**803**	**668**	**708**
in %	*19%*	*19%*	*19%*	*17%*	*15%*	*15%*
One time costs included in operating expenses	*6*	-	-	*6*	-	-

*2015 actual restated at 2016 exchange rates, estimated





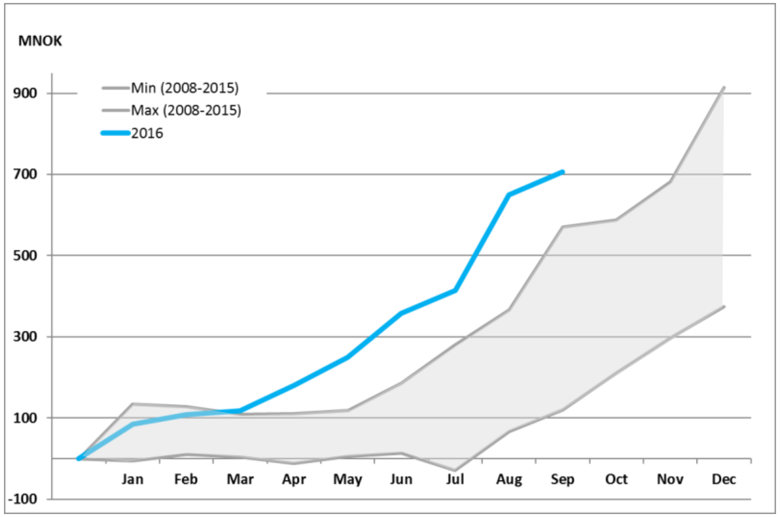


TOMRA

** Adjusted for one-time costs

FINANCIAL HIGHLIGHTS
BALANCE SHEET, CASH FLOW AND CAPITAL STRUCTURE

Amounts in NOK million	30 Sept 2016	30 Sept 2015	31 Dec 2015
ASSETS	**7,206**	**7,318**	**7,317**
• Intangible non-current assets	2,745	2,816	2,891
• Tangible non-current assets	755	721	837
• Financial non-current assets	322	309	316
• Inventory	1,235	1,158	1,209
• Receivables	1,815	1,918	1,751
• Cash and cash equivalents	334	396	313
LIABILITIES AND EQUITY	**7,206**	**7,318**	**7,317**
• Equity	3,925	3,648	3,945
• Minority interest	173	136	160
• Interest bearing liabilities	980	1,439	1,206
• Non-interest bearing liabilities	2,128	2,095	2,006



Ordinary cashflow from operations

- 348 MNOK (384 MNOK in 3Q 2015)

Solidity

- 54% equity
- NIBD/EBITDA = 0.5 (Rolling 12 months)

TOMRA COLLECTION SOLUTIONS

HIGHLIGHTS COLLECTION SOLUTIONS

Overall

- **Revenues of 1,079 MNOK**, down from 1,110 MNOK in third quarter 2015
  - Revenues down 5% in local currencies
- **Gross margin was 42%** in the period
  - Up from 39% last year, due to product mix and one-offs
- **Operating expenses of 194 MNOK**
  - Up 4% currency adjusted
- **EBITA increased** from 247 MNOK **to 261 MNOK**
  - Up 3% currency adjusted, due to improved gross margin

Europe

- Currency adjusted revenues down 7% in Europe
  - Still good momentum in **Germany** due to replacement demand, but revenues down compared to a strong third quarter 2015
  - Nordic region continues to develop positively due to replacement in **Sweden** and **Lithuanian** deposit introduction

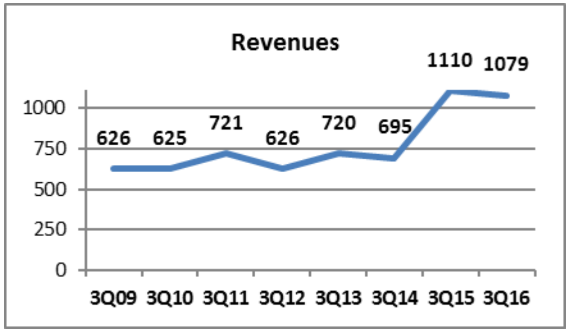
North America

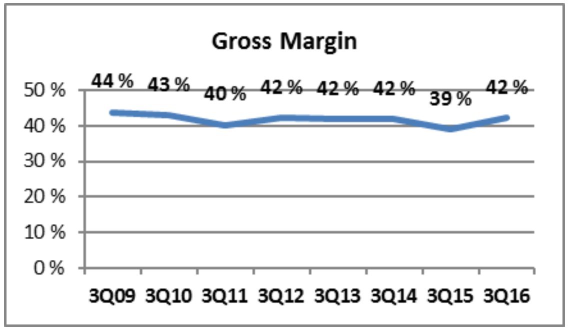
- US up 4% in local currencies
  - Increased machine sales compensated for somewhat lower throughput volumes

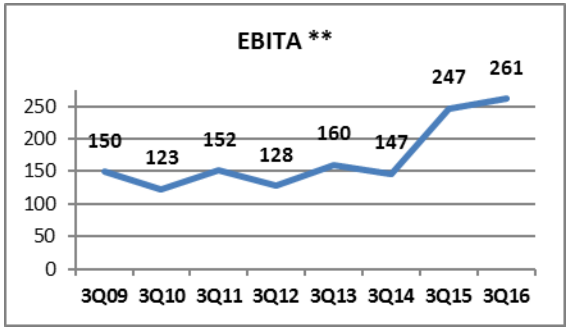
COLLECTION SOLUTIONS FINANCIALS

	3rd Quarter			YTD		
Amounts in NOK million	**2016**	**2015**	**15 Adj***	**2016**	**2015**	**15 Adj***
Revenues	**1,079**	**1,110**	**1,129**	**3,037**	**2,664**	**2,811**
• Nordic	*164*	*128*		*508*	*374*	
• Europe (ex Nordic)	*493*	*563*		*1,355*	*1,193*	
• North America	*408*	*385*		*1,120*	*1,040*	
• Rest of the world	*14*	*34*		*54*	*57*	
Gross contribution	**455**	**431**	**440**	**1,262**	**1,069**	**1,132**
in %	*42%*	*39%*	*39%*	*42%*	*40%*	*40%*
Operating expenses	194	184	187	617	550	582
EBITA	**261**	**247**	**253**	**645**	**519**	**550**
in %	*24%*	*22%*	*22%*	*21%*	*19%*	*20%*

*2015 actual restated at 2016 exchange rates, estimated

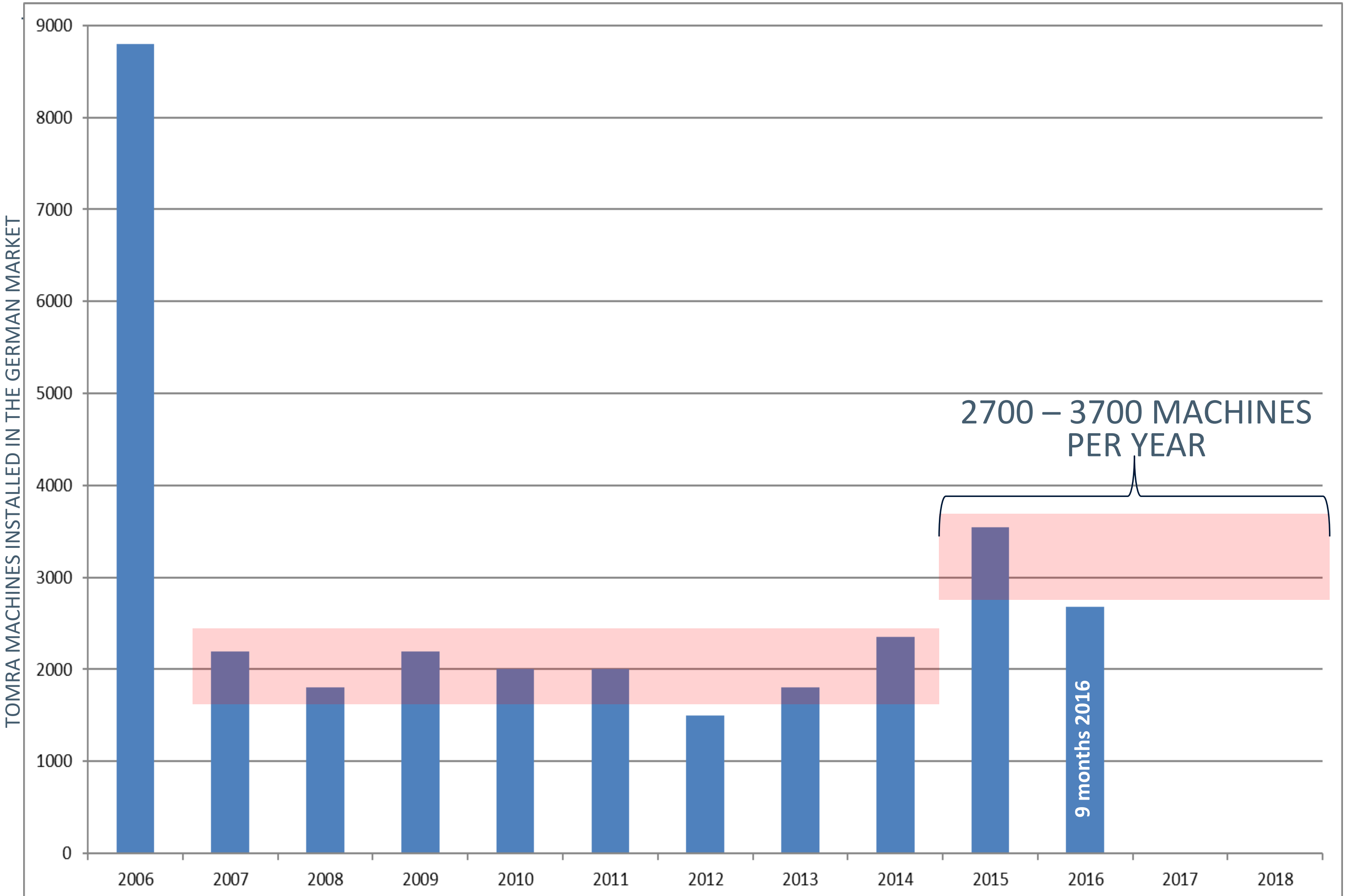






** Adjusted for one-time costs

GERMANY REPLACEMENT UPDATE



TOMRA SORTING SOLUTIONS

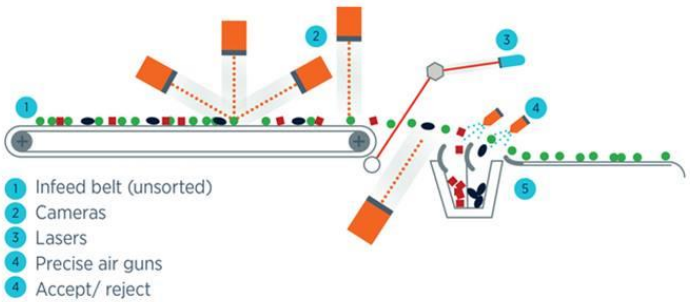
HIGHLIGHTS SORTING SOLUTIONS

Revenues	• **Revenues equaled 636 MNOK** in third quarter 2016, down from 638 MNOK in third quarter 2015 — Revenues down 2% in local currencies
Gross margin	• **Gross margin stable at 45%**
EBITA	• **EBITA of 86 MNOK** (88 MNOK in third quarter 2015)
Orders	• **Order intake of 613 MNOK,** compared to 572 MNOK same period last year • **Order backlog of 793 MNOK**, down from 816 MNOK at the end of second quarter 2016
Product launch	• The newest member of the TOMRA product family, **TOMRA 5B** was released 10th of October

THE NEW TOMRA 5B: NEXT GENERATION FOOD SORTING MACHINE

TOMRA 5B

- The TOMRA 5B optical belt sorting machine was built on the legacy of the TOMRA Genius sorter which holds **a leadership position in the vegetable, potato and fruit processing industries** worldwide
- User-friendly design, excellent performance, and state-of-the-art hygiene features that comply with the latest standards and regulations



BUSINESS STREAM UPDATE

FOOD

- Overall good momentum
- Revenues in 3Q16 in line with 3Q15
- Order intake up quarter over quarter

RECYCLING

- Continuing low commodity prices have a somewhat negative effect on performance
- Revenues in 3Q16 in line with 3Q15,
- Order intake stable quarter over quarter

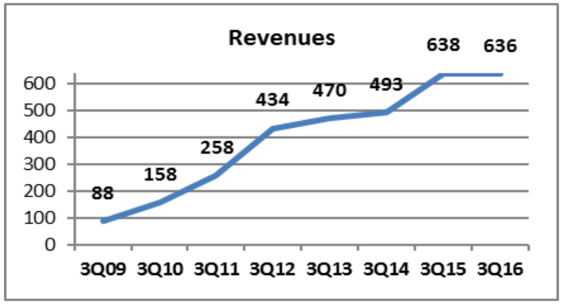
MINING

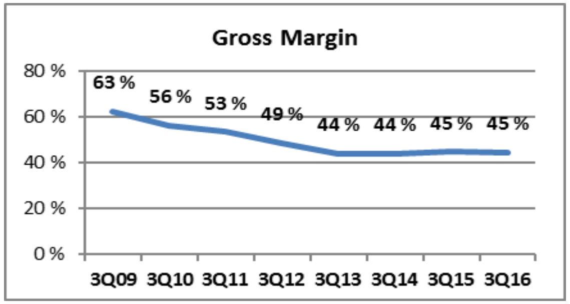
- Depressed market in all commodities, except for diamonds
- Revenues and order intake stable at a low level

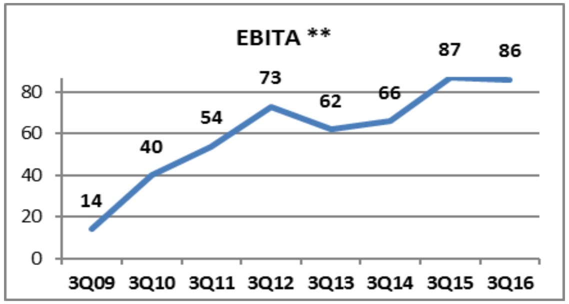
SORTING SOLUTIONS FINANCIALS

	3rd Quarter			YTD		
Amounts in NOK million	**2016**	**2015**	**15 Adj***	**2016**	**2015**	**15 Adj***
Revenues	**636**	**638**	**650**	**1,807**	**1,663**	**1,764**
• Europe	*302*	*296*		*810*	*784*	
• North America	*207*	*176*		*611*	*506*	
• South America	*16*	*35*		*33*	*57*	
• Asia	*89*	*94*		*246*	*234*	
• Oceania	*12*	*11*		*67*	*39*	
• Africa	*10*	*26*		*40*	*43*	
Gross contribution	**284**	**286**	**291**	**809**	**743**	**788**
in %	*45%*	*45%*	*45%*	*45%*	*45%*	*45%*
Operating expenses	198	199	203	615	568	604
EBITA	**86**	**87**	**88**	**194**	**175**	**184**
in %	*14%*	*14%*	*14%*	*11%*	*11%*	*10%*

*2015 actual restated at 2016 exchange rates, estimated

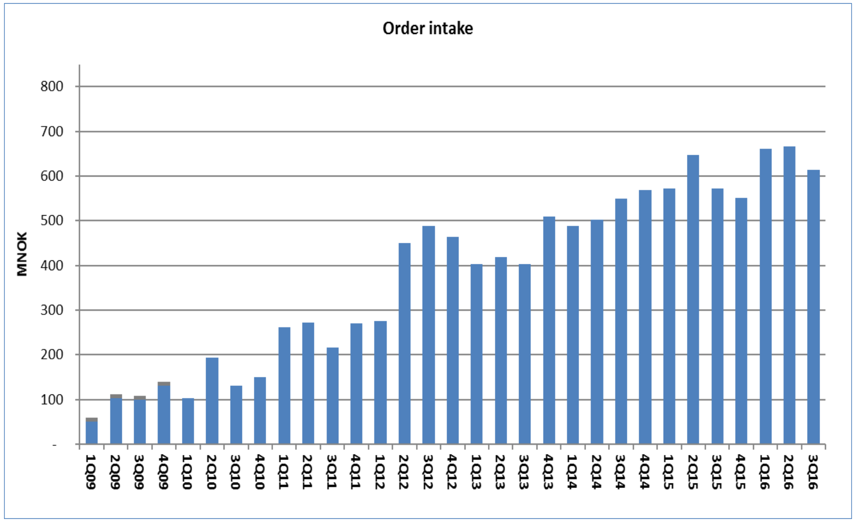


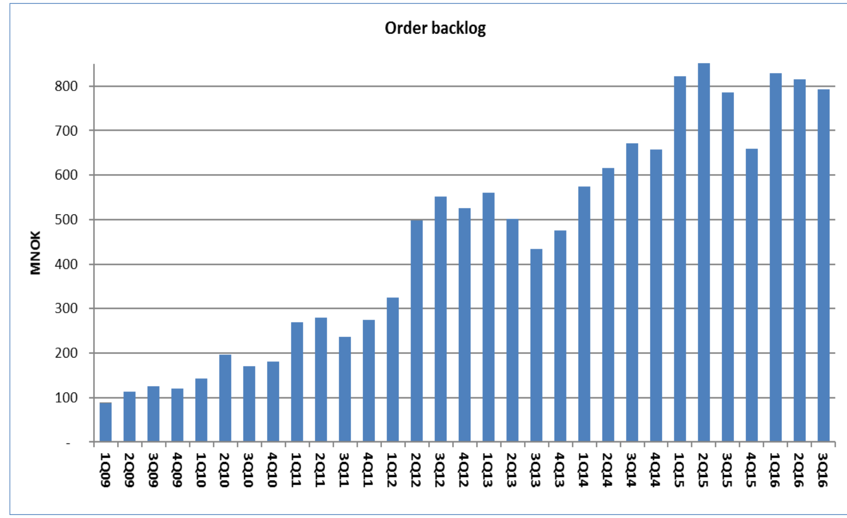


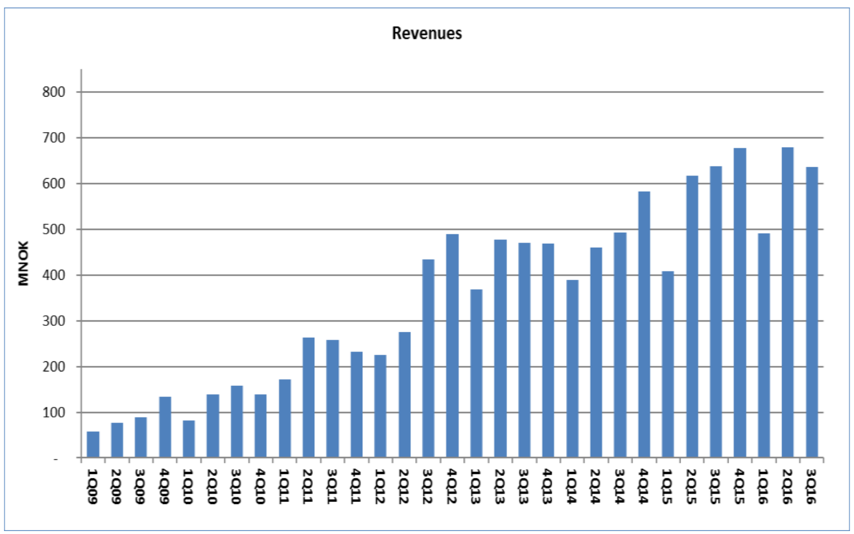


** Adjusted for one-time costs

BACKLOG DEVELOPMENT AND MOMENTUM







- Order intake of 613 MNOK in the quarter (up from 572 MNOK same quarter last year)
- Revenues were 636 MNOK (compared to 638 MNOK in 3Q16
- Order backlog of 793 MNOK, down from 816 MNOK at the end of second quarter 2016
- Estimated backlog conversion ratio in 4Q16: 85-90%*

* Based upon current production and delivery plans, the revenues in 4Q16 are estimated to be approximately 85-90% of order backlog at the end of 3Q16

EXPANDING FURTHER IN FOOD SORTING

The way forward together

- Compac CEO Mike Riley and TOMRA CEO Stefan Ranstrand at the PMA Fresh summit convention in Orlando Florida 14th of October (2 days after announcement)
- Positive initial feedback from the client universe and our combined workforce

* For more information about the acquisition click here: http://news.cision.com/tomra-systems-asa/r/tomra--further-food-sorting-expansion,c2099152

TOMRA: THE BROADEST FOOTPRINT IN FOOD SORTING

TOMRA SORTING SOLUTIONS | FOOD

Free fall | Belt | Lane

SK
Rice, Seeds & Kernels

NDF
Nuts & Dried Fruit

PFV
Processed Fruits & Veg

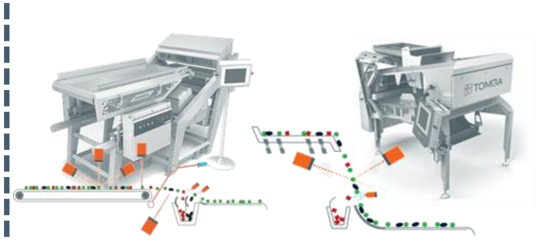
Fresh
Fruit, Vegetables and Potatoes

Circa 40%* of annual global sorter sales revenue

Circa 30%* of annual global sorter sales revenue

Circa 25%* of annual global sorter sales revenue

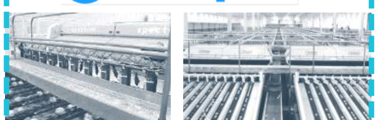
CURRENT FOCUS



BELT | CHUTE

M&A

compac



LANE/MULTI-DROP

BULK SORTING

SINGULATED SORTING

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

OUTLOOK AND SHAREHOLDER STRUCTURE

OUTLOOK

Collection Solutions	• The replacement demand in Germany is assumed to continue into 2017, but the replacement in Sweden is expected to come to an end during fourth quarter 2016
Sorting Solutions	• Currently good momentum in Food, but low commodity prices are negatively influencing Recycling and Mining
Currency	• Reporting in NOK and with some NOK cost base, TOMRA will in general benefit from a weak NOK, measured particularly against EUR

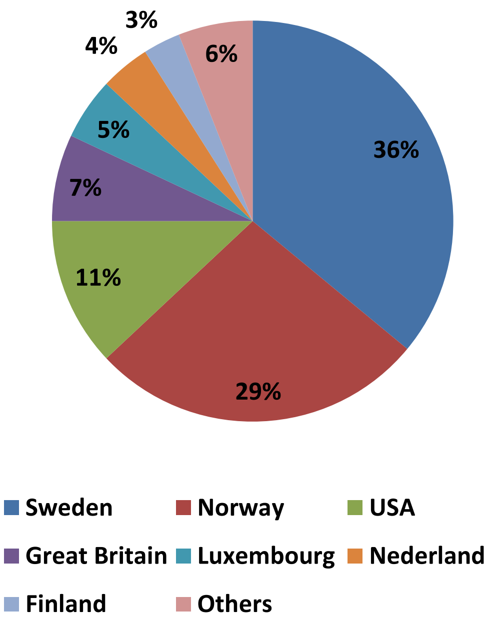
Q&A

TOMRA SHAREHOLDER STRUCTURE

Top 10 shareholders as of 30th of September 2016				
1	Investment AB Latour	38 130 000	25.8%	
2	Skandinaviska Enskilda A/C Clients account	10 344 242	7.0%	(NOM)
3	Folketrygdfondet	9 529 819	6.4%	
4	The Bank of New York BNYM, Stitching Dep	4 860 701	3.3%	(NOM)
5	Goldman Sachs & Co	2 985 697	2.0%	(NOM)
6	The Bank of New York BNYM	2 917 659	2.0%	(NOM)
7	Clearstream Banking	2 619 713	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	2 108 830	1.4%	
	Sum Top 10	**78 126 125**	**52.8%**	
	Other shareholders	**69 893 953**	**47.2%**	
	TOTAL (5,683 shareholders)	**148 020 078**	**100.0%**	

Source: VPS

Shareholders by country



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