

3RD QUARTER 2017 RESULTS ANNOUNCEMENT

HIGHLIGHTS FROM THE QUARTER

Revenues

- **Revenues of 1,855 MNOK** (1,715 MNOK in third quarter 2016) – up 8%
Adjusted for currency and acquisitions, revenues were:
 - Unchanged for TOMRA Group
 - Down 4% in TOMRA Collection Solutions
 - Up 8% in TOMRA Sorting Solutions

Gross margin

- **Gross margin 43%**, unchanged from third quarter 2016
 - Slightly improved margin in TOMRA Collection Solutions
 - Slightly lower margin in TOMRA Sorting Solutions

Operating expenses

- **Operating expenses of 496 MNOK** (408 MNOK in third quarter 2016)
 - Up 4% adjusted for currency and acquisitions, mainly due to ramp-up in New South Wales

EBITA

- **EBITA of 303 MNOK** (331 MNOK in third quarter 2016)

Cashflow

- **Cash flow from operations of 375 MNOK** (348 MNOK in third quarter 2016)

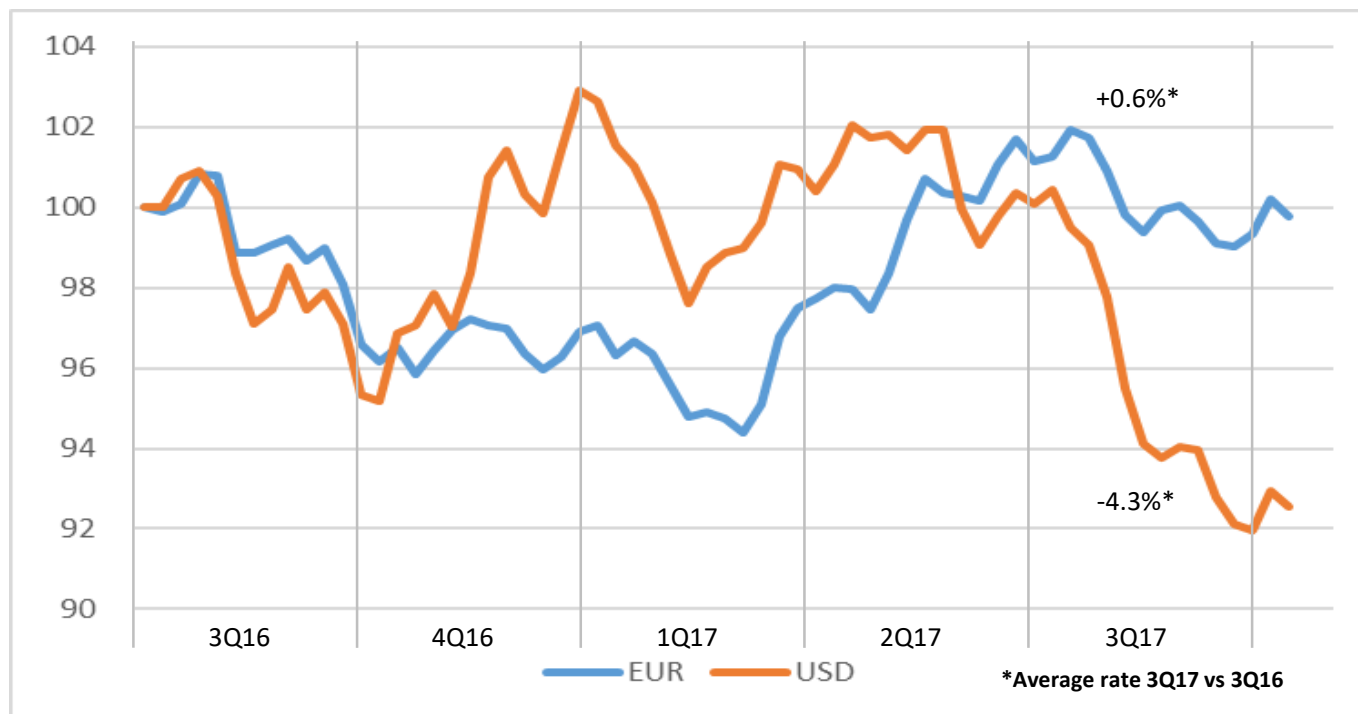
TOMRA Collection

- Preparing for deposit introduction in New South Wales 1st December 2017

TOMRA Sorting

- **Order intake (ex Compac) of 724 MNOK**, compared to 613 MNOK same period last year, currency adjusted up 22%
- **Order backlog of 924 MNOK (ex Compac)**, up from 793 MNOK at the end of third quarter 2016

CURRENCY



Negative impact from USD in 3Q17 vs 3Q16

Revenues and expenses per currency;

NOTE: Rounded figures

	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 %

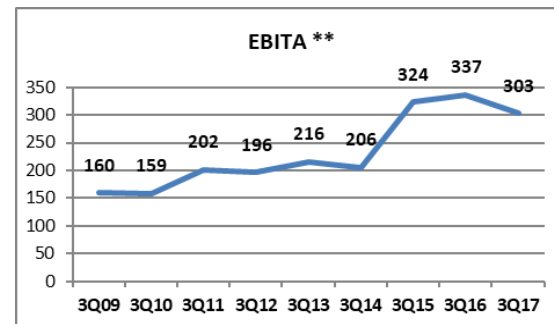
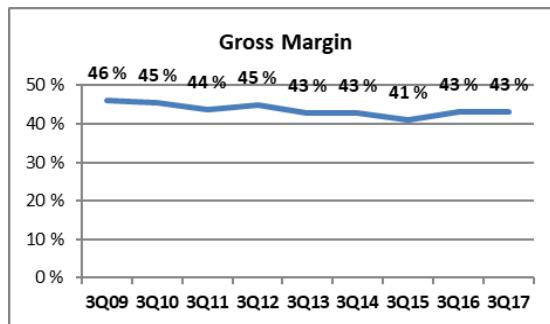
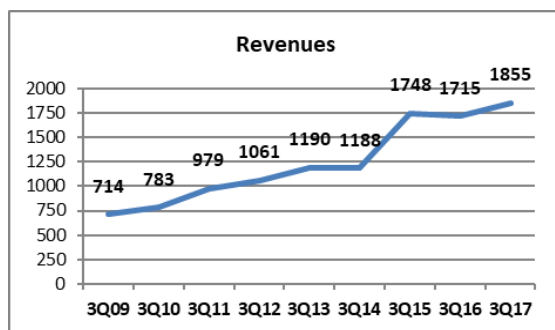
* EUR includes DKK

FINANCIAL HIGHLIGHTS

P&L STATEMENT

	3 rd Quarter			YTD		
<i>Amounts in NOK million</i>	2017	2016	16 Adj*	2017	2016	16 Adj*
Revenues	1,855	1,715	1,692	5,391	4,844	4,804
• Collection Solutions	1,024	1,079	1,066	2,876	3,037	3,009
• Sorting Solutions	831	636	626	2,515	1,807	1,795
Gross contribution	799	739	727	2,266	2,071	2,050
<i>in %</i>	43%	43%	43%	42%	43%	43%
Operating expenses	496	408	408	1,499	1,268	1,270
EBITA	303	331	319	767	803	780
<i>in %</i>	16%	19%	19%	14%	17%	16%
<i>One time costs included in operating expenses</i>	-	6	6	8	6	6

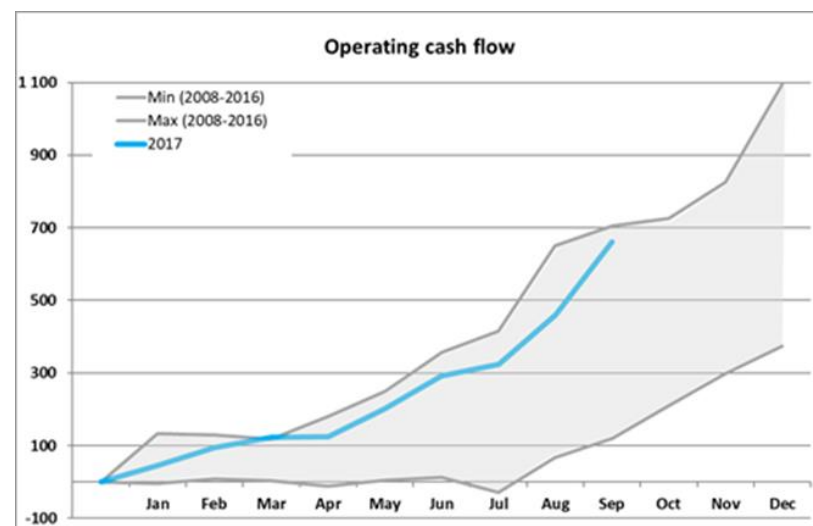
*2016 actual restated at 2017 exchange rates, estimated



FINANCIAL HIGHLIGHTS

BALANCE SHEET, CASH FLOW AND CAPITAL STRUCTURE

<i>Amounts in NOK million</i>	30 Sep 2017	30 Sep 2016	31 Dec 2016
ASSETS	8,214	7,206	7,115
• Intangible non-current assets	3,313	2,745	2,750
• Tangible non-current assets	849	755	801
• Financial non-current assets	307	322	342
• Inventory	1,204	1,235	1,127
• Receivables	2,067	1,815	1,696
• Cash and cash equivalents	474	334	399
LIABILITIES AND EQUITY	8,214	7,206	7,115
• Equity	4,326	3,925	4,192
• Minority interest	175	173	178
• Interest bearing liabilities	1,214	980	760
• Non-interest bearing liabilities	2,499	2,128	1,985



Ordinary cashflow from operations

- 375 MNOK (348 MNOK in 3Q 2016)

Solidity

- 53% equity
- NIBD/EBITDA = 0.6x (Rolling 12 months)

A young boy with short brown hair is smiling and holding two blue aluminum cans up to his eyes, using them as binoculars. He is wearing a black long-sleeved shirt with a white graphic of a skull and a crown. The background is a plain, light blue wall. A dark grey horizontal band is overlaid across the middle of the image, containing the text 'TOMRA COLLECTION SOLUTIONS' in white capital letters.

TOMRA COLLECTION SOLUTIONS

HIGHLIGHTS COLLECTION SOLUTIONS

Overall

- **Revenues of 1,024 MNOK**, down from 1,079 MNOK in third quarter 2016
 - Revenues down 4% in local currencies
- **Gross margin was 43%** in the period
 - Slightly up from same period last year
- **Operating expenses of 202 MNOK**
 - Up 5% currency adjusted, due to ramp-up in NSW
- **EBITA decreased** from 261 MNOK to **236 MNOK**
 - A result of lower revenues and increased operating expenses

Europe

- Currency adjusted revenues down 6% in Europe
 - Slower development in Nordic following completion of Swedish replacement
 - Still high activity in Germany, but slightly down compared to 2016

North America

- Currency adjusted revenues up 1%
 - Machine and throughput volumes stable

Australia

- Deposit introduction from 1st December in NSW



SUCCESSFUL BID FOR NETWORK OPERATOR IN NSW: FIRST INSTALLATION IN PLACE

- The New South Wales (NSW) Environment Minister Gabrielle Upton announced the 29.07.2017, that TOMRA's joint venture with Cleanaway ("TOMRA-Cleanaway") had been appointed as the Network Operator for the State's Container Deposit Scheme starting 1st of December 2017
- TOMRA has entered into a **50/50 Joint Venture with Cleanaway** Waste Management Ltd
 - TOMRA will provide technology, software and carry the investment for the technology provided
 - Cleanaway will provide logistics, sorting of collected material and act as broker for the related commodities
- There will be over **500 Collection Points** across the state and more than half of these will be automated with two or four reverse vending machines
 - More than **800 RVMs** will be installed in total
 - The contract awarded has a **duration of 5 years** with an **option to extend for another 4 years**
- **Woolworths will be the first retail refund partner** when the program launches
 - Voucher based cash redemption at the cash register



NSW State Government Environment Minister Gabrielle Upton on announcement day on Coogee Beach, 29th of July

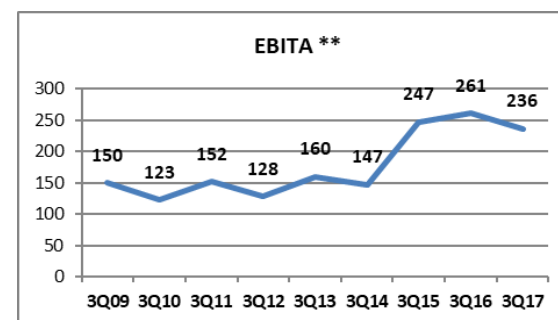
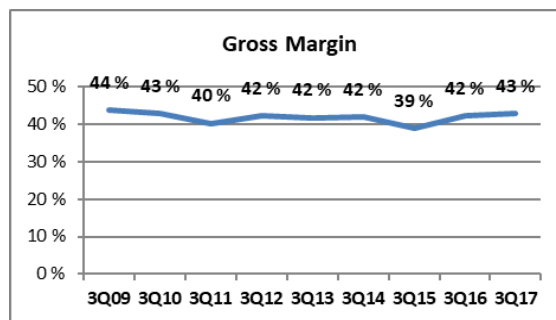
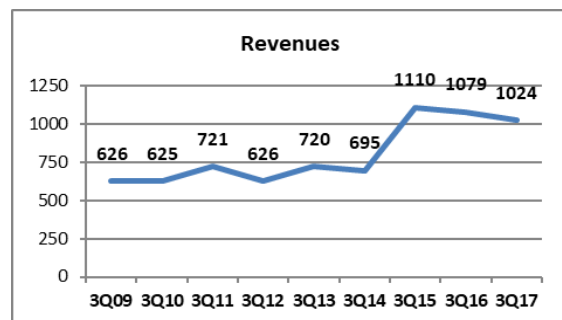


The first on site installation at Spring Farm's Woolworths Supermarket in Camden, NSW 16th of October

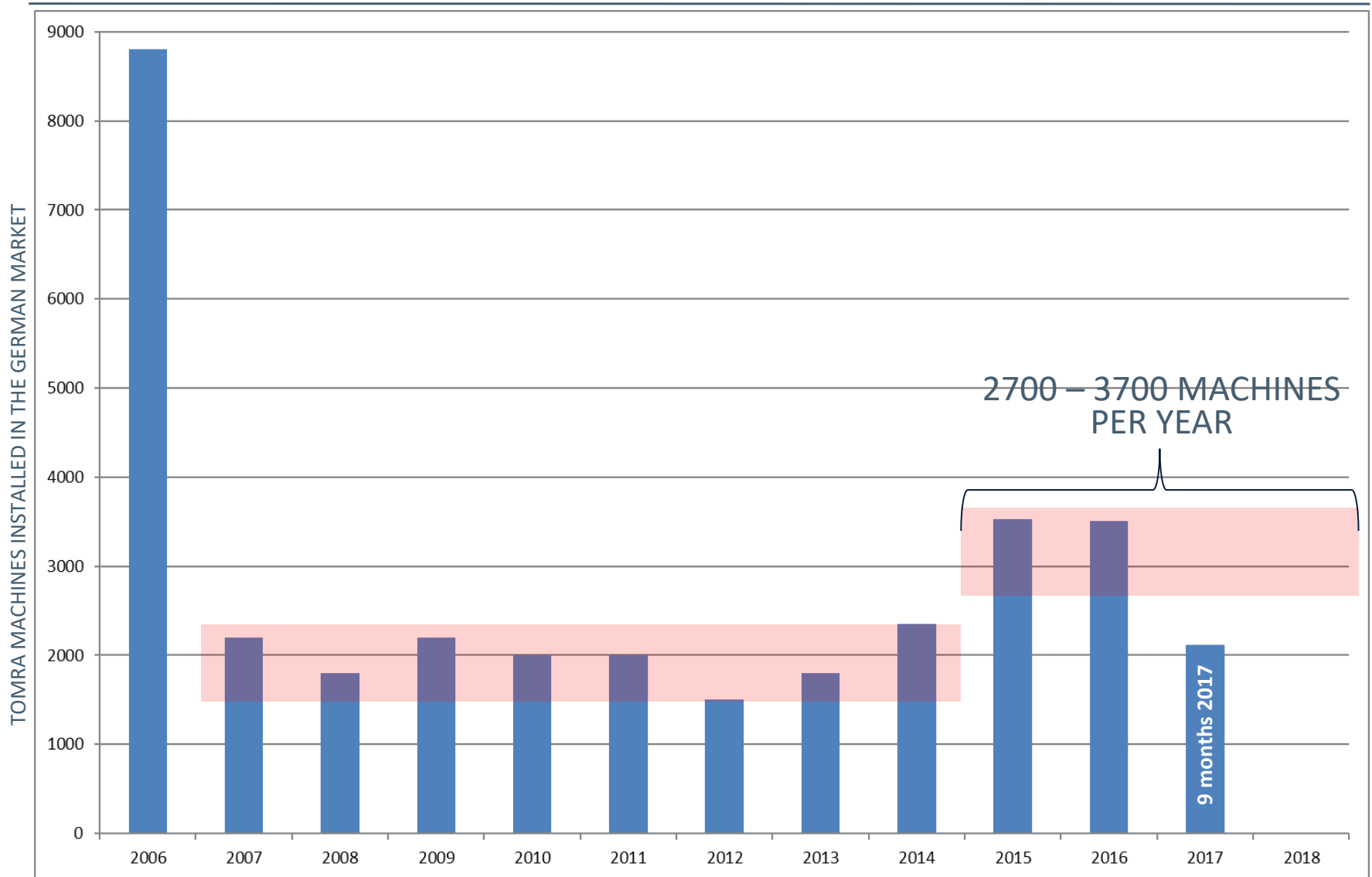
COLLECTION SOLUTIONS FINANCIALS

	3rd Quarter			YTD		
Amounts in NOK million	2017	2016	16 Adj*	2017	2016	16 Adj*
Revenues	1,024	1,079	1,066	2,876	3,037	3,009
• Nordic	146	164		434	508	
• Europe (ex Nordic)	470	493		1,264	1,355	
• North America	397	408		1,143	1,120	
• Rest of the world	11	14		35	54	
Gross contribution	438	455	451	1,200	1,262	1,249
<i>in %</i>	43%	42%	42%	42%	42%	42%
Operating expenses	202	194	193	629	617	617
EBITA	236	261	258	571	645	632
<i>in %</i>	23%	24%	24%	20%	21%	21%

*2016 actual restated at 2017 exchange rates, estimated



GERMANY REPLACEMENT UPDATE





TOMRA SORTING SOLUTIONS

HIGHLIGHTS SORTING SOLUTIONS

Revenues

- **Revenues** equaled 831 **MNOK** in third quarter 2017, up from 636 MNOK in third quarter 2016
 - Revenues up 8% in local currencies (organic)

Gross margin

- **Gross margin 43%**
 - Slightly down due to currency and Compac

EBITA

- **EBITA of 83 MNOK** (86 MNOK in third quarter 2016)

Orders

- **Order intake (ex Compac) of 724 MNOK**, compared to 613 MNOK same period last year (up 22% currency adjusted)
- **Order backlog (ex Compac) of 924 MNOK**, up from 793 MNOK at the end of third quarter 2016



BUSINESS STREAM UPDATE

FOOD



- Overall good momentum
- Revenues in 3Q17 up from 3Q16
- Order intake up quarter over quarter

RECYCLING



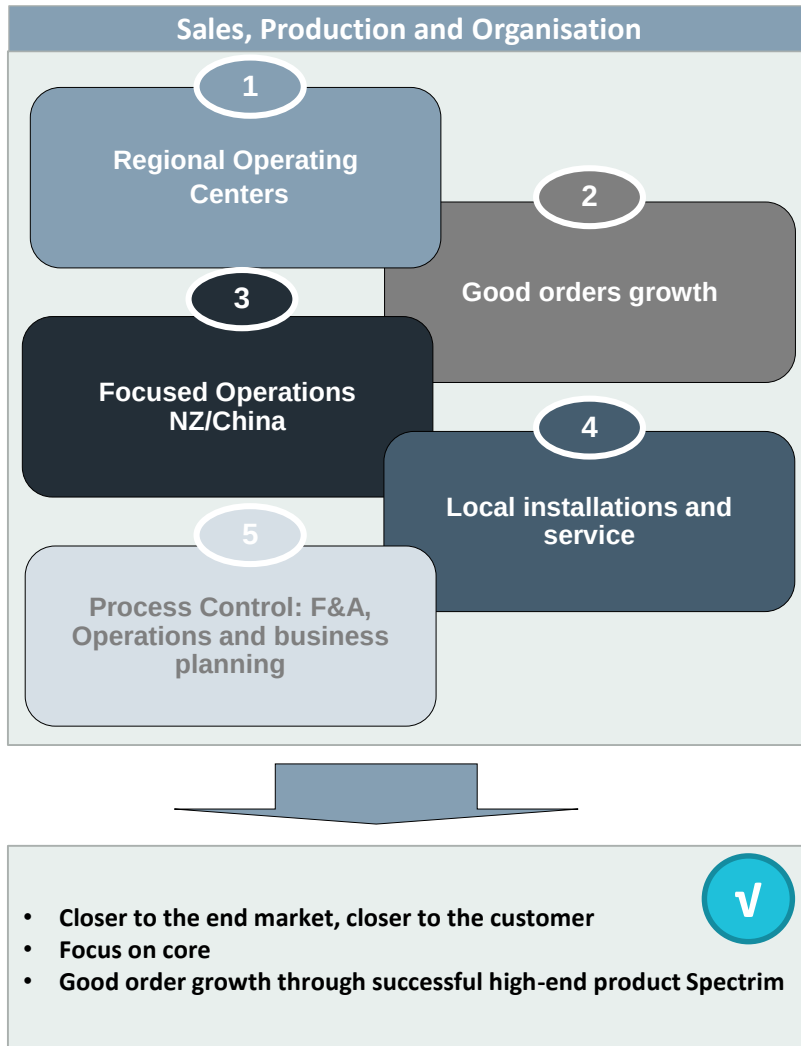
- Momentum increasing, after a period of lower activity
- Revenues in 3Q17 up from 3Q16
- Order intake up quarter over quarter

MINING



- Order intake and revenues has improved from last year, though still from a low level

COMPAC: PROGRESSING ON TRACK



Spectrim offers superior performance, usability and a continuously upgradable platform for the produce industry



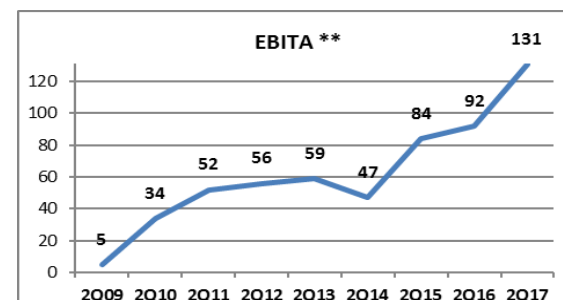
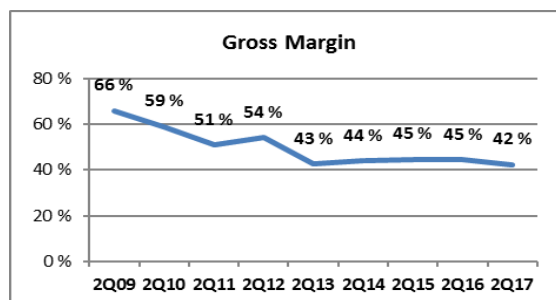
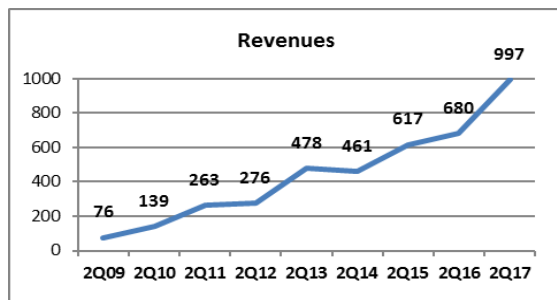
Opening of new factory in Kunshan, China

The current development bodes well for the integration towards TOMRA Sorting Food

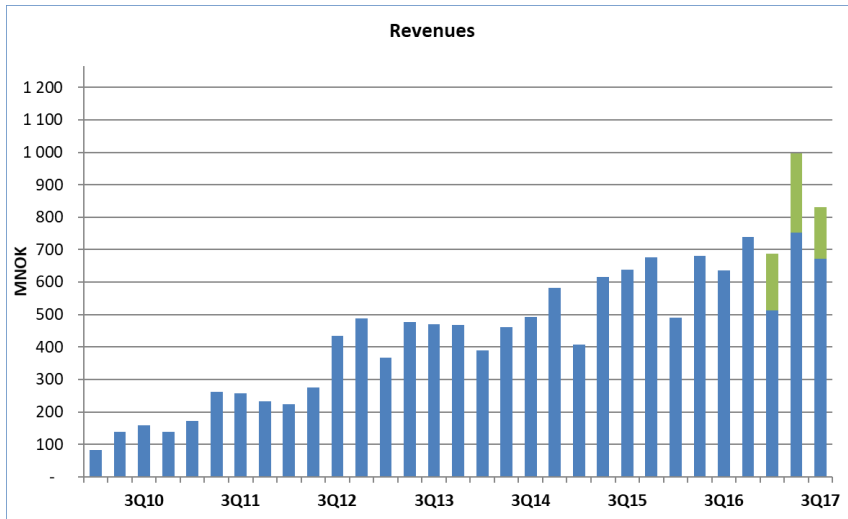
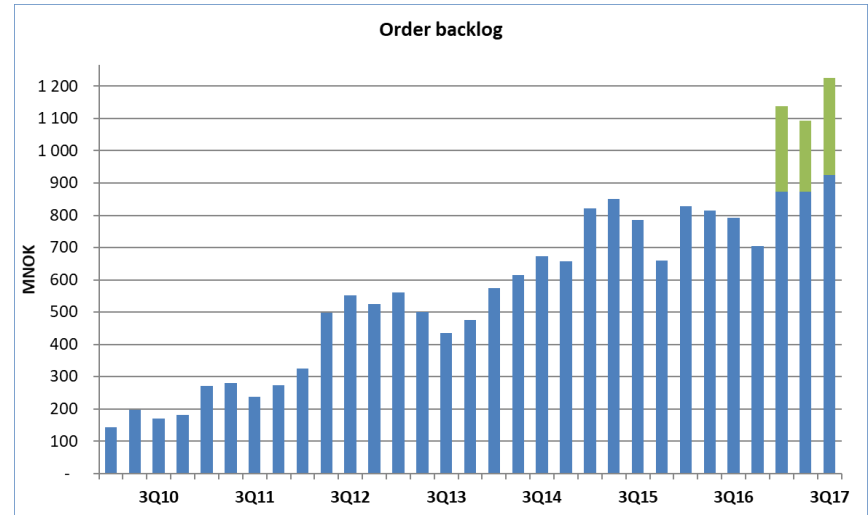
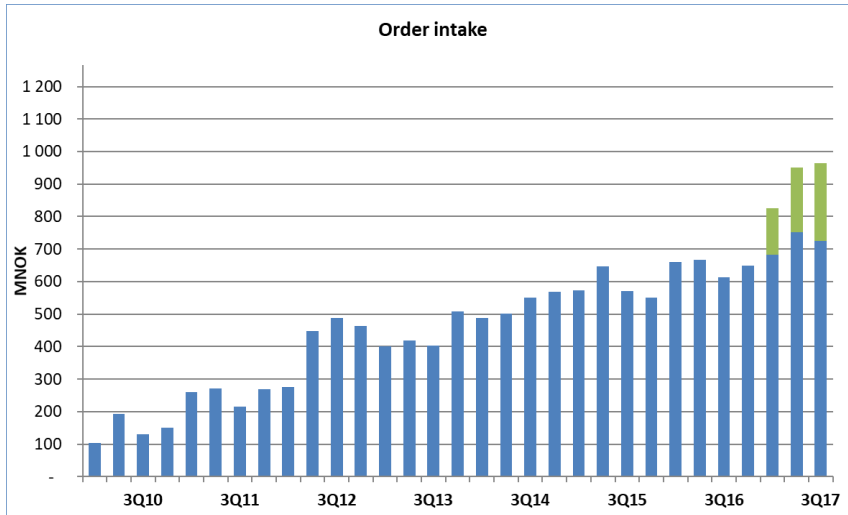
SORTING SOLUTIONS FINANCIALS

	3rd Quarter			YTD		
Amounts in NOK million	2017	2016	16 Adj*	2017	2016	16 Adj*
Revenues	831	636	626	2,515	1,807	1,795
• Europe	344	302		880	810	
• North America	242	207		928	611	
• South America	31	16		89	33	
• Asia	91	89		291	246	
• Oceania	73	12		212	67	
• Africa	50	10		115	40	
Gross contribution	361	284	276	1,066	809	801
<i>in %</i>	43%	45%	44%	42%	45%	45%
Operating expenses	278	198	198	822	615	615
EBITA	83	86	78	244	194	186
<i>in %</i>	10%	14%	12%	10%	11%	10%

*2016 actual restated at 2017 exchange rates, estimated



BACKLOG DEVELOPMENT AND MOMENTUM



■ TSS ex Compac ■ Compac

TOMRA Sorting Solutions (TSS) without Compac:

- Delivered order intake of 724 MNOK in the quarter, compared to 613 MNOK same quarter last year, up 22% currency adjusted
- Revenues came in at 673 MNOK (up from 636 MNOK in 3Q16)
- All time high order backlog of 924 MNOK, up from 793 MNOK at the end of September 2016

Compac

- Reported revenues of 158 MNOK in the quarter and finished the quarter with a backlog of 302 MNOK
- Estimated backlog conversion ratio in 4Q17, including Compac: 75%-80%*

OUTLOOK



OUTLOOK

Collection Solutions

- The replacement demand in Germany is assumed to continue out 2017 and into 2018
- Replacement in Sweden has finished
- From 1st December 2017, TOMRA will start record revenues from New South Wales
- Significant ramp-up expenses will be booked during fourth quarter 2017

Sorting Solutions

- Currently good momentum in both Food and Recycling

Currency

- Reporting in NOK and with some NOK cost base, TOMRA will in general benefit from a weak NOK, measured particularly against EUR

A person is holding two aluminum soda can lids up to their eyes, using them as binoculars. The person is wearing a black t-shirt with a white skull graphic. The background is a plain, light-colored wall. A dark grey horizontal band is overlaid across the middle of the image, containing the text 'Q&A' in white.

Q&A

DISCLAIMER

Copyright

The material in this Document (which may be a presentation, video, brochure or other material), hereafter called Document, including copy, photographs, drawings and other images, remains the property of TOMRA Systems ASA or third party contributors where appropriate. No part of this Document may be reproduced or used in any form without express written prior permission from TOMRA Systems ASA and applicable acknowledgements. No trademark, copyright or other notice shall be altered or removed from any reproduction

Disclaimer

This Document (which may be a presentation, video, brochure or other material), hereafter called Document, may include and be based on, inter alia, forward-looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. The content of this Document may be based on current expectations, estimates and projections about global economic conditions, including the economic conditions of the regions and industries that are major markets for TOMRA Systems ASA and its subsidiaries and affiliates. These expectations, estimates and projections are generally identifiable by statements containing words such as “expects”, “believes”, “estimates” or similar expressions, if not part of what could be clearly characterized as a demonstration case. Important factors that could cause actual results to differ materially from those expectations include, among others, changes in economic and market conditions in the geographic areas and industries that are or will be major markets for TOMRA Systems ASA. Although TOMRA Systems ASA believes that its expectations and the Document are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in the Document. TOMRA Systems ASA does not guarantee the accuracy, reliability or completeness of the Document, and TOMRA Systems ASA (including its directors, officers and employees) accepts no liability whatsoever for any direct or consequential loss arising from the use of this Document or its contents. TOMRA Systems ASA consists of many legally independent entities, constituting their own separate identities. TOMRA is used as the common brand or trade mark for most of these entities. In this Document we may sometimes use “TOMRA”, “TOMRA Systems”, “we” or “us” when we refer to TOMRA Systems ASA companies in general or where no useful purpose is served by identifying any particular TOMRA Company