

THIRD QUARTER 2018

RESULTS ANNOUNCEMENT

Strong quarter fueled by high business activity in Sorting

TOMRA Systems ASA delivered strong results in the third quarter 2018, on the back of healthy growth in Tomra Collection Solutions and high business activity in Tomra Sorting Solutions.

Revenues in the third quarter 2018 ended at 2,247 MNOK, up 21% from 1,855 MNOK in third quarter last year. Organic, currency adjusted revenues were up 14% for the group, 9% for Tomra Collection Solutions and 20% for Tomra Sorting Solutions.

Gross margin was 44% in the quarter, a slight increase from 43% in third quarter 2017, reflecting stable margins in Tomra Collection Solutions and improved margins in Tomra Sorting Solutions.

Operating expenses amounted to 587 MNOK in third quarter, up from 496 MNOK in third quarter last year. The increase was due to continued high business activity, ramp-up costs in new deposit markets and acquisition of BBC (BBC consolidated into group financials from March 2018).

EBITA reached 408 MNOK in third quarter 2018, up 35% from same period last year.

Cash flow from operations in third quarter 2018 were 433 MNOK, compared to 375 MNOK in third quarter 2017.

Collection Solutions: Nurturing base while positioning for new markets

Revenues in the business area equaled 1,135 MNOK in the third quarter 2018, up from 1,024 MNOK in third quarter last year. After adjustment for currency changes, revenues were up 9%.

Gross margin was 43%, unchanged from last year. Operating expenses amounted to 240 MNOK, up from 202 MNOK last year, mainly due to cost related to the preparation for new deposit markets. EBITA was 244 MNOK, up from 236 MNOK third quarter last year.

In August 2018, TOMRA entered into a five-year agreement with the Queensland scheme operator, Container Exchange (CoEx), for the operation of 10 Collection Refund Points.

Stefan Ranstrand, TOMRA President and CEO explains: "Each TOMRA Collection Refund Point will be a modern depot equipped with 9-12 TOMRA reverse vending machines and located in the greater Brisbane, Gold Coast, Sunshine Coast and Toowoomba areas."

TOMRA Systems ASA

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Sorting Solutions: Strong revenue contribution from Recycling

Revenues equaled 1,112 MNOK in third quarter 2018, up 20% in local currencies, adjusted for acquisitions (BBC). Gross margin was 46%, up from 43% same period last year due to higher activity and product mix.

Operating expenses were up 18%, due to higher activity, the acquisition of BBC and currency effects.

EBITA increased from 83 MNOK in third quarter 2017 to 184 MNOK in third quarter 2018, positively influenced by strong topline growth and improved gross margin.

Continued strong order intake lead to a solid order backlog of 1,579 MNOK at the end of third quarter 2018, up from 1,226 MNOK at the end of third quarter 2017.

“Revenues in the Food business stream were stable while the order intake was somewhat down compared to third quarter last year but is still up year-to-date. Recycling enjoyed significant positive development in both revenues and order intake. Mining also had strong improvement in revenue, order intake and backlog. We are satisfied with the results.”, says Stefan Ranstrand, TOMRA President and CEO.

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TOMRA Systems ASA

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Webcast link: <https://events.webcast.no/tomra/kvartalspresentasjoner/tomra-systems-asa-q3-presentation-2018>

There will be a Q&A after the presentation and the recorded webcast will be made available on TOMRA's webpage www.tomra.com.

TOMRA was founded on an innovation in 1972 that began with design, manufacturing and sale of reverse vending machines (RVMs) for automated collection of used beverage containers. Today, TOMRA has ~95,700 installations in over 80 markets worldwide and had total revenues of ~7.4 billion NOK in 2017. The Group employs ~3,550 globally and is publicly listed on the Oslo Stock Exchange. (OSE: TOM). The TOMRA Group continues to innovate and provide cutting-edge solutions for optimal resource productivity within two main business areas: Collection Solutions (reverse vending and material recovery) and Sorting Solutions (recycling, mining and food sorting). For further information about TOMRA, please see www.tomra.com

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