

**TODAY
INTO 
TOMORROW**



TOMRA SYSTEMS ASA
CAPITAL MARKETS DAY 2013

POSITIONING TOMRA TOWARDS MACRO TRENDS

THE CHALLENGE:

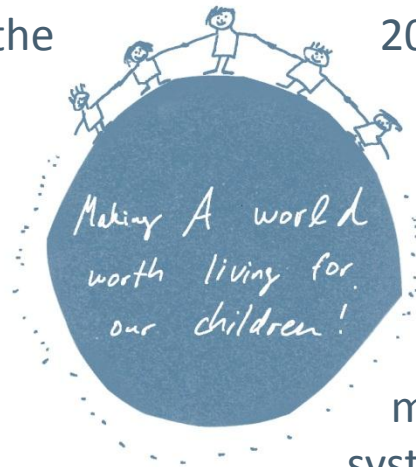
3 billion more middle-class consumers expected to be in the global economy by 2030

Up to **\$1.1 trillion** spent annually on resource subsidies

THE OPPORTUNITY:

\$2.9 trillion of savings in 2030 from capturing the resource productivity potential

At least \$1 trillion more investment in the resource system needed each year to meet future resource demands





THE WORLD POPULATION AND STANDARD OF LIVING IS INCREASING DRAMATICALLY





WORLD RESOURCES ARE UNDER
UNPRECEDENTED PRESSURE

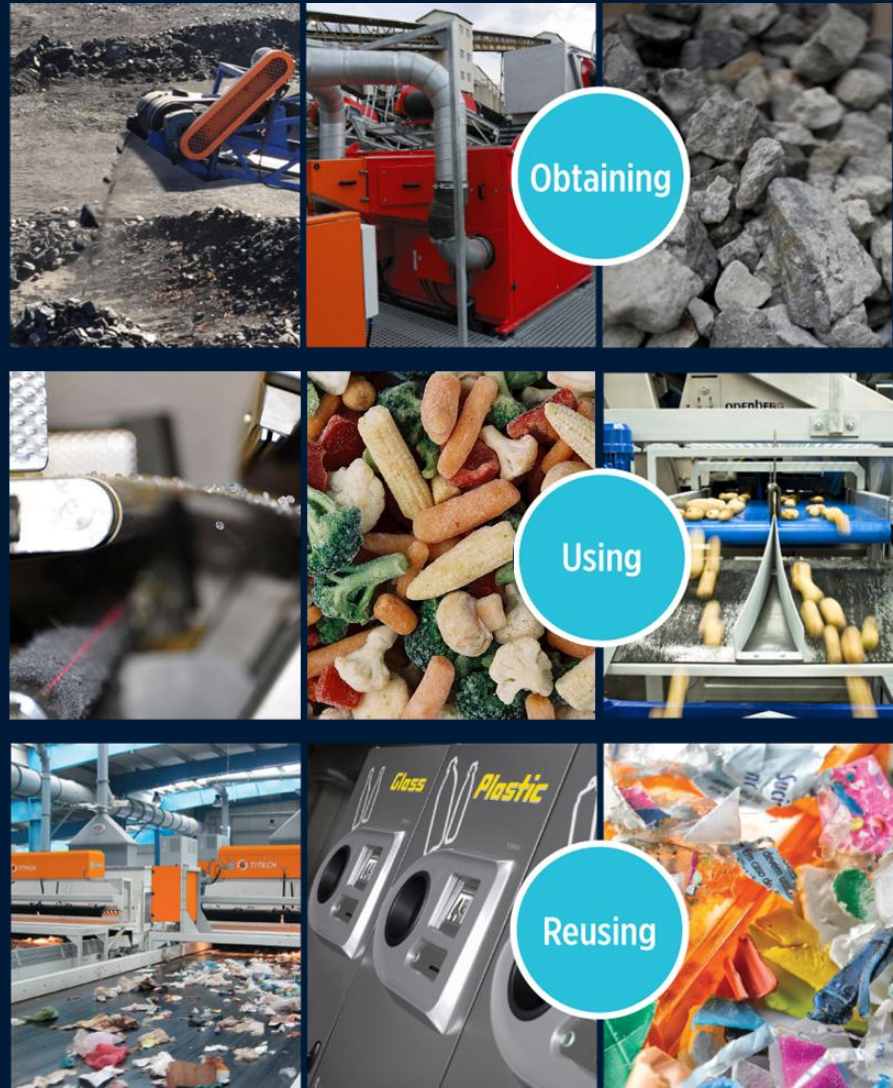




RESOURCE PRODUCTIVITY MUST INCREASE
TO ENSURE SUSTAINABLE DEVELOPMENT



TOMRA creates sensor-based solutions for optimal resource productivity





LEADING THE RESOURCE REVOLUTION

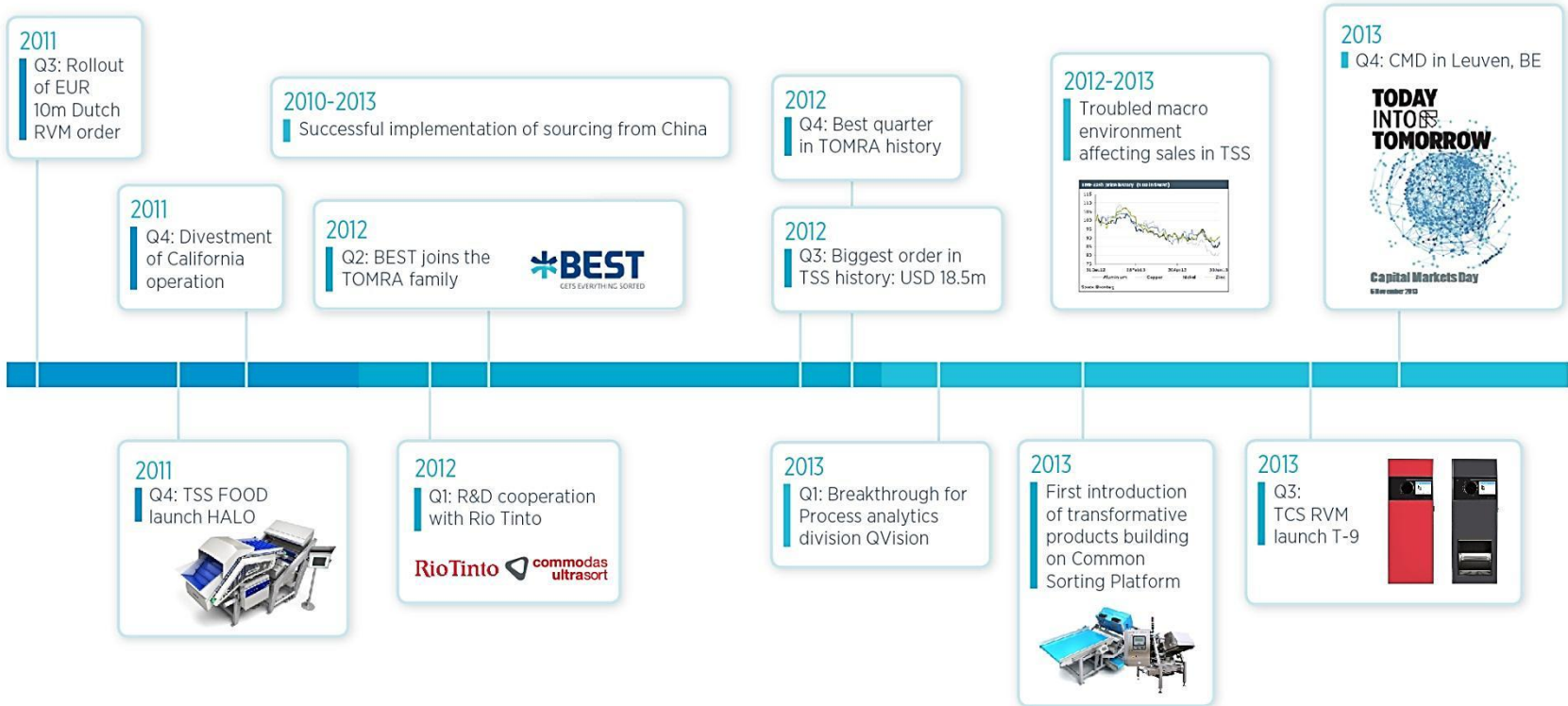


FROM PURPOSE INTO PROFITS AND
PROFITS INTO PROGRESS, TOMRA IS
TRANSFORMING WHAT IT MEANS
TO BE RESOURCEFUL.

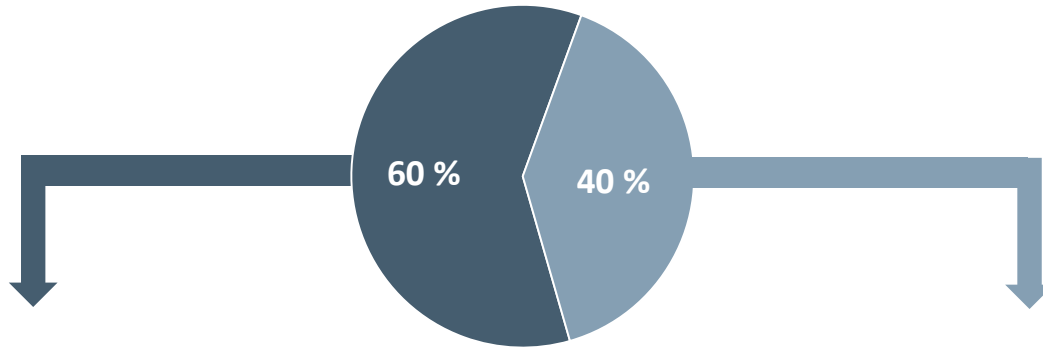


- Our solutions, in use around the globe, helped keep up to **20 millions of tons of CO₂** from being released into the atmosphere in 2012
- **30 bn used beverage containers are captured every year** through our reverse vending machines
- Our vertical balers contribute to a **daily reduction of 20,000 waste pickups**, saving 160,000 liters of fuel consumption
- Our steam peelers process **15 million tons of potatoes per year with a 1% yield improvement** over other alternatives
- **715,000 tons of metal are recovered** every year by our metal-recycling machines

2011-2013: AN EVENTFUL PERIOD



TOMRA - A MARKET LEADER IN ALL ACTIVE MARKETS...



 **TOMRA**
COLLECTION SOLUTIONS

 **TOMRA**
SORTING SOLUTIONS

REVERSE VENDING



Market share:
~75%

MATERIAL RECOVERY



Market share:
~60%

COMPACTION



Market share:
~15-20%

FOOD



Market share:
~40-50% *

RECYCLING



Market share:
~55-65%

MINING



Market share:
~40-50%

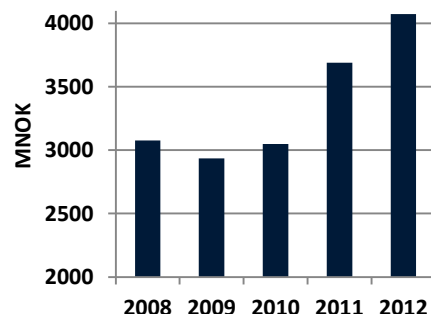
* In total food (incl. rice and lane sorting): 12-15%

...RESULTING IN A SOUND FINANCIAL CONTRIBUTION IN RECENT YEARS...

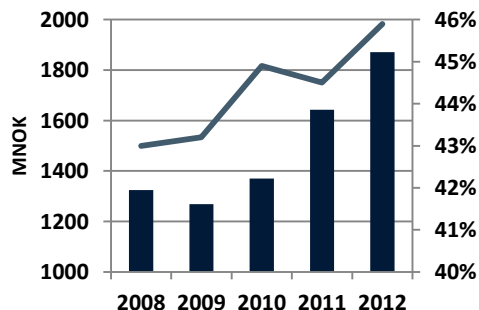
Through implementing our strategy TOMRA achieved solid results

- Topline and bottom-line increase over the period
- Stable and solid cash generation
- Strong balance sheet
- Redistribution to shareholders: 40-60% of EPS
- Well positioned with a good reputation in growing market
- A long term perspective on our business

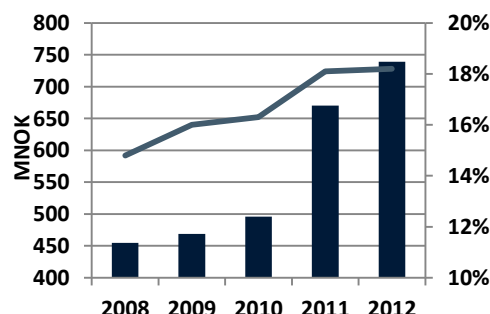
Revenues



Gross Contribution and margin



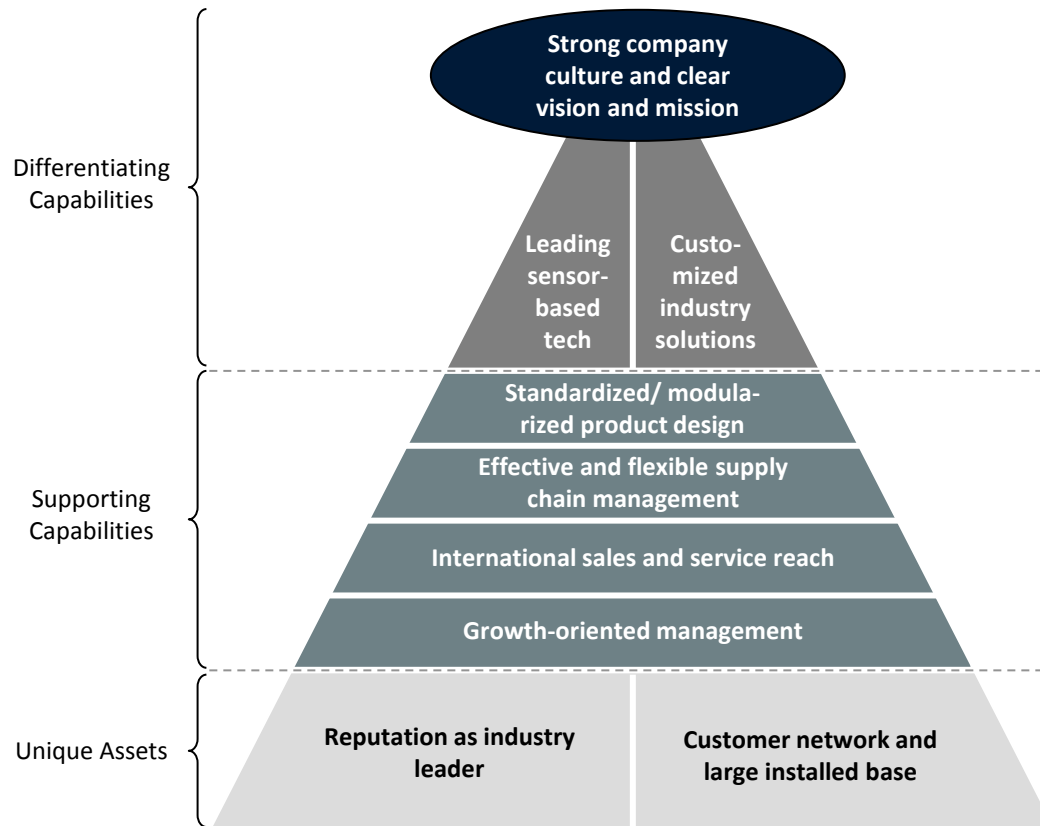
EBITA and margin



We have showed historically that we have been able to deliver profitable growth and this remains our ambition going forward

...BY CREATING A SUSTAINABLE COMPETITIVE ADVANTAGE BUILT ON CORE CAPABILITIES...

TOMRA Capabilities System



SOURCE: Booz for TOMRA

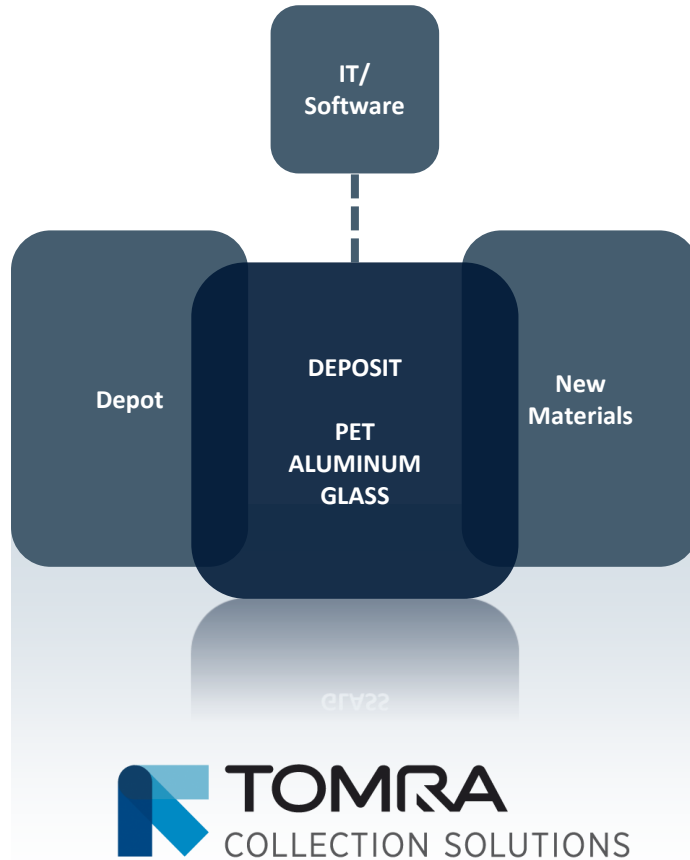
...IMPLEMENTED IN THE WAY WE RUN OUR BUSINESS



AMBITIOUS TARGETS FOR GROWTH AND POSITIONING...

	Collection Solutions	Sorting Solutions
1 Growth	<ul style="list-style-type: none">• Overall revenue growth of 4-8%	<ul style="list-style-type: none">• Overall revenue growth of 10-15%
2 Profitability	<ul style="list-style-type: none">• EBITA margins : 17-22%	<ul style="list-style-type: none">• EBITA margins: 18-23%
3 Technology	<ul style="list-style-type: none">• Product roadmap to ensure competitiveness• Capture new revenue streams	<ul style="list-style-type: none">• Product roadmap with several breakthrough developments• Common sorting platform
4 Operations	<ul style="list-style-type: none">• Continue COGS cutting program	<ul style="list-style-type: none">• Ambitious COGS savings program• Production and increased sourcing in China and other low cost countries
5 M&A	<ul style="list-style-type: none">• Current focus on integration• No larger M&A expected in the short term	

...TO BE EXECUTED WITHIN OUR STRATEGIC DIRECTION



OUR COMMON FUTURE

Ultimately,
the Resource Revolution goes beyond
a single goal or a set of numbers

We all have a stake in getting results
– it is a global challenge

TOMRA: USING THE POWER OF BUSINESS TO DO GOOD

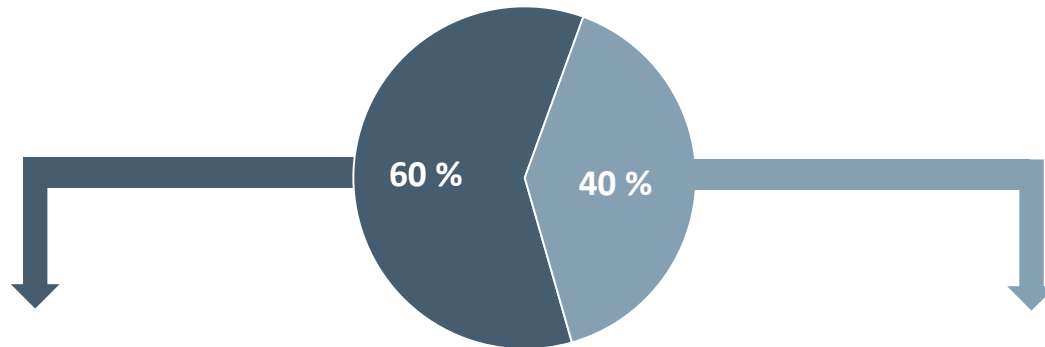


TOMRA Collection Solutions

**RETURNS
INTO
VALUE**




TOMRA COLLECTION SOLUTIONS CONTRIBUTES 60% OF TOTAL GROUP REVENUES



 **TOMRA**
COLLECTION SOLUTIONS

 **TOMRA**
SORTING SOLUTIONS

REVERSE VENDING	MATERIAL RECOVERY	COMPACTION
		
Share of Group revenues: 43%	Share of Group revenues: 13%	Share of Group revenues: 4%

FOOD	RECYCLING	MINING
		
Share of Group revenues: 24%	Share of Group revenues: 13%	Share of Group revenues: 3%

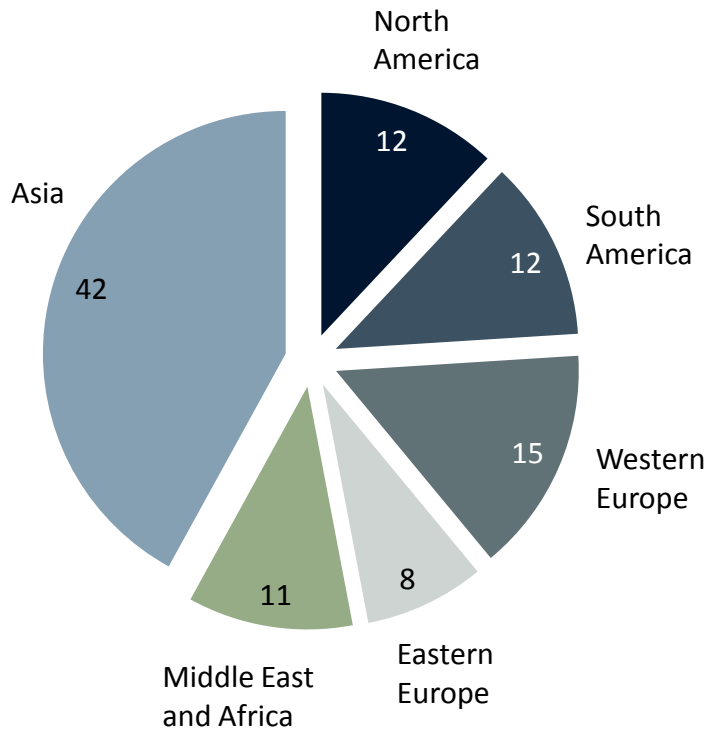


RETURNS INTO VALUE

THE GLOBAL BEVERAGE MARKET

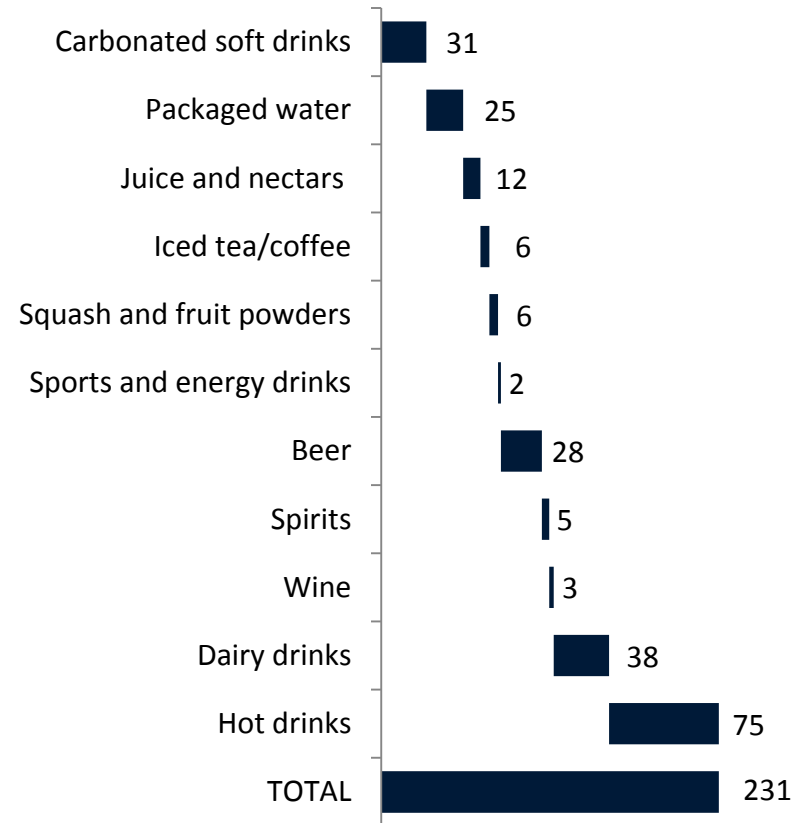
Global beverage consumption

100% = ~1.6 trillion liters



Breakdown of per capita consumption

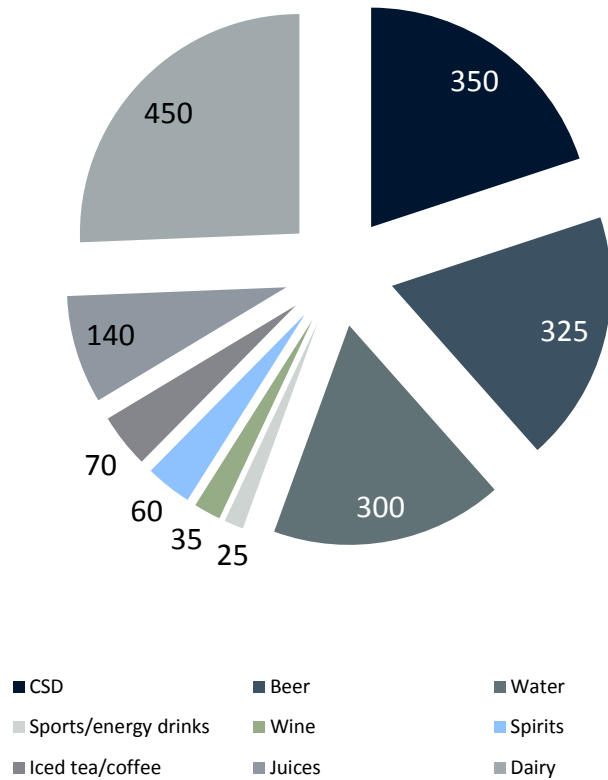
Liters per person per year (global average)



THE GLOBAL BEVERAGE PACKAGING MARKET

Size of global packaging market

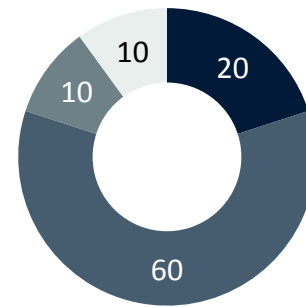
Billion units per category, 100% = ~1.8 trillion units



Packaging mix for key categories

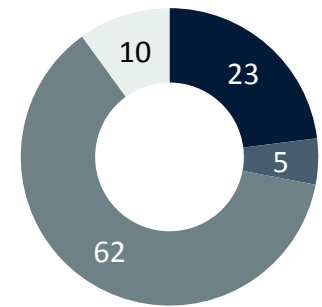
Percent

Carbonated Soft Drinks



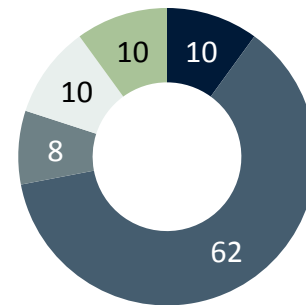
■ Cans ■ Plastics ■ Glass ■ Bulk packs

Beer



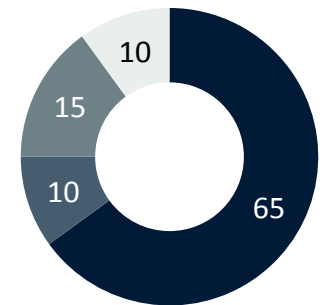
■ Cans ■ Plastics ■ Glass ■ Draught

Iced tea/coffee



■ Cans ■ Plastics ■ Glass ■ Carton ■ Other

Sports and energy drinks



■ Cans ■ Plastics ■ Glass ■ Other

RECYCLING RATES FOR BEVERAGE PACKAGING

Recycling rates for selected packaging categories



Globally: ~70%

USA: 65%

EU: 66%

JPN: 93%



Globally: ~35%

USA: 29%

EU: 48%

JPN: 72%



Globally: ~35%

USA: 35%

EU: 68%

JPN: 90%



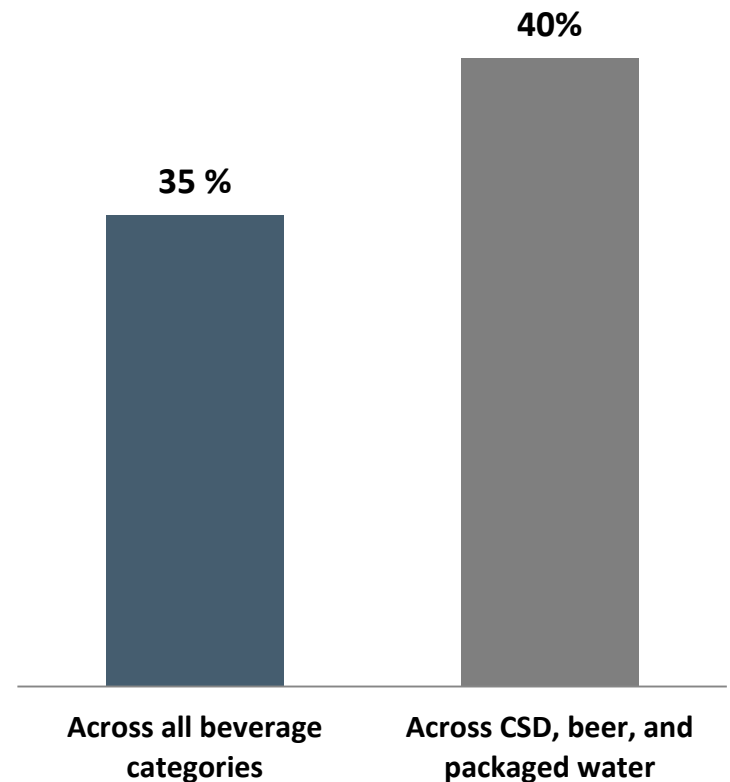
Globally: ~15-20%?

USA: 10-15%?

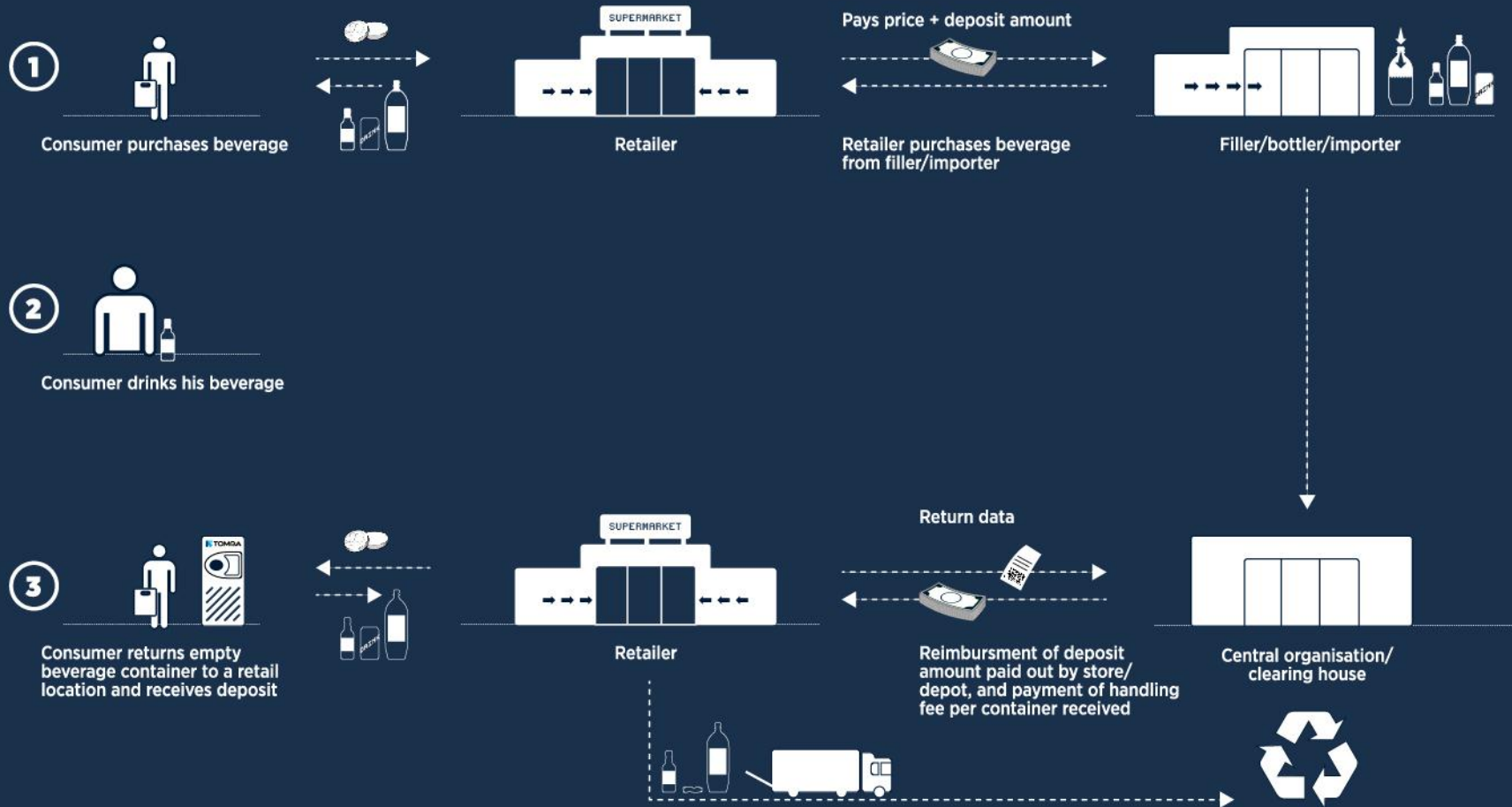
EU: 37%

India: 18%, China: 10%, Egypt: 13%

Estimated global UBC recycling rates



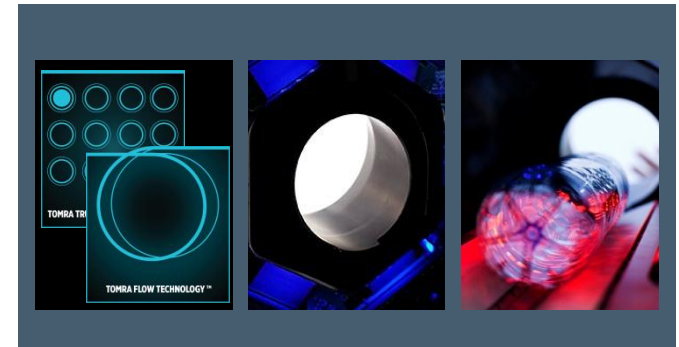
RECYCLING OF BEVERAGE PACKAGING IN A DEPOSIT SYSTEM



ELEMENTS OF A MODERN REVERSE VENDING SYSTEM



User communication



Recognition system

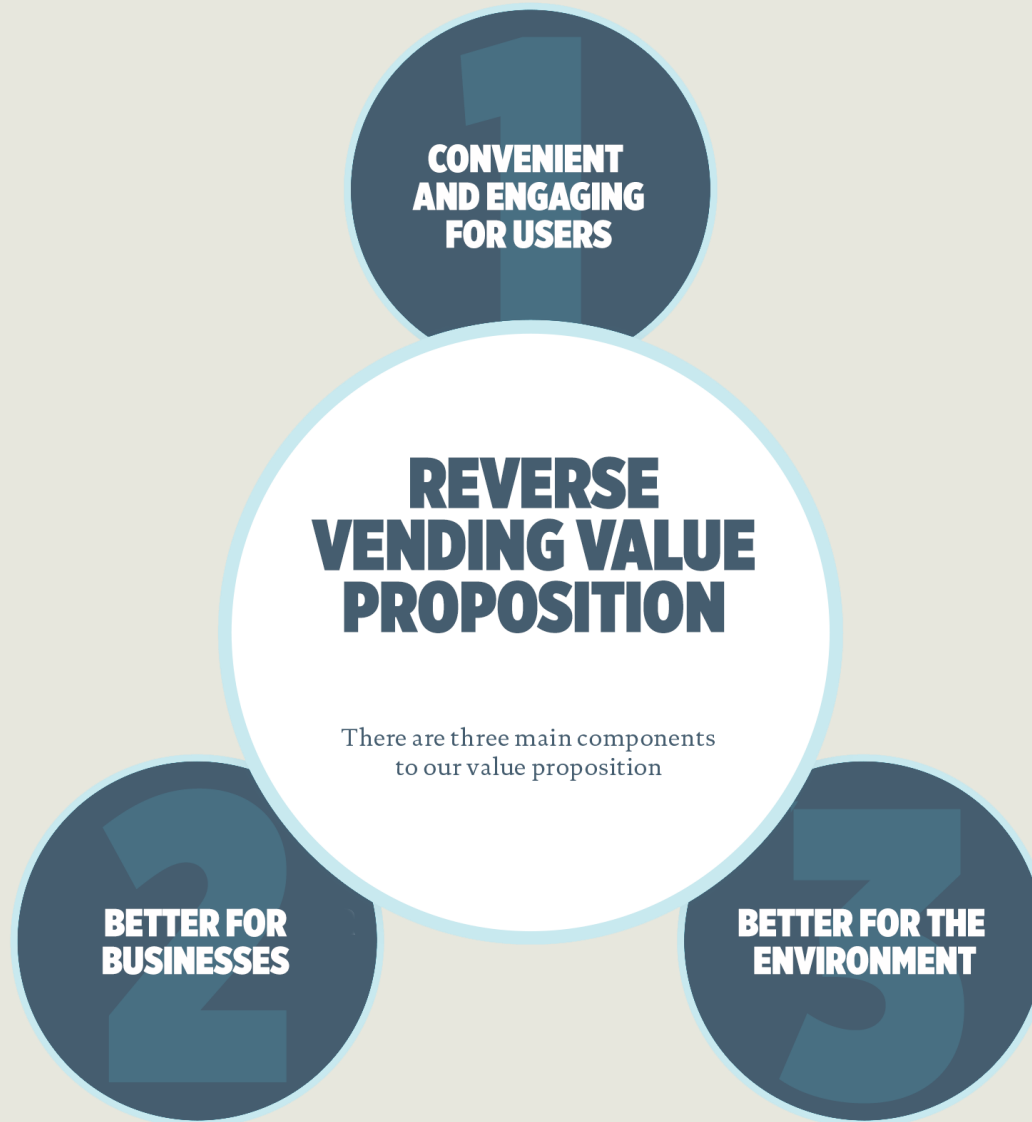


Sorting & processing



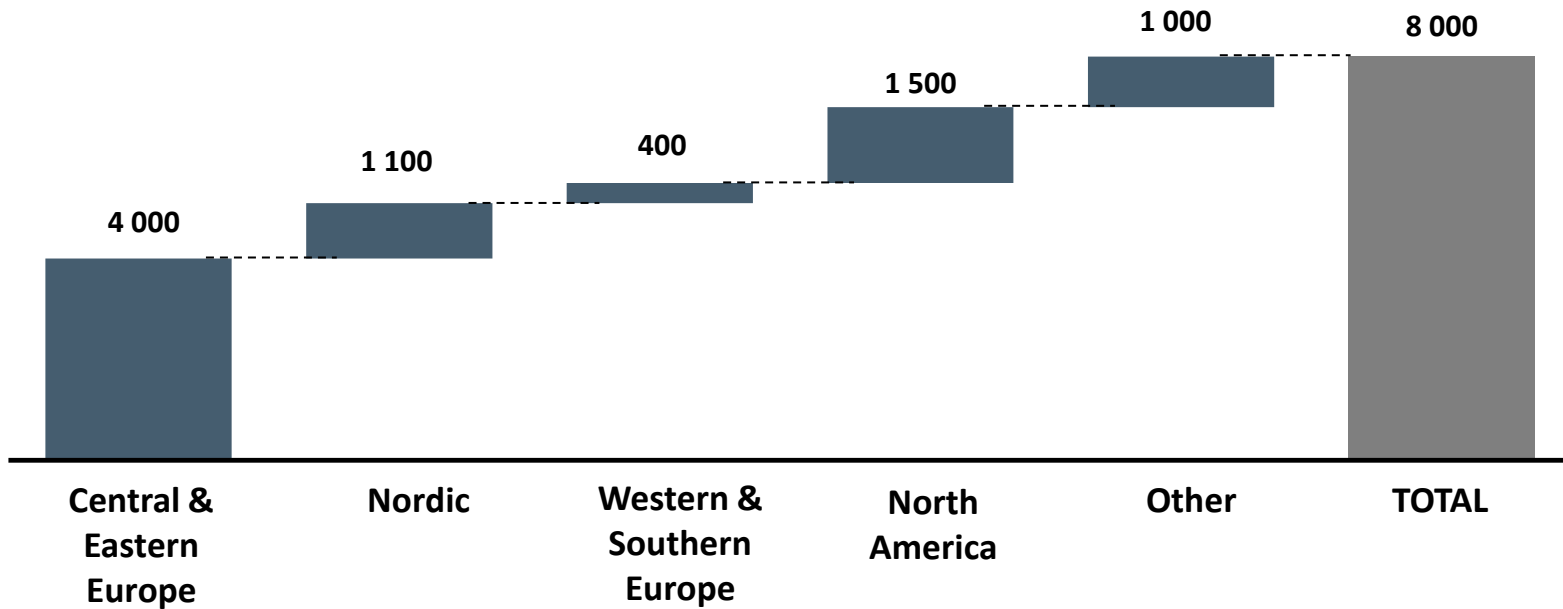
Data administration

REVERSE VENDING ADVANTAGES



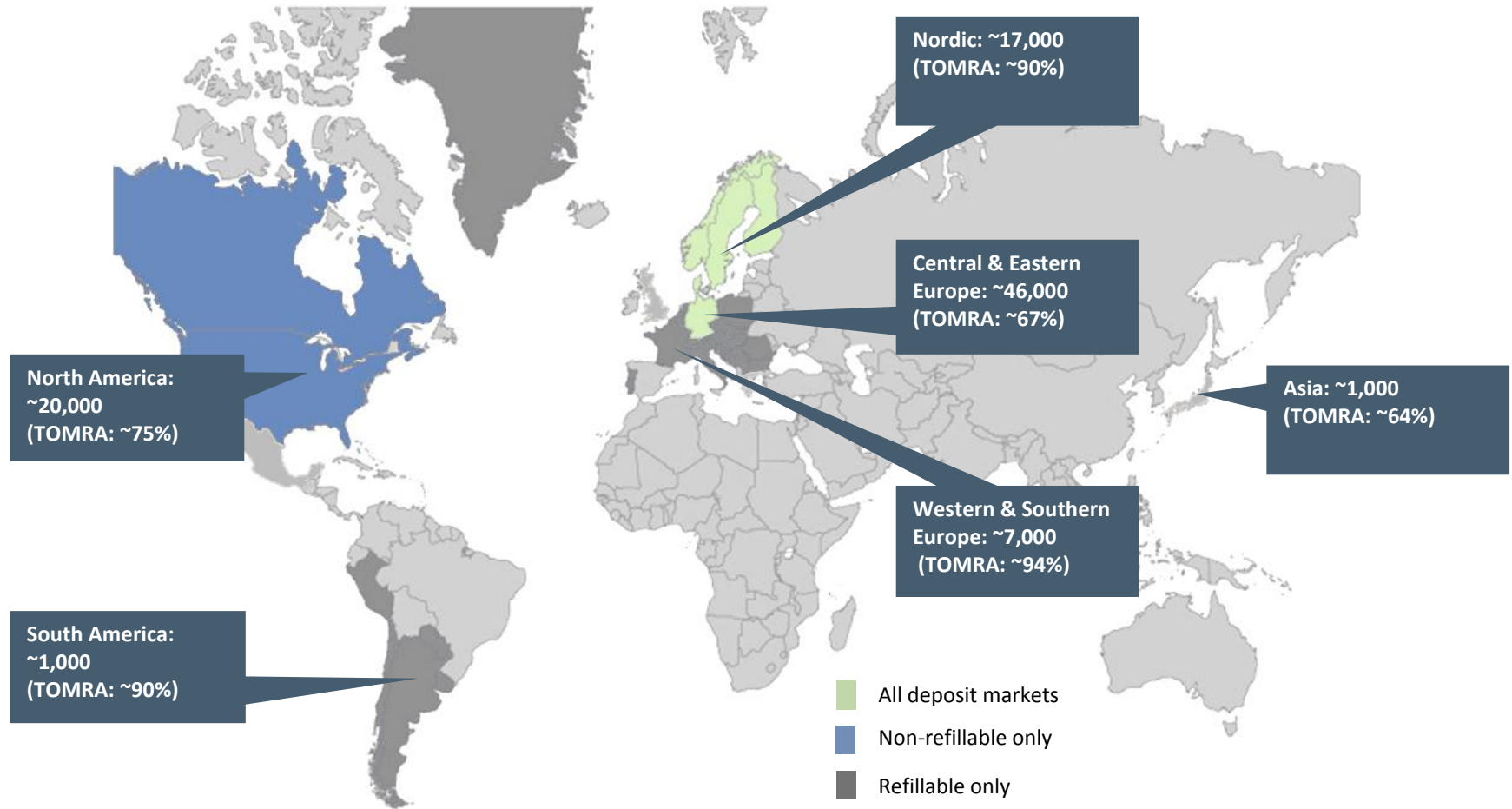
ANNUAL DEMAND

Number of reverse vending machines (backrooms excluded) sold per region in 2012
Units



Source: TOMRA analysis

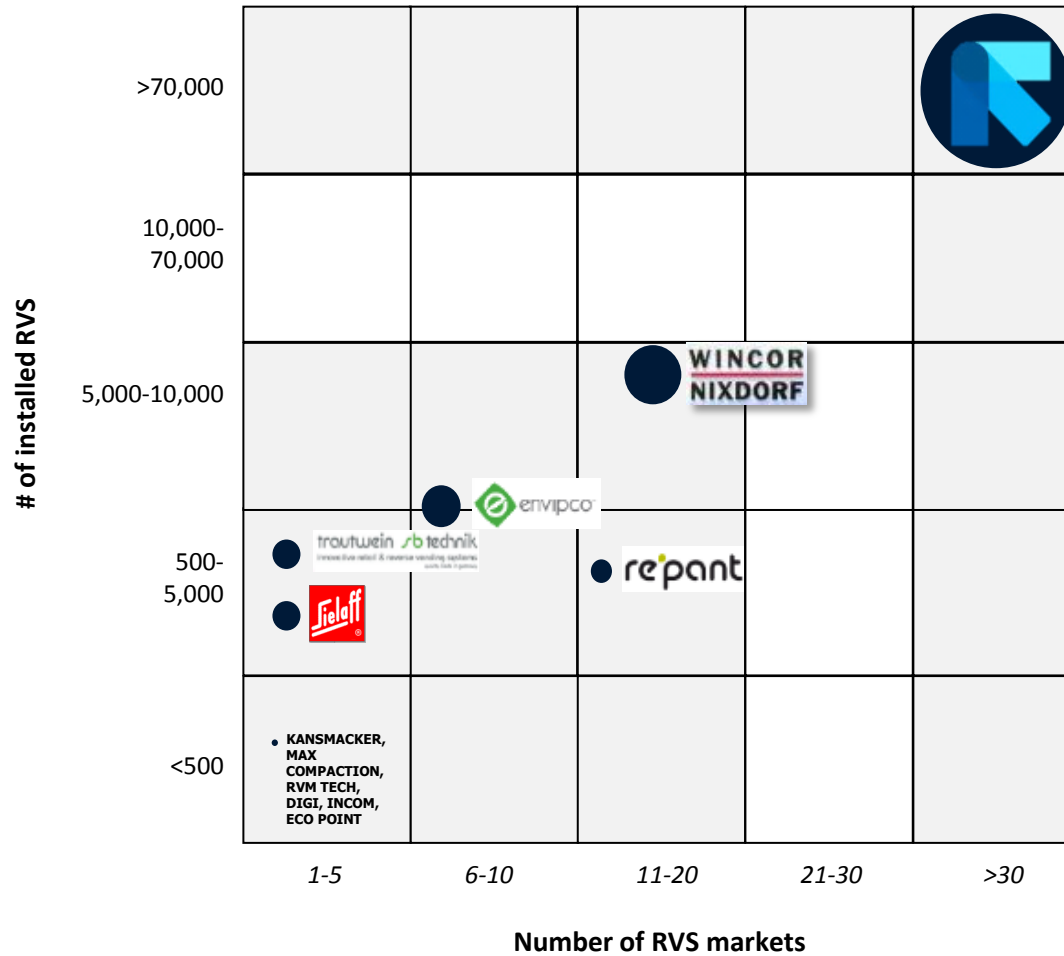
GLOBAL INSTALLED BASE (ACTIVE SYSTEMS)



Source: Envipco 2011 prospectus; Repant annual reports; DPG database; company websites; TOMRA analysis

ESTIMATES

COMPETITIVE LANDSCAPE



● Annual revenue from RVS sales

Source: TOMRA estimates and analysis

ESTIMATES

CURRENT MARKET DYNAMICS

1 Saturated markets, nearly all eligible stores have RVS

2 Store consolidation leads to fewer sold systems

3 Improved efficiency: 1 new system replaces 2 old

4 Smaller competitors competing on price

5 Increased focus on RVS operations among customers creates room for differentiation

6 Increased political momentum – new markets and increased scope of existing systems



RVM: OUR STRATEGY 2013 -2018

1

Defend and nurture core deposit market business

- Increase differentiation towards competition
- Further reduce the cost of reverse vending systems

2

Ensure continued relevance of deposit systems

- Increase scope of existing deposit markets
- Assist in developing new deposit markets

3

Embrace new business models

- Capture new volume by entering new segments
- Create new revenue streams from Software/IT

4

Expand scope of business

- Target new material streams

ENSURE SUFFICIENT DIFFERENTIATION BY DELIVERING ON PRODUCT ROADMAP AMBITIONS

2012



2015



T-9: THE FIRST OF A NEW GENERATION OF MACHINES

- On 23rd September 2013, TOMRA presented the first machine of the **new generation** of machines to come
- T-9 features the first **360 degree recognition** system applied in an RVM and a completely new industrial design
- The machine is **faster, cleaner** and **takes all** types of beverage containers
- **The launch has been successful**
 - Several machines already installed in core markets
 - Key product for replacement sale in e.g. Germany

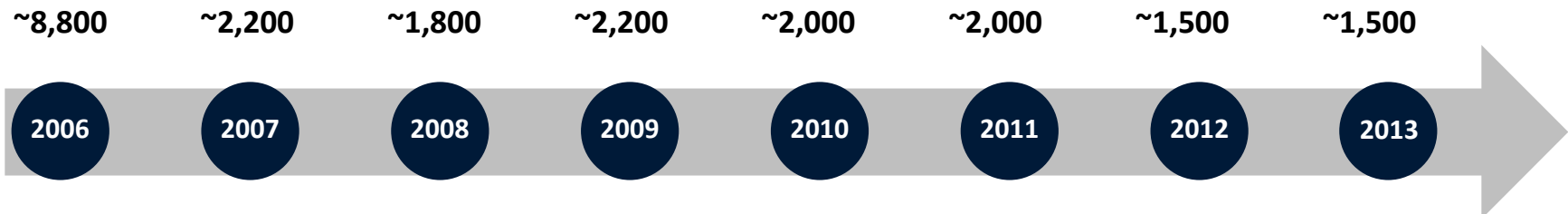
TOMRA is setting the standard for reverse vending for the next decade



THE GERMAN REPLACEMENT OPPORTUNITY



Number of installed machines in Germany (annually)

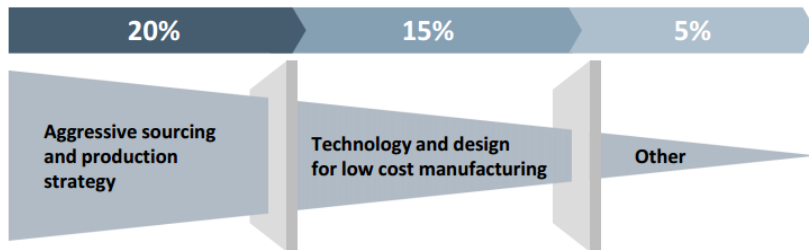


TOTAL: 22,000*

* Not including UNOs. Remainder installed before 2006

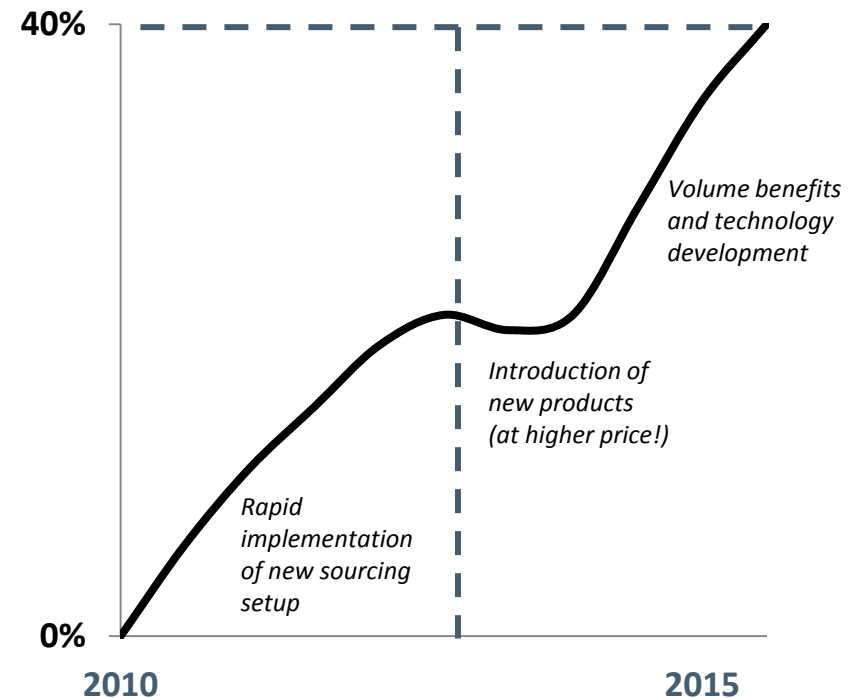
COGS SAVINGS PROGRAM

Phases of COGS saving program



- **Moving sourcing from high cost to low cost countries has been the major driver for the COGS savings to date**
- Our new portfolio has been designed to allow an even higher degree of low cost country sourcing and to benefit from modern manufacturing processes
- In the early phase of a product's lifetime, COGS will be high due to small sourcing volumes and high cost of certain cutting-edge components

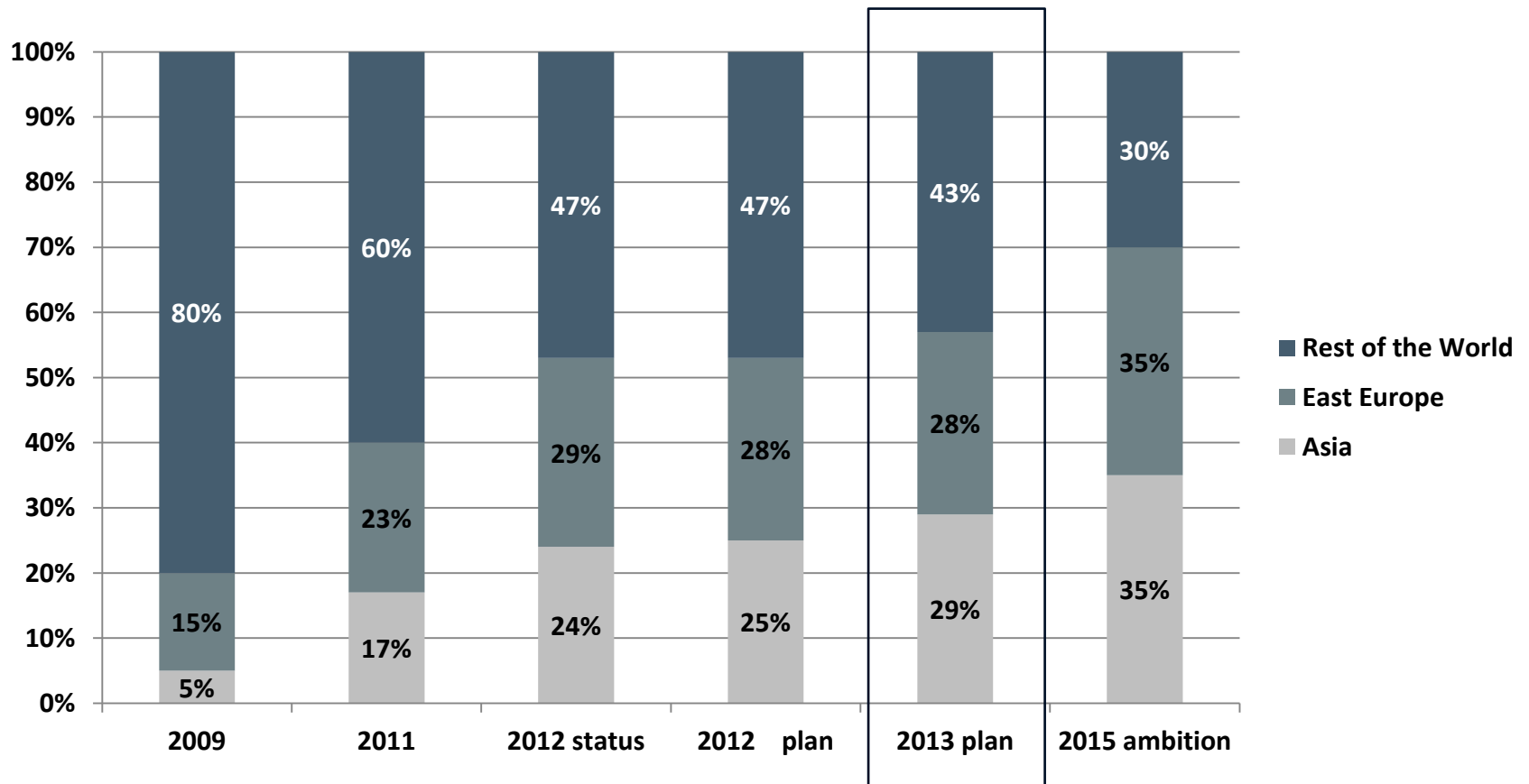
Achieved and estimated savings Percent (of average portfolio cost)



ILLUSTRATIVE

EXAMPLE: CHANGES IN SOURCING SETUP

COGS distribution by region (sourcing)



Source: TOMRA analysis

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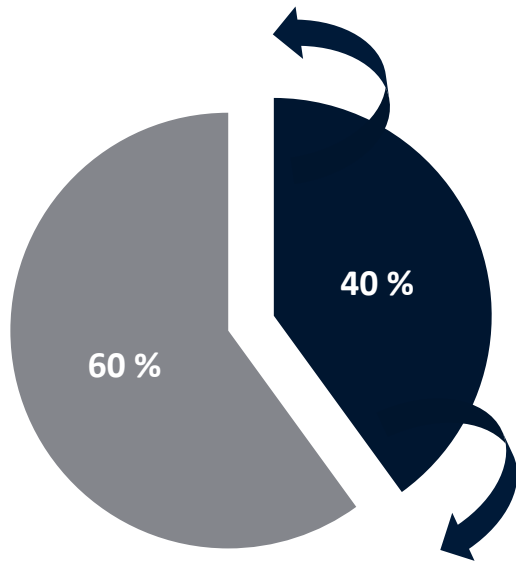
Expand scope of business

- Target new material streams

ENSURE CONTINUED RELEVANCE OF AUTOMATED DEPOSIT SYSTEMS

Handling method for deposit containers

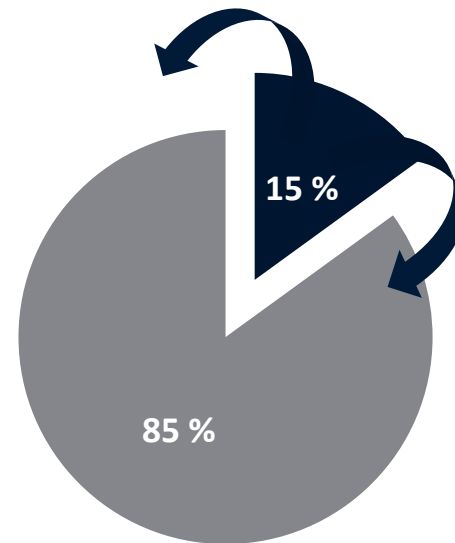
Percent of total



- Handled with RVS
- Handled manually

Share of containers sold with deposit

Percent of total



- Containers sold with deposit
- Containers sold without deposit

INCREASE SCOPE OF EXISTING DEPOSIT MARKETS

Beverage categories excluded from deposit systems, but suitable for RVMs

Cartons



Sports drinks



Water



Juice



NEW DEPOSIT MARKETS

Pilot machines at Whitmuir Farm and Heriot-Watt University



North America:
Annual opportunities for new bottle bills, e.g. in Minnesota

Scotland:
Potential for ~2,000 machines from 2016 and onwards

Eastern Europe:
Potential for ~2,000 machines in Latvia and Lithuania from 2015/2016 and onwards

Spain:
Potential for 15,000+ machines from 2015 and onwards

Australia
Potential for ~5,000+ machines from 2014 and onwards



Pilot machine in Cadaques, Cataluña



Commercial installation in Northern Territory

RVM: OUR STRATEGY 2013 -2018

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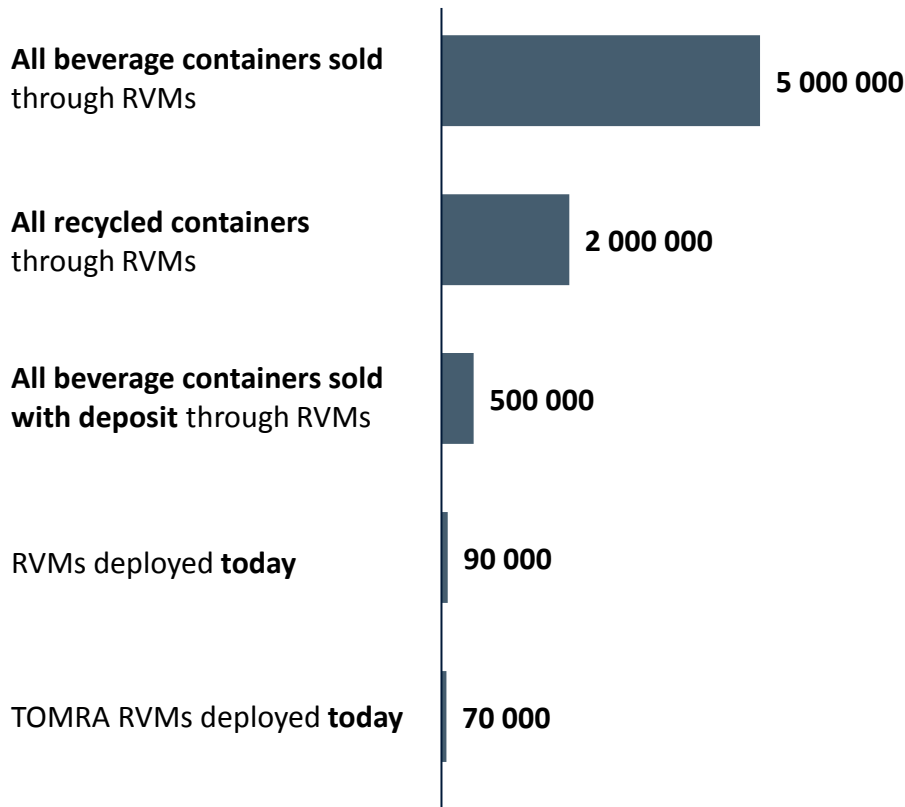
Expand scope of business

- Target new material streams

INCREASE NUMBER OF CONTAINERS TOUCHED

Number of Reverse Vending Machines

Units

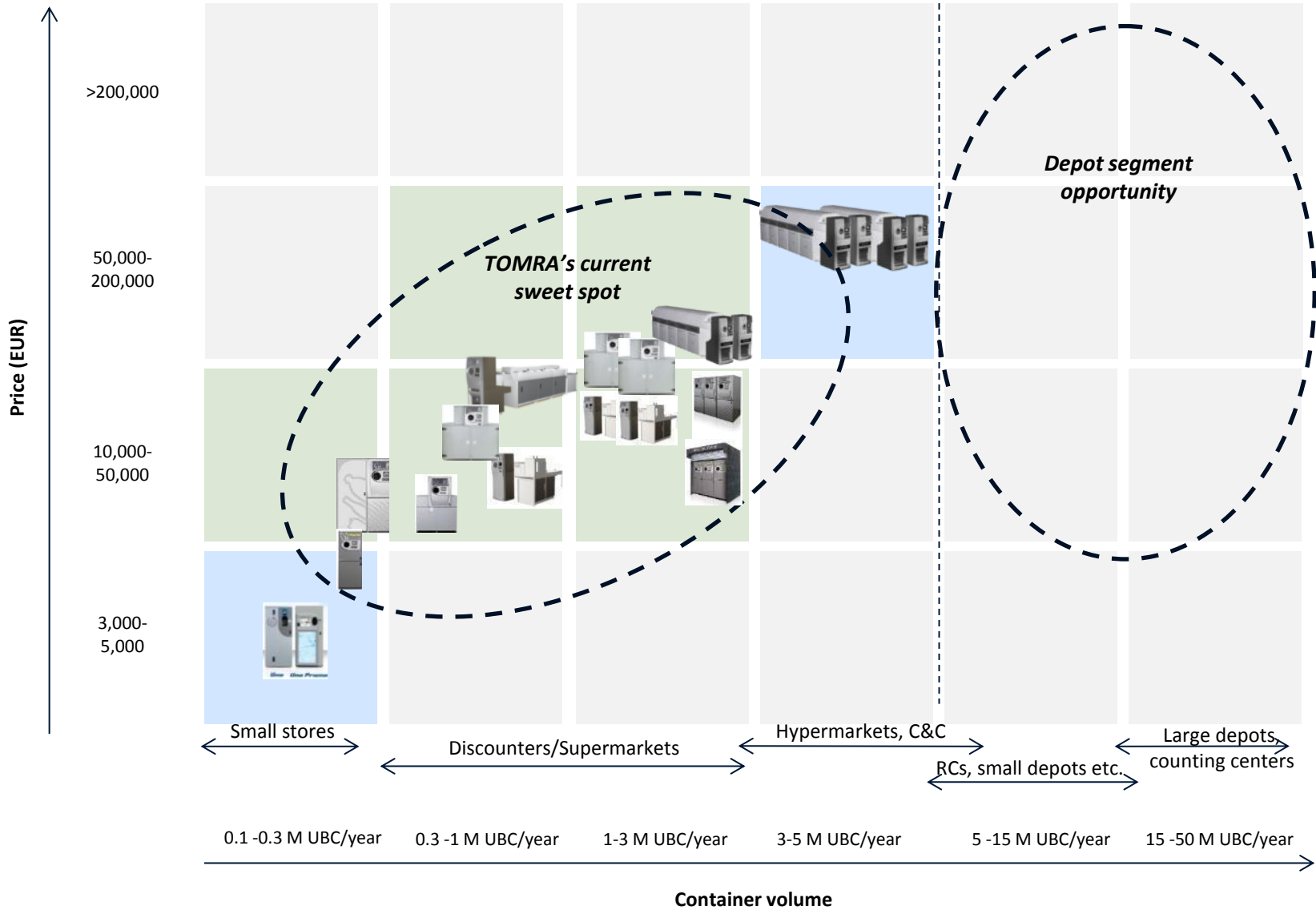


Some containers (asymmetrical, oversized, cartons etc.) cannot be collected in traditional RVMs (TOMRA is now changing the game with our new T-9)

RVMs are competing against generic solutions such as curbside programs and igloos, even in markets where containers are sold with a deposit

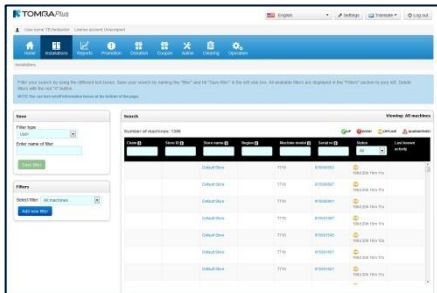
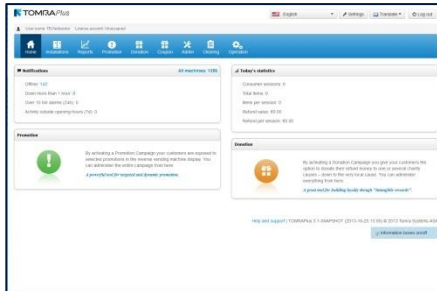
Still, there are opportunities to shift container volumes towards automated systems

ENTER NEW SEGMENTS



CREATE NEW REVENUE STREAMS FROM SW/IT

TOMRAPlus



TOMRA ReACT



Integrating hardware and software into attractive and engaging combos

ENGAGE CONSUMERS



Activity: Running



Log activity



Statistics, performance tracking

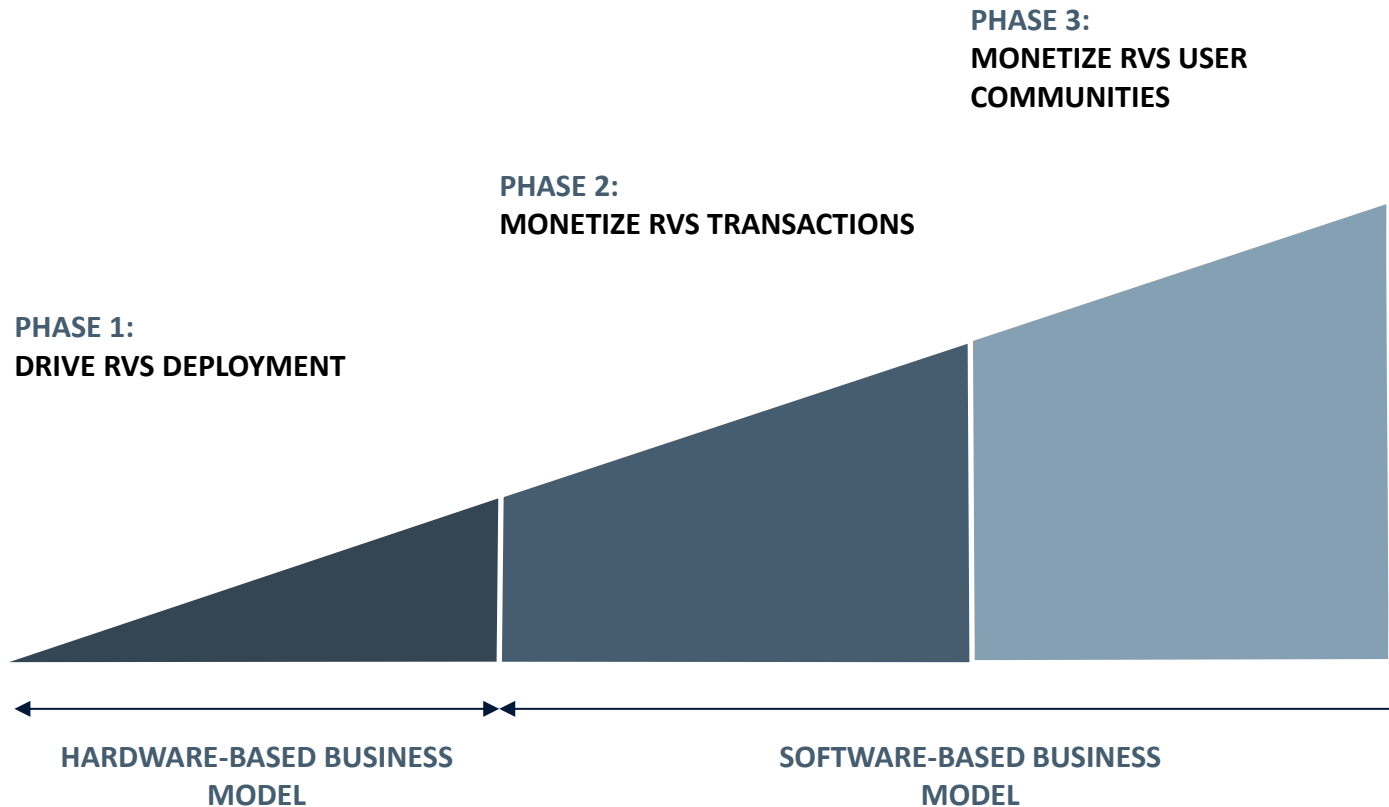


Share, compete, inspire!



EVOLVING THE BUSINESS MODEL OVER TIME

Potential phases in monetizing the ReACT platform



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TARGET NEW MATERIAL STREAMS



WHY TOMRA? - POTENTIAL SYNERGIES

- Leverage existing customer relationships and sales channels to sell new solutions
- Bundle products

Sales



- Leverage network of field technicians
- Leverage back-end systems for monitoring, dispatching and online/hotline support

Service



- Leverage existing production capacity, warehousing etc.
- Tap into sourcing network to bring down COGS

Supply chain



- Leverage digital platform , ReACT, across all consumer-facing products

SW front-end

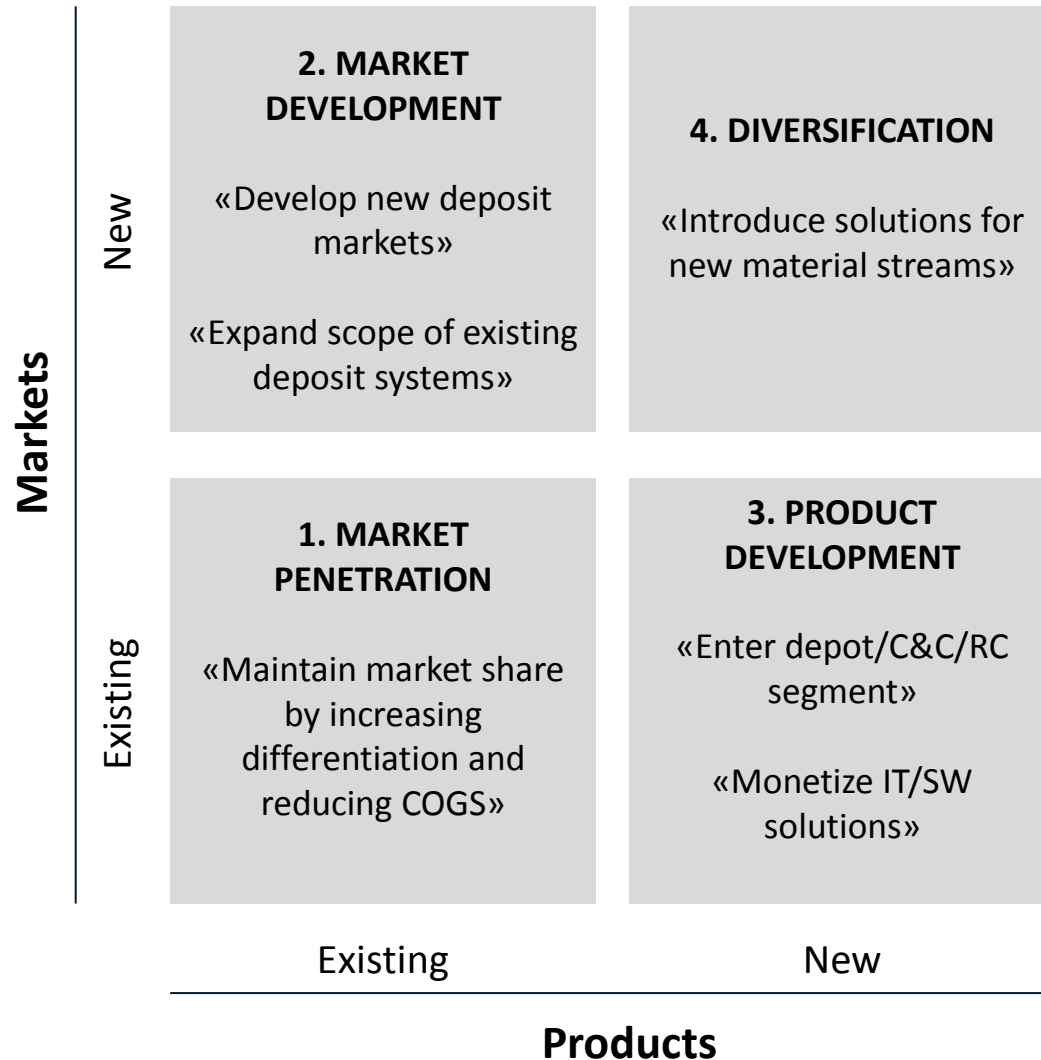


- Leverage remote monitoring tool - TOMRAPlus - across all products/streams

SW back-end



ORDER OF PRIORITY



A SHIFT IN MINDSET – A SHIFT IN GROWTH PROFILE



From collection of used bottles and cans to smart collection of many kinds of materials



From hardware solutions only to integrated solutions with software as a key driver



From a “box pushing” business model to volume- and transaction-based models

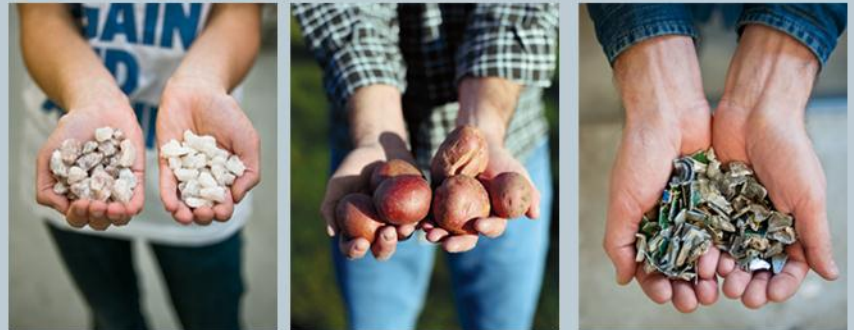


From B2B only to a more balanced B2C/B2B focus where consumers are monetized

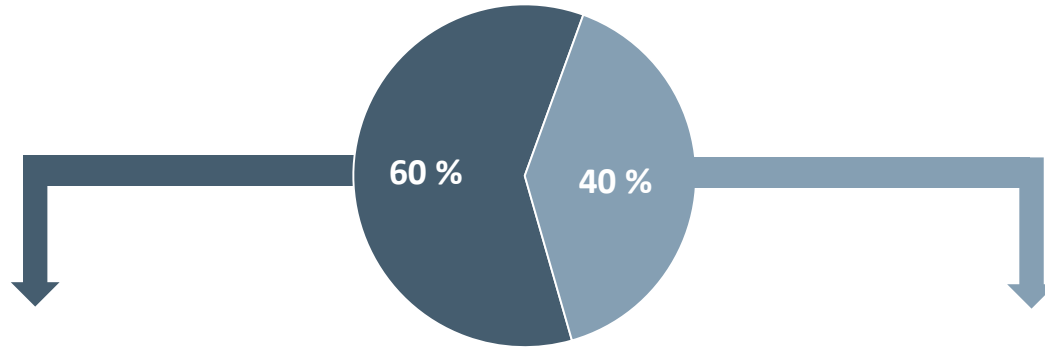


TOMRA Sorting Solutions

**WASTE
INTO
VALUE**



TOMRA SORTING SOLUTIONS CONTRIBUTES ABOUT 40% OF TOTAL GROUP REVENUES



 **TOMRA**
COLLECTION SOLUTIONS

 **TOMRA**
SORTING SOLUTIONS

REVERSE VENDING



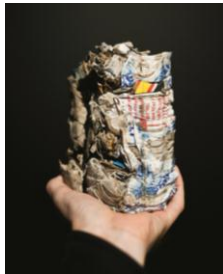
Share of Group revenues:
43%

MATERIAL RECOVERY



Share of Group revenues:
13%

COMPACTION



Share of Group revenues:
4%

FOOD



Share of Group revenues:
24%

RECYCLING



Share of Group revenues:
13%

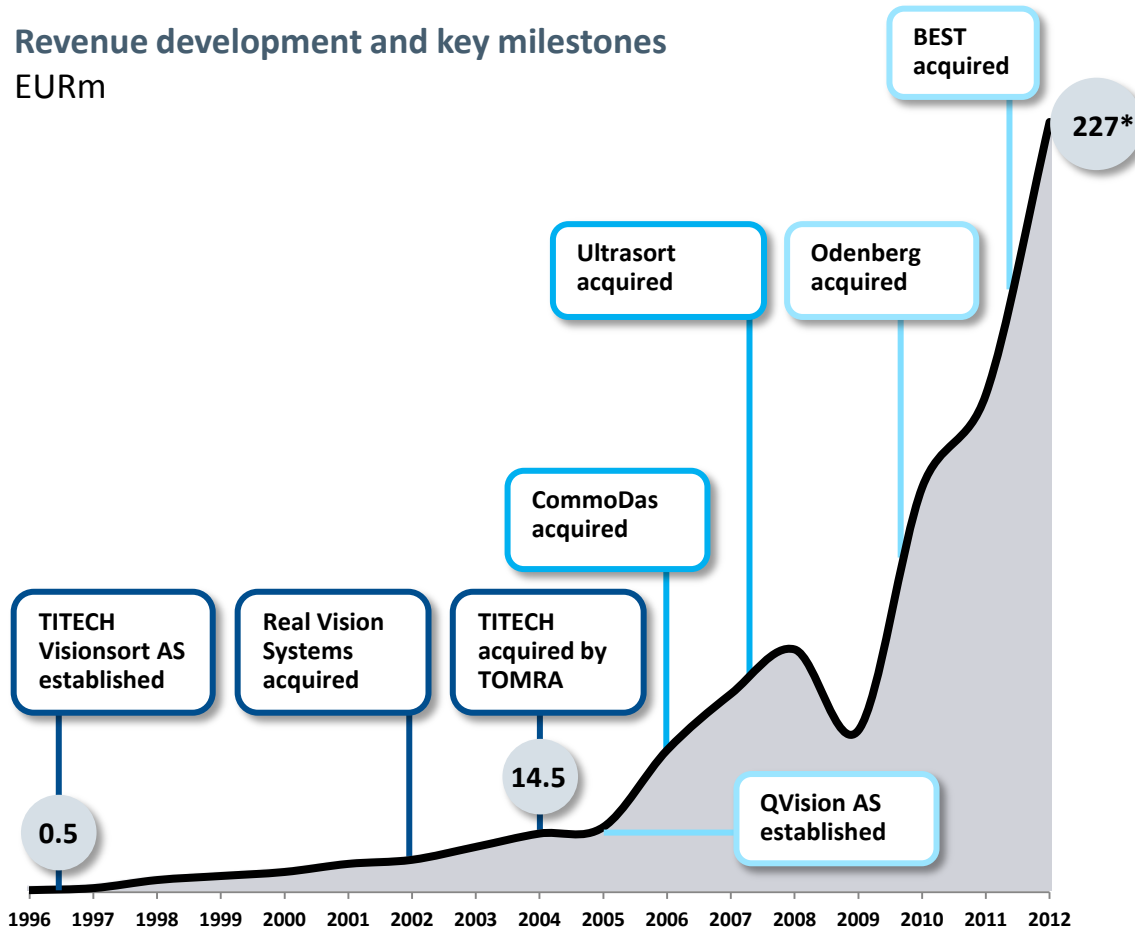
MINING



Share of Group revenues:
3%

STRONG REVENUE GROWTH SINCE INCEPTION IN 1996

Revenue development and key milestones EURm



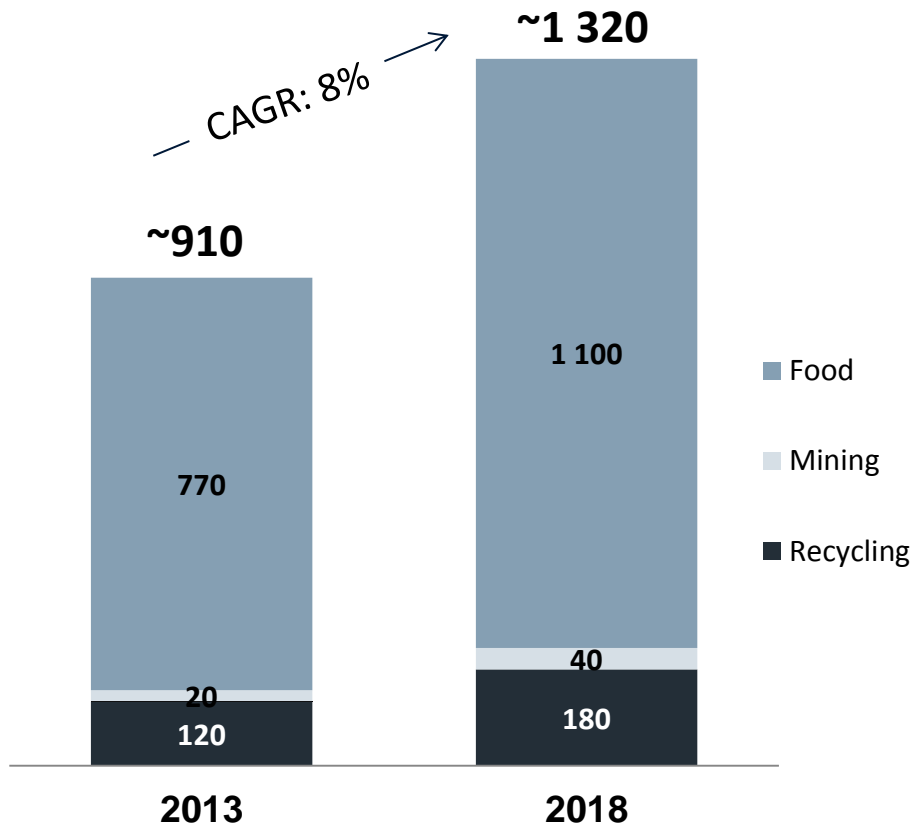
- Total revenue growth (organic plus inorganic) of ~37% per year from 2004-12
 - Organic growth for the same period was ~21%
- Technology base and segment/application knowledge expanded both through acquisitions and in-house ventures

* Includes BEST proforma for 2012 and excluding Chilling and Freezing unit divested Q1 2013

MARKET SIZE AND POTENTIAL

Total annual market size

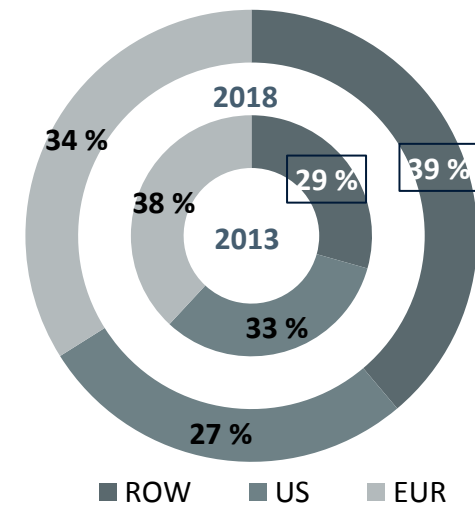
EUR million



Market growth

- Market expected to grow at rate of around 7-9% per year
- A large part of growth from unlocking of dormant potential – only possible by developing new applications and technologies
- Some growth in “old world”, but faster growth in “new world”

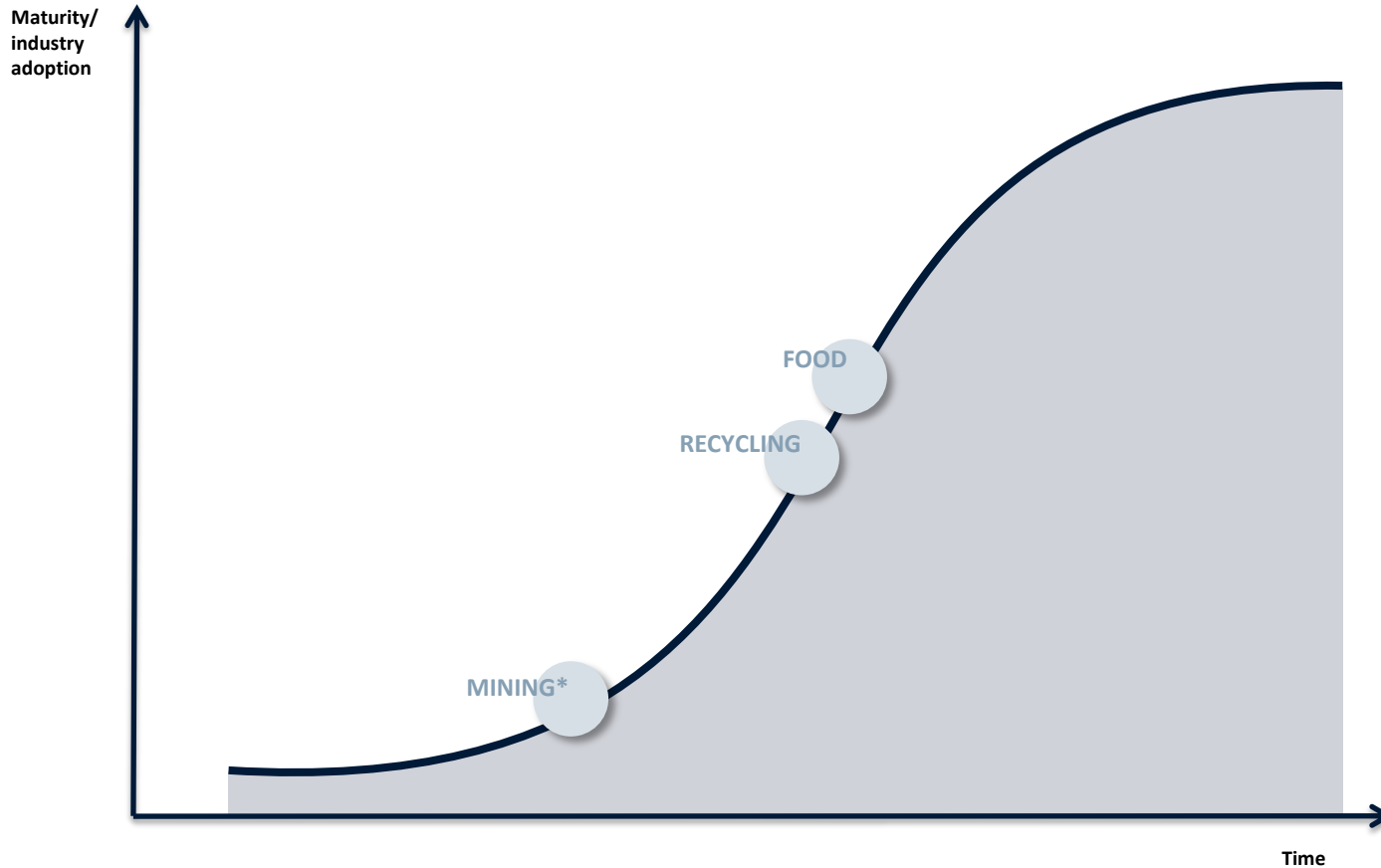
Expected development in geographical revenue contribution



Source: TOMRA estimates and analysis

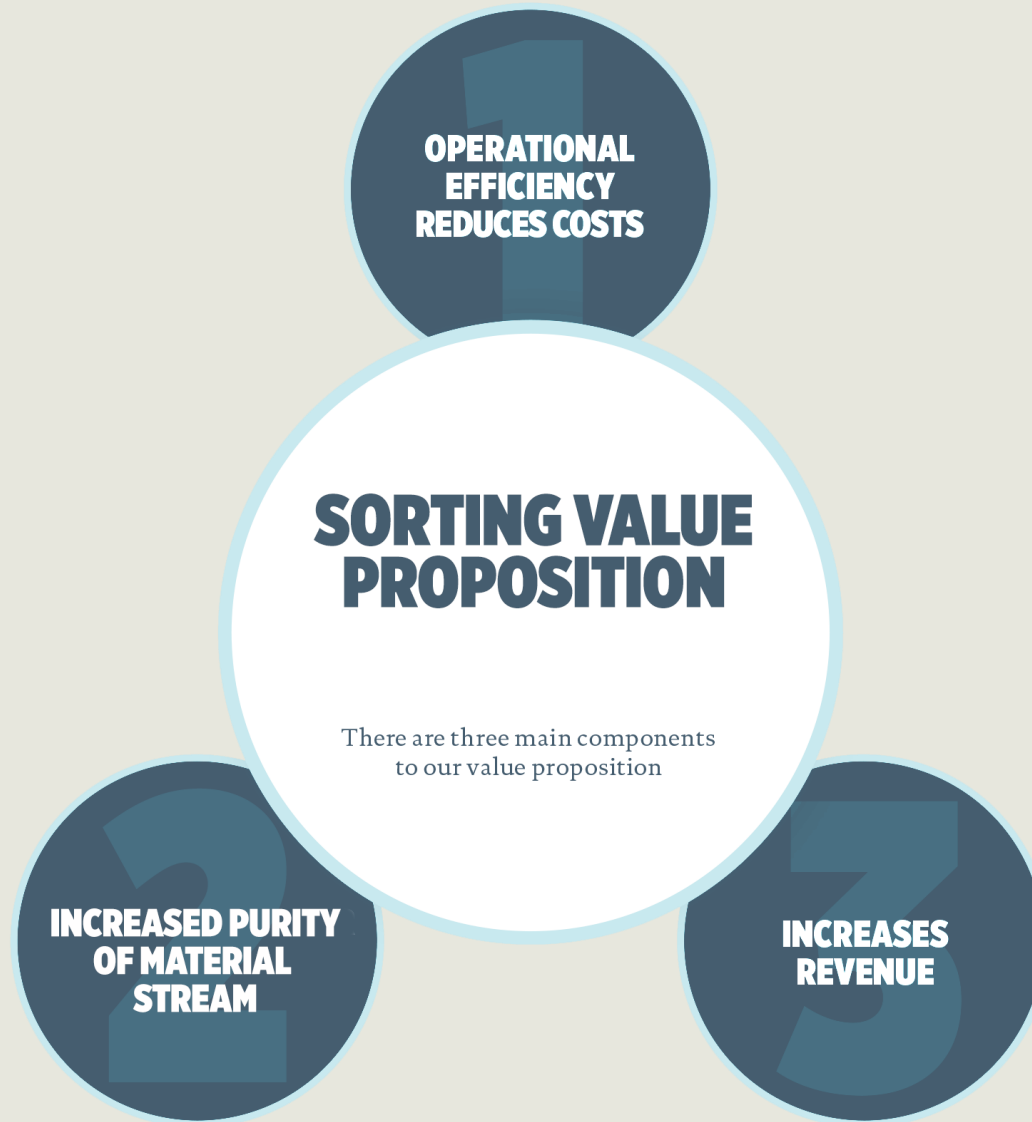
* Market size for food includes peeling, meat/process analytics, virgin materials and tobacco.

ADOPTION OF SENSOR-BASED SORTING AT DIFFERENT MATURITY LEVELS



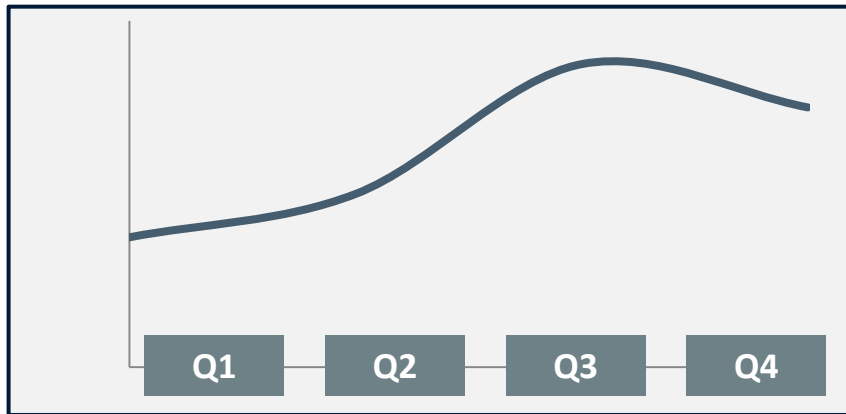
* In certain mining sub-segments, such as industrial minerals and diamonds, sensor-based sorting is a more mature technology

SORTING VALUE PROPOSITION



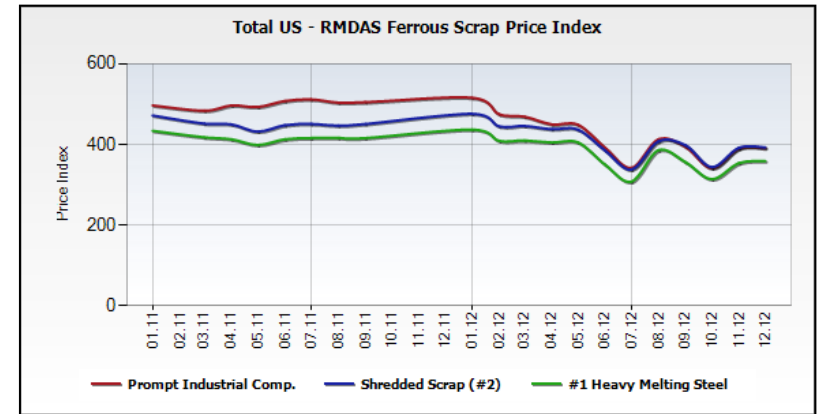
SEASONALITY AND CYCLICALITY IN TOMRA SORTING

Illustration of annual revenue distribution



- **Food:** Higher activity towards the end of the year as clients want deliveries close to the harvesting season
- More activity in the second half as influenced by harvesting season in US and EU/Northern Hemisphere

The macro environment impacts sales

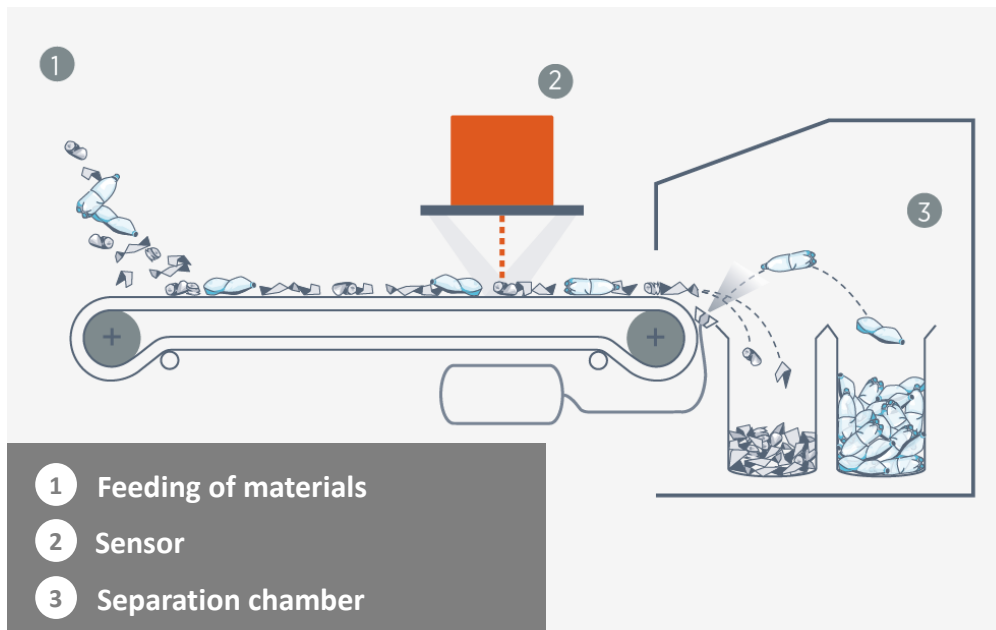



- **Recycling:** The more the prices either decline or fluctuate the more hesitant our clients will be to invest in equipment
 - Metal segment more cyclical than waste, but sensitivities also towards movements in plastic and paper prices
- **Mining:** Impacted by bigger miners CAPEX spend
- **General:** Lack of access to capital impacts all segments


Sources: www.recyclingtoday.com, RMDAS Ferrous scrap price index

HOW DOES SENSOR BASED SEPARATION WORK?

- High-tech sensors to **identify objects**
- **High speed processing** of information (material, shape, size, color, defect, damage and location of objects)
- **Precise sorting** by air jets or mechanical fingers
- Product **specific equipment design** often including multiple technologies to maximize sorting efficiency



 Food | larger products

 Food | smaller products

 Recycling

 Mining

CUTTING-EDGE TECHNOLOGY DRIVEN BY SIGNIFICANT INVESTMENTS IN R&D...

SENSOR PORTFOLIO

Electromagnetic Sensor (EM)

Material property detected:
electromagnetic properties like conductivity and permeability

Radiometry (RM)

Material property detected: Natural Gamma-Radiation

CCD Color Camera (COLOR)

Material property detected:
color properties in the color are as red, green and blue

IR Camera (IR)

Material property detected: heat conductivity and heat dissipation

X-ray Transmission (XRT)

Material property detected: specific atomic density irrespective of size, moisture or pollution level

X-ray Fluorescence (XRF)

Material Property detected:
elemental composition

Visible Light Spectrometry (VIS)

Material property detected: visible spectrum for transparent and opaque materials

Near-Infrared Spectrometry (NIR)

Material property detected: specific and unique spectral properties of reflected light in the near-infrared spectrum

Laser / Fluo

Material property detected:
+ monochromatic reflection / absorption
+ scattering of laser light Fluo or bio-luminescence, Super K

Infrared Transmission (IRT)

Material property detected:
light absorption

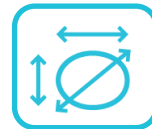
- **In-house R&D department** with more than 20% of all employees
- **8% of revenue** invested in R&D
- Developing **own sensors**
- Using **own software** and data processing tools
- Ownership of **80 patents**
- **Partnership with leading R&D institutions:** SINTEF, CTR, Fraunhofer ILT; universities like RWTH, Aachen and Brussels

...TO DEVELOP PRODUCTS SERVING A WIDE RANGE OF DETECTION PARAMETERS



Color

Removal of discolorations in mono- and mixed-color material



Shape & Size

Sort on length, width, diameter, area, broken-piece recognition, ...



Blemishes

Objects with spots or other (small) blemishes are removed



Biometric Characteristics

Sort based on water content and removal of micotoxyn contaminations



Defects

Removal of visible and invisible small and substantial defects



Foreign Material

Removal of foreign material in a material stream, e.g. insects, worms, snails or plastics in food applications



Structure

Removal of soft, molded or rotten food



Fluo

Based on the chlorophyll level present in produce defects are removed



Density

Detection of density differences



X-RAY

Analysis of objects based on their density and shape



Damage

Broken, split and damaged objects are detected and removed




Detox

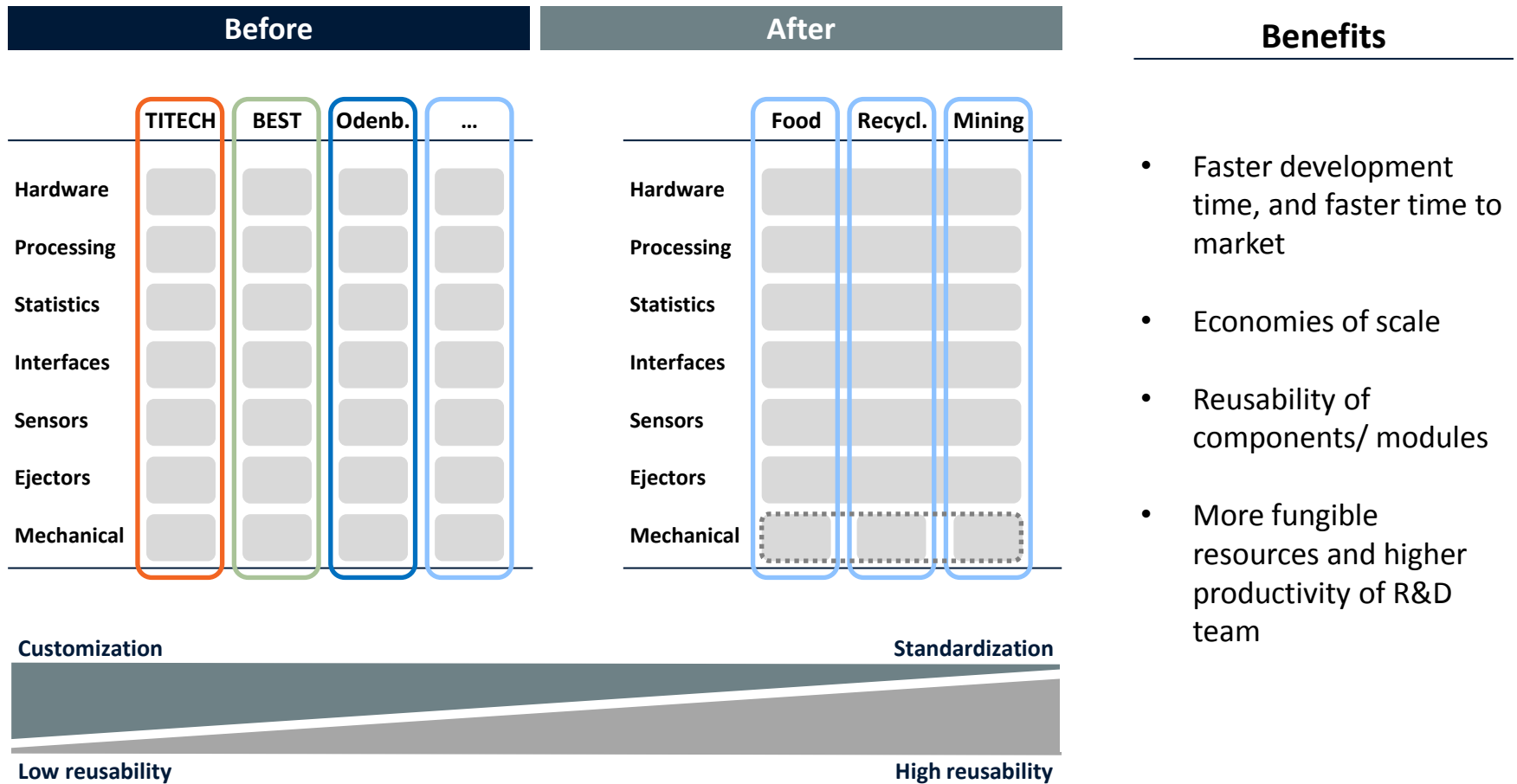
Removal of produce contaminated with aflatoxin

 Visible

 Invisible

 Both

EFFICIENCY IN PRODUCT DEVELOPMENT: COMMON SORTING PLATFORM



- ### Benefits
- Faster development time, and faster time to market
 - Economies of scale
 - Reusability of components/ modules
 - More fungible resources and higher productivity of R&D team

Tapping into the synergy potential through streamlining our sorting platform

CROSS UTILIZING OUR PORTFOLIO TECHNOLOGIES



TITECH NIR + ODENBERG platform

Field Potato Sorter

- The NIR technology allows efficient removal of rocks, dirt and rotten potatoes before the potatoes are stored
- The solution opens up sorting of unwashed potatoes in a way that previously was not possible



BEST LASER + TOMRA mining platform

PRO Laser Duo

- The LASER technology allows detection of quartz of all colors. This opens for sorting of quartz itself, and gold bearing quartz mineralization
- The solution is unique in the market and further underlines our technological leadership



TITECH NIR + BEST LASER

Nimbus BSI

- An NIR sensor has been added to the NIMBUS machine platform
- The new machine increases our competitiveness in the nuts segment

Several more projects on combining technologies into new products in the pipeline

SORTING SOLUTIONS: OUR STRATEGY

Food

Recycling

Mining

1 Revenue growth of 10-15% over the period

More than doubling of emerging markets revenue (but North America and Europe still 60% of business in 2018)

New applications representing 25% of revenue in 2018

15 M€ growth in new segments

Significant expansion of sales network

New segments representing 10% of revenue in 2018

50% growth in service revenue

Succeed in high volume segments

Grow with existing customers and double service revenue

2 Extend technology leadership

Common sorting platform for all new product developments

Cross-utilization of sensor portfolio, e.g. NIR/BSI in food and laser in mining

Extend current leadership in core NIR and laser technologies, and develop new cutting edge sensors

3 Improve operational efficiency

Design changes, economies of scale and purchasing power to lower COGS

Consolidation of manufacturing and sourcing; increased sourcing from low cost countries

Streamlining of organization and processes to take out synergies across business units

Target to grow profits at several percentage points faster than revenue



YIELD INTO USAGE

GROWTH IN GLOBAL FOOD DEMAND WILL SPUR INVESTMENTS IN AUTOMATION



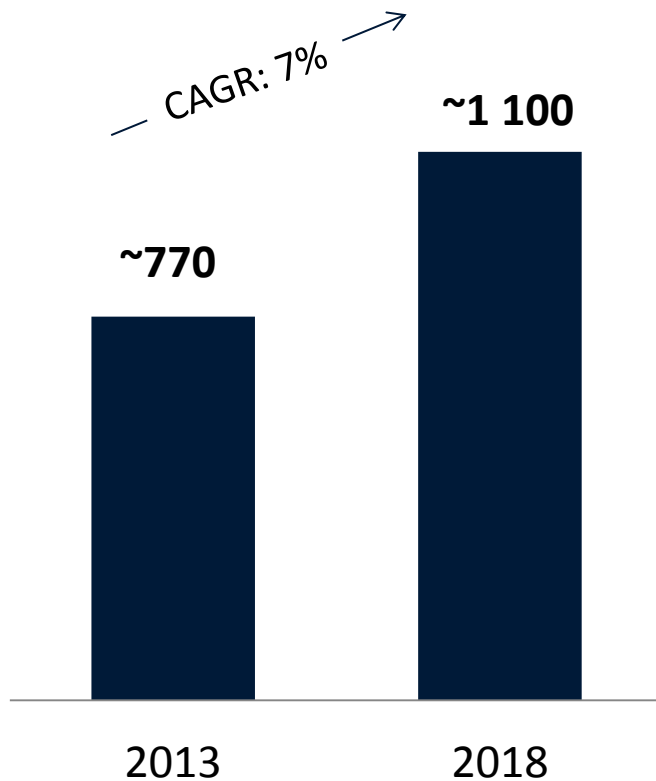
Drivers and trends

- **Increasing food consumption in emerging markets**, more mid-class consumers
- Industry focus on **increased productivity** and **reducing costs** through automation & quality control
- **Higher quality demands** from the consumers
- **Stricter regulations** from governments concerning **food safety , health & traceability**
- Shift towards packaged **convenience food and fast food**
- **Risk of claims & recalls**
 - Social media snowball effect (Twitter, Facebook, etc.)
- Globalization of brands and sourcing set up
- Scarcity & expense of (seasonal) **manual labor**
- Consolidation in the retail and processing sectors
- Adoption of technology in emerging markets

MARKET SIZE FOOD SORTING*

Total annual market size

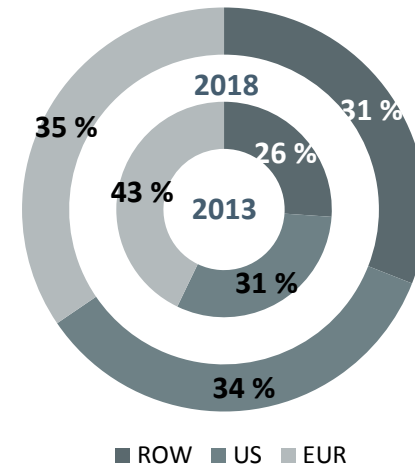
EUR million



Market growth

- Total market for food sorting growing around 6-8% per year
- Approximately a third of total growth is dormant potential
 - only unlocked by development of new applications and technologies
- New world share grows but the two old world champions (Europe & Americas) remain strong

Expected development in geographical revenue contribution

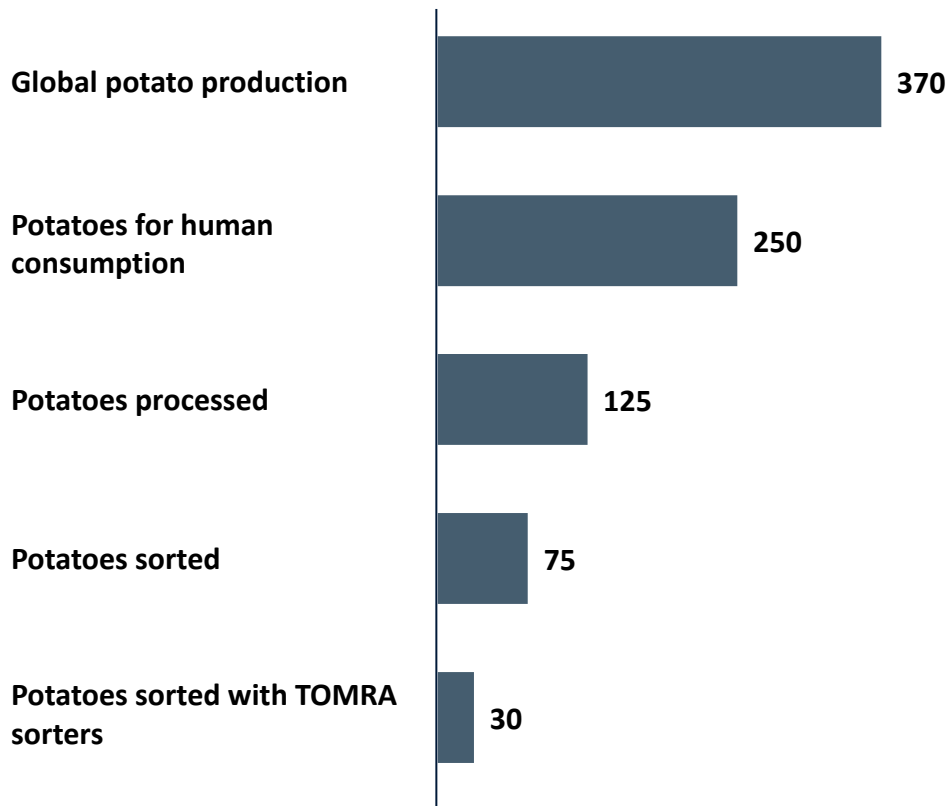


* Market sizes shown include peeling, meat/process analytics, virgin materials and tobacco.

AN INCREASING SHARE OF POTATOES ARE PROCESSED AND SORTED

Potato production per year

Million metric tons



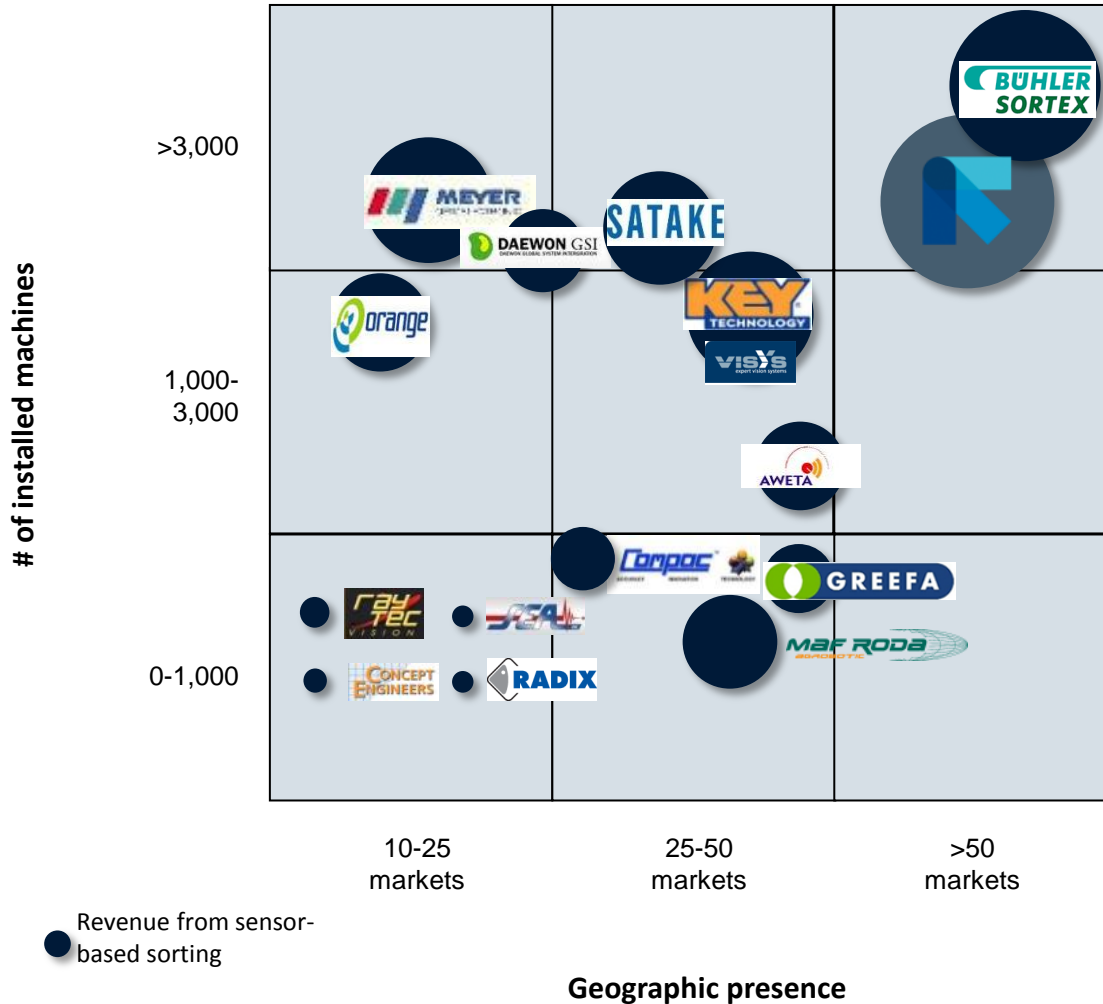
Urbanization and growing incomes drive growth for packaged and processed potatoes

Demand for packaged and processed potatoes drive industrialization of the potato value chain, including sensor based sorters

In many applications, potatoes can be sorted multiple times, further increasing the potential

TOMRA now also offer solutions for seed potatoes, which are not for human consumption, thus further expanding the market for sorters

FOOD COMPETITIVE LANDSCAPE



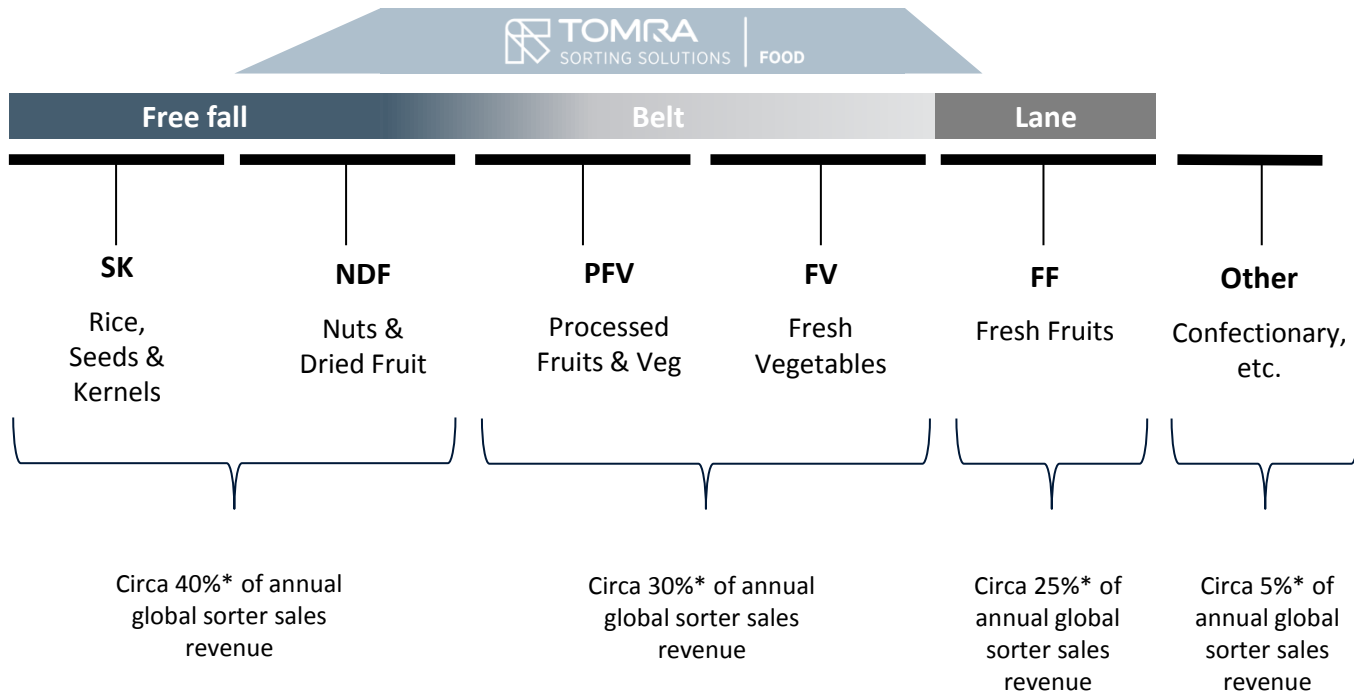
TOMRA competitive positioning

- Size (revenues)
- Widest range of applications (150+)
- Broadest technology base
- Geographic reach (~80 countries)
- Market share in targeted segments
- Transformative solutions (Q-Vision)
- **Market share: 40-50%** in markets served*

Source: TOMRA estimates and analysis

* Total Food sorting (also including rice and lane sorting): 12-15%

TOMRA HAS THE BROADEST FOOTPRINT WITHIN THE FOOD SORTING UNIVERSE



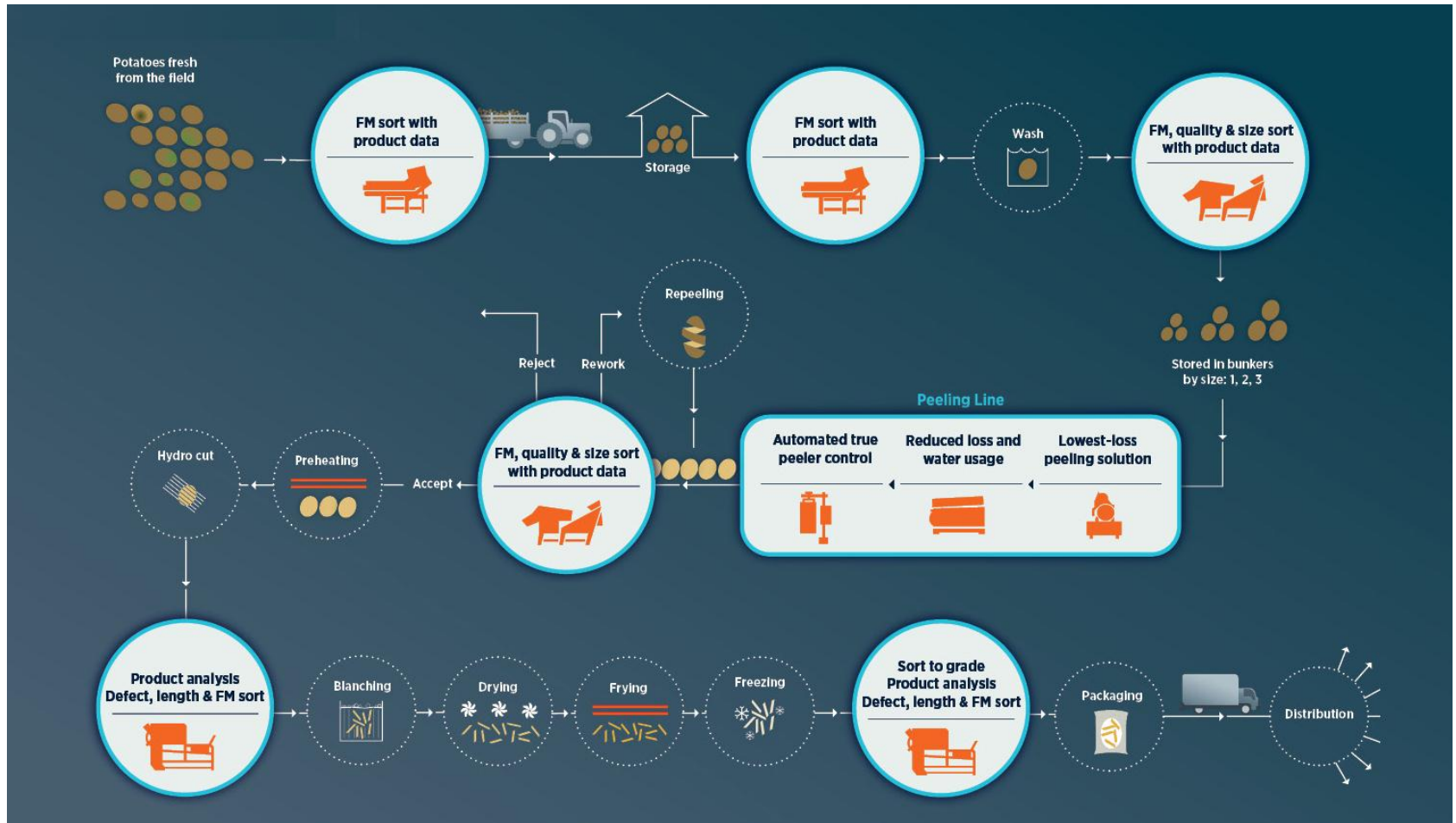
* TOMRA estimates

OUR BROAD COVERAGE AND TECHNOLOGY BASE IS SETTING US APART

	DRIED FRUIT	NUTS	FRESH CUT	FRUIT	VEGETABLES	MEAT	POTATOES	SEAFOOD
FOOD	<ul style="list-style-type: none"> • Apricots • Craisins • Figs • Prunes • Raisins 	<ul style="list-style-type: none"> • Almonds • Cashews • Hazelnuts • Macadamias • Peanuts • Pecans • Pistachios • Seeds • Walnuts 	<ul style="list-style-type: none"> • Baby leaves • Iceberg lettuce • Spinach • Spring mix 	<ul style="list-style-type: none"> • Apples • Blackberries • Blueberries • Cherries • Citrus • Cranberries • Peaches & pears • Raspberries • Strawberries • Tomatoes 	<ul style="list-style-type: none"> • Beans • Beet • Broccoli • Carrots • Corn • Cucumbers • IQF vegetables • Jalapenos/ Peppers • Onions • Peas • Pickles 	<ul style="list-style-type: none"> • Bacon bits • Beef • IQF meat • Pork • Pork rind 	<ul style="list-style-type: none"> • Washed • French fries • Unpeeled • Peeled • Potato chips • Specialty products • Sweet 	<ul style="list-style-type: none"> • Mussels • Scallops • Shrimps
SENSOR TECHNOLOGY	LASER NIR VIS X-RAY	LASER CAMERA X-RAY	LASER CAMERA	LASER CAMERA NIR VIS	LASER CAMERA NIR VIS	LASER CAMERA NIR	LASER CAMERA NIR VIS	LASER CAMERA NIR VIS X-RAY



WE ARE UNIQUELY POSITIONED TO SERVE THE ENTIRE VALUE CHAIN WITH OUR PRODUCT PLATFORM



Sales of potato-related products account for about 25% of the sales in the food division

OUR CUSTOMERS



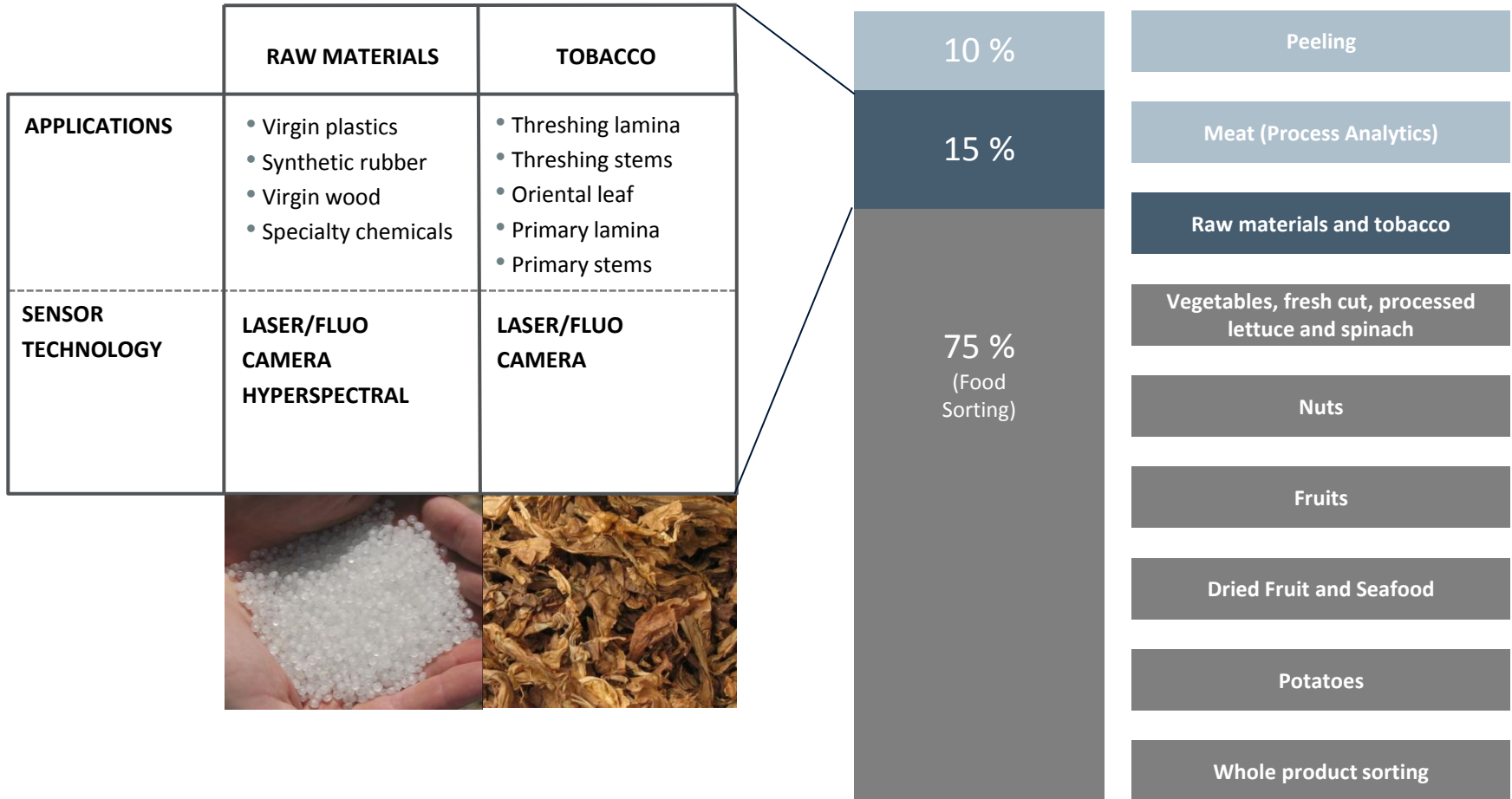
We are active in five continents and 80 markets

- 6 of the 10 largest, global food companies are our customers
- We have ~2,000 customers globally

TSS Food provides sorting solutions for:

- **Growers:** Harvester mounted tomato, onion and garlic sorters
 - ~5% of our customers
- **Packers:** Sorting of many different types of fruit and vegetables by color, size, shape, defect, blemish, damage or foreign objects
 - ~30% of our customers
- **Processors:** Sorting of processed potatoes (French fries, chips), fruits and vegetables
 - ~65% of our customers

SPECIALTY PRODUCTS APPLICATIONS



PAYBACK CALCULATION FOOD MACHINE*

From manual sorting of bell peppers to automation

- Investment: **2 machines EUR 660k**
- Customer reduces manual labor by ~80%
- Reduction in input materials of ~30%
- Reduction of waste by 25%
- Delivering an increased output of ~25%

Total annual benefits for the customer of EUR 600k



(Numbers in EURk)	Year	
Customer return on investment (ROI)	1	2
Machine purchase cost	-660	
Replacement of manual labor	280	280
Yield improvement	150	150
Reduced claim reductions & recalls	50	50
Product on hold or rework	50	50
Increase in throughput	70	70
Total expected benefits	600	600
Recurring cost of machine	-72	-100
Net effect	-132	500
Accumulated ROI	-20 %	56 %

	Before	After
Manual labor (persons)	45	9
Input material (t/h)	16	11.5
Yield	55 %	75 %
Output (t/h)	6.5	8

NOTE: ROI and payback will vary greatly between customers, machines and applications

Calculations are only for illustrative purposes

Payback time for the client: Just over 1 year

INTEGRATION IN FOOD PROGRESSING AS PLANNED



- **Very good progress in integrating R&D and operations** departments
- Creating a **common, well-functioning sales team** with an agreed ambitious joint strategy
- **New products already launched** benefiting from the wide in-house technology portfolio we have

We are now the clear market and technology leader in food sorting



**ONCE
INTO ♻️
AGAIN
AND AGAIN**

GLOBAL DRIVERS FOR THE RECYCLING SEGMENT



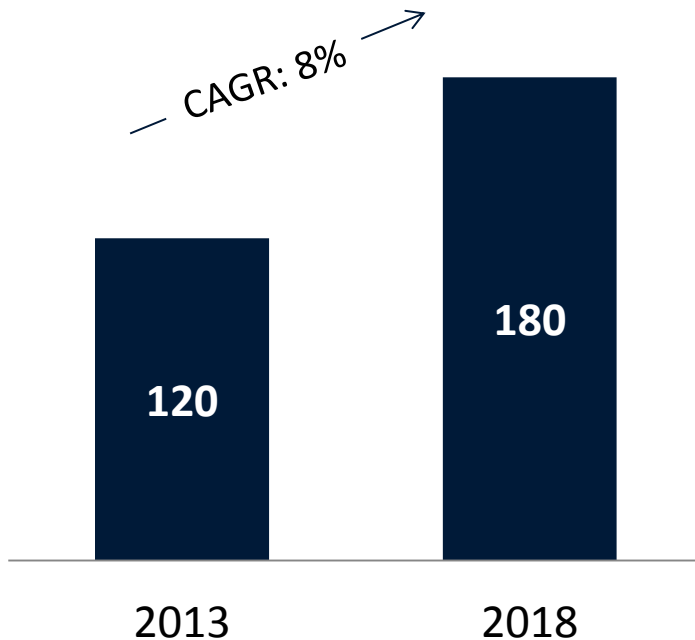
Drivers and trends

- **Consumption and industry production level increase**
- Favorable changes in **regulatory framework** (DSD, WEEE, ELV, etc)
- **Commodity price levels and fluctuation**
- **Access to financing**
- **Demand** for recycled **raw materials**
- Increasing **labor costs** in emerging world drive adoption of automatic sorting technologies
- Some countries in Western Europe partly saturated
- Pre-sorted (plastics) still door opener in new markets
- Municipal Solid Waste (MSW) important in emerging countries
- More aggressive pricing from competitors affect market

MARKET SIZE RECYCLING

Total annual market size

EUR million



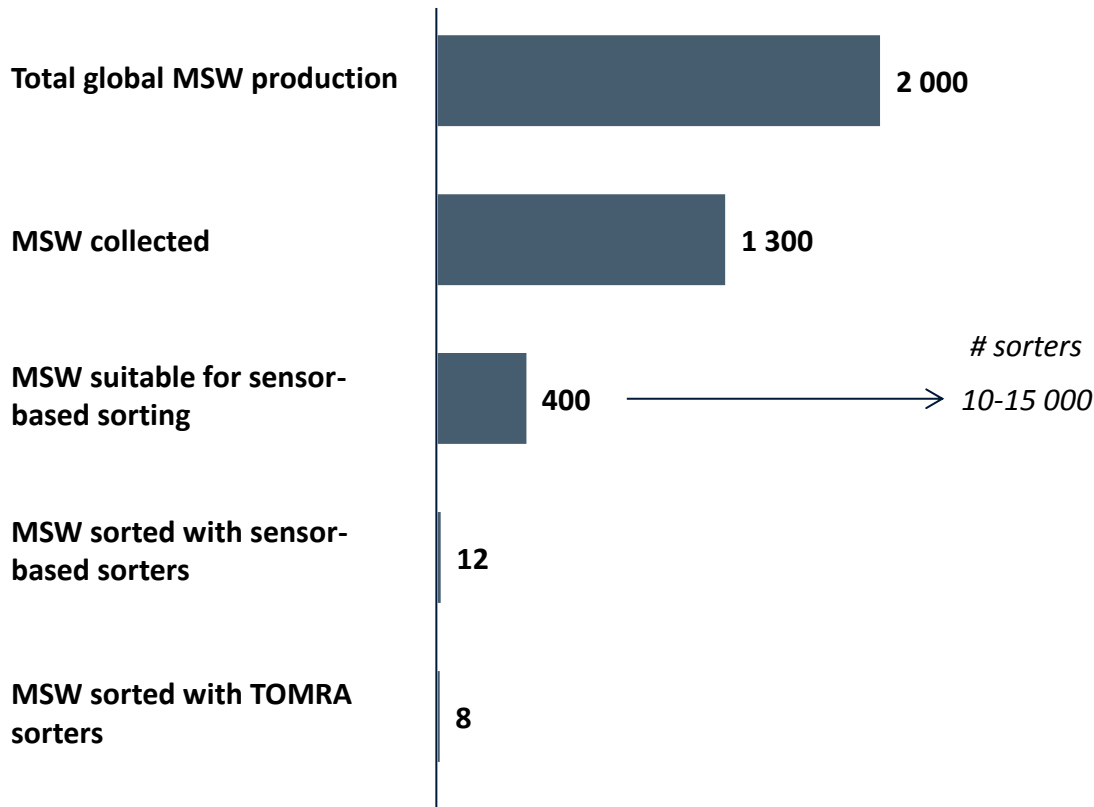
Market growth

- Market expected to grow at around 7-9% per year, lower than previous expectations due to economic slowdown
- Demand in old world flattening, while new markets expected to drive growth
- Existing segments will serve as a base, whilst the majority of growth will come from:
 - New geographies
 - New applications
 - New products

ONLY A SMALL FRACTION OF MSW IS CURRENTLY SORTED

Municipal solid waste production per year

Million metric tons

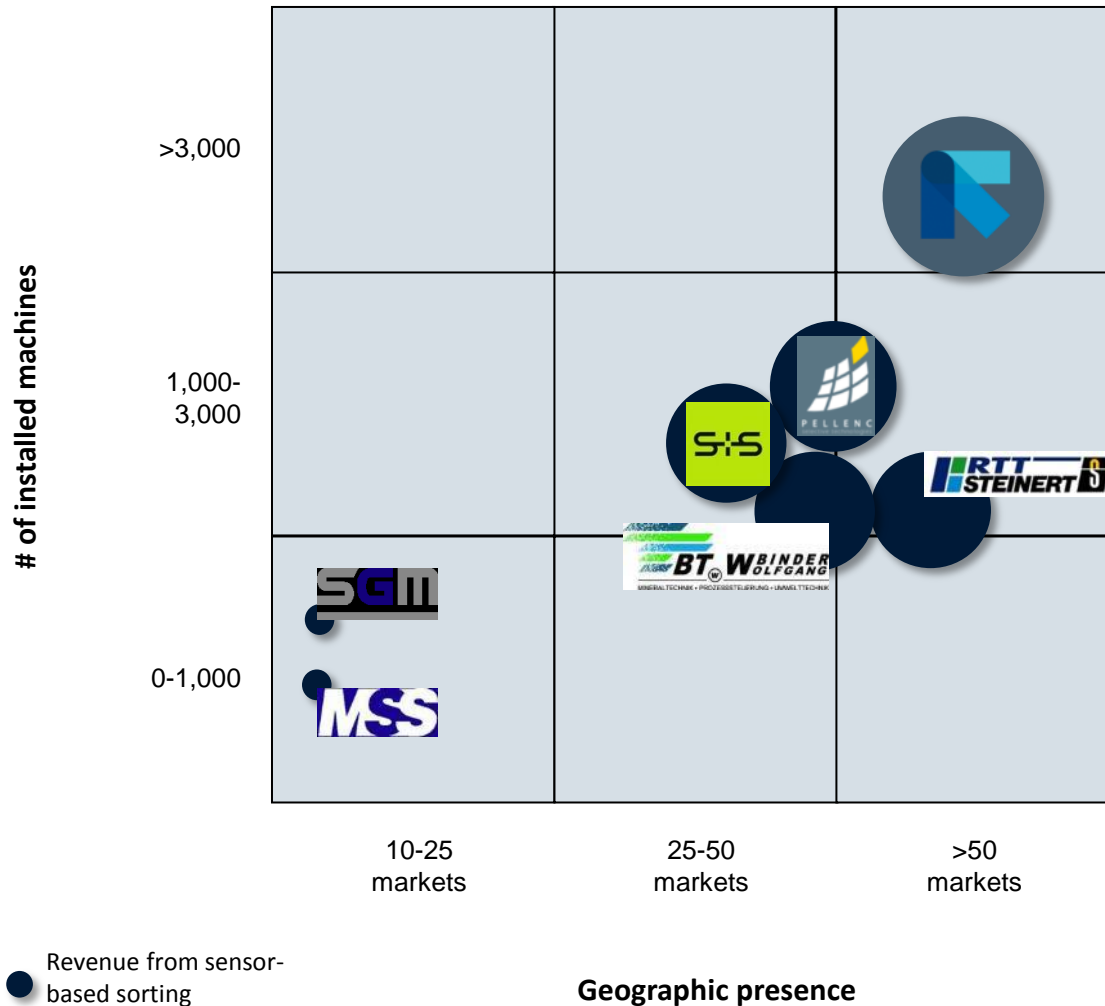


A large, although declining, fraction of MSW is today not even collected

The majority of collected MSW goes directly to landfills without any treatment

Automatic sorting is competing with landfilling, incineration and manual sorting

RECYCLING COMPETITIVE LANDSCAPE



TOMRA competitive positioning

- Largest installed base
- Highest revenues
- Broadest technology platform
- Highest number of applications and markets served
- Leading brand
- **Market share: 55-65%**

Source: TOMRA estimates and analysis

RECYCLING: APPLICATIONS AND SENSOR TECHNOLOGY

	HOUSEHOLD WASTE	PACKAGING	C & D	AUTOMOBILE SHREDDER	ELECTRONIC SCRAP
MATERIAL	<ul style="list-style-type: none"> • Hard plastics • Plastic film • Mixed paper • RDF • Metals • Organics/ Biomass 	<ul style="list-style-type: none"> • Plastics • Plastic film • Cardboard • Mixed paper • Deinking paper • Metal 	<ul style="list-style-type: none"> • Inert material • Plastic film • Metals • Wood • Paper & Cardboard • Plastics 	<ul style="list-style-type: none"> • NF metal • Stainless steel • Copper cables • Copper • Brass • Aluminum • Meatball sorting 	<ul style="list-style-type: none"> • Printed circuit boards • Non-ferrous metal concentrates • Cables • Copper • Brass • Stainless steel • Meatball sorting
SENSOR TECHNOLOGY	NIR VIS XRT	NIR VIS EM	NIR VIS XRT EM	NIR VIS XRT EM COLOR XRF	XRT EM NIR COLOR XRF



Mixed paper

PE/PP flakes

Cleaned wood

Copper Wire

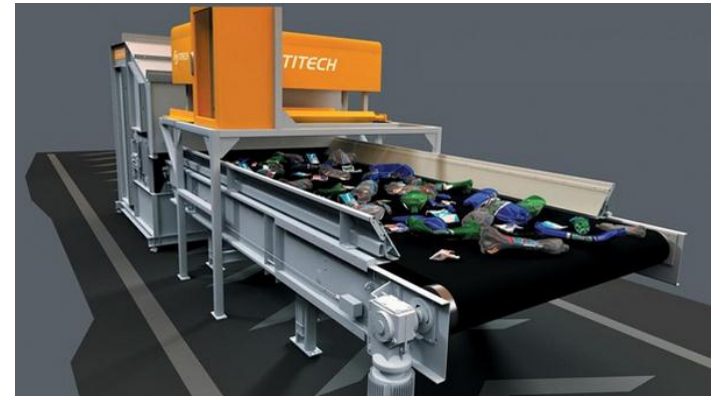
Brass

PAYBACK CALCULATION RECYCLING MACHINE

Background:

- Waste management plant in UK
- Annual throughput of 130,000 tons per annum (two shifts of 8 hours at 90% availability)
- By installation of sorters, **30 manual workers can be replaced**
- Additional benefit through higher material recovery: €880K (assume 10% high recovery of recyclables)

Autosort



(Numbers in EURk)	Year	
Customer return on investment (ROI)	1	2
Machine purchase cost	-1 125	
Total expected benefits	960	960
Recurring cost of machine	-93	-93
Net effect	702	867
Accumulated NPV	702	1 473
Accumulated ROI	62 %	131 %

NOTE: ROI and payback will vary greatly between customers, machines and applications

Calculations are only for illustrative purposes

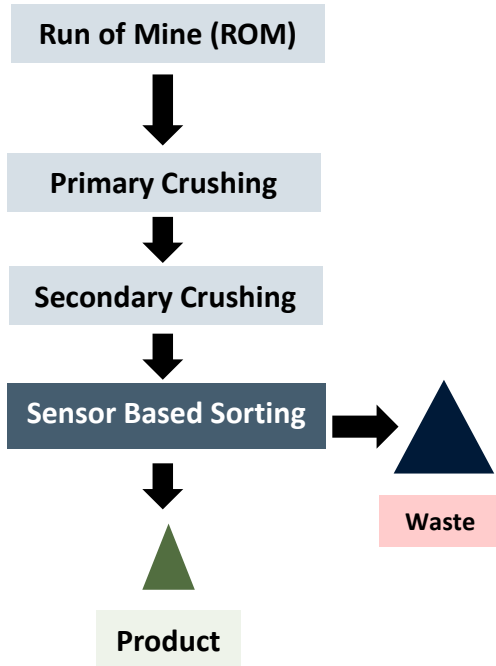
Payback time for the client: Just over 1 year



SOURCE INTO RESOURCE

THE CONCEPT OF SENSOR-BASED SORTING IN MINING

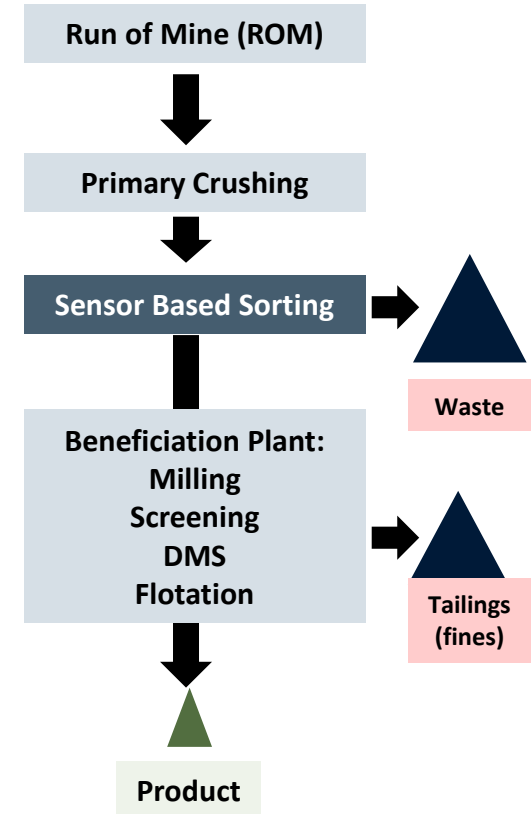
Mining process: Industrial minerals



- 15% to 50% of the ROM can be rejected in an early stage of the process (application dependent)
- These low grade waste rocks don't need to be transported, crushed, grinded or further treated

Current segment

Mining process: Metal mining



Potential new segment

GLOBAL DRIVERS FOR THE MINING SEGMENT

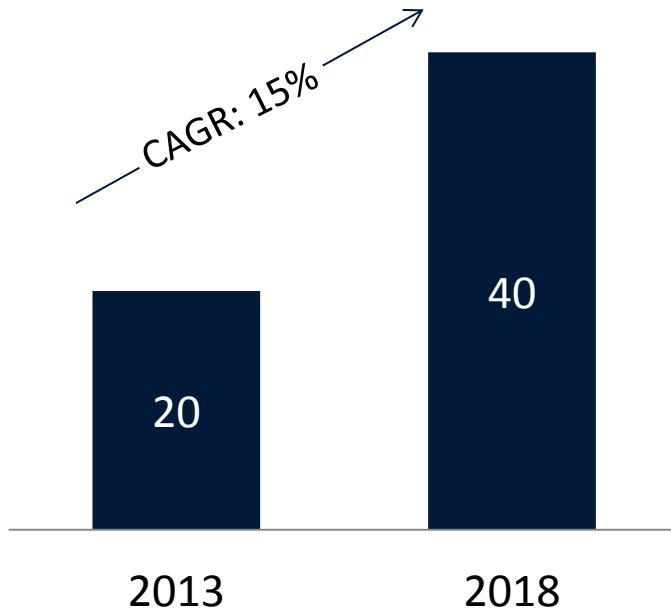


- **Energy costs** and **water stress** are major drivers
- **Demand of all commodities** is expected to grow with increased population and urbanization in the drivers seat
- **Increasing labor costs** in emerging world drive adoption of automatic sorting technologies
- **Mining companies capex** impact the investment sentiment
- Sensor based sorting is considered to be a future solution
 - Hardest competition comes from alternative well proven technologies

MARKET SIZE MINING

Total annual market size

EUR million



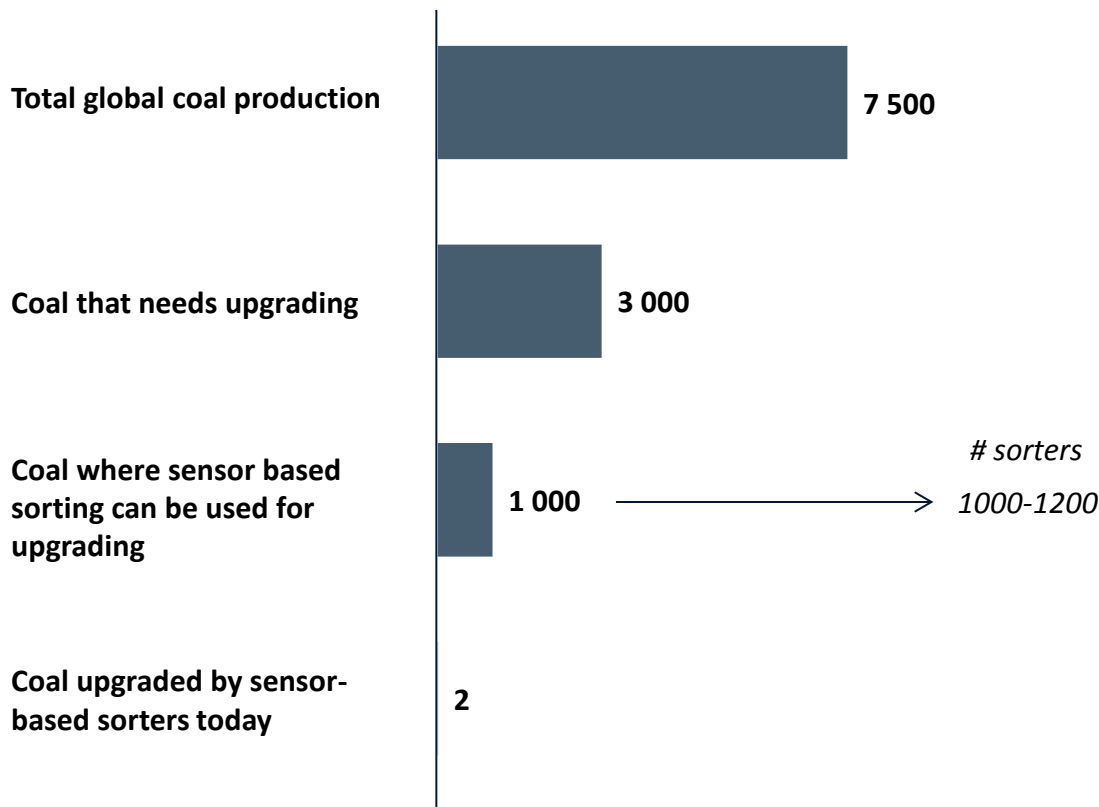
Market growth

- Capex is forecasted to decline 2013 – 2014 (down 20% versus 2012)
- Expected to pick-up again during 2015
- Sensor based machines sales expected to grow at around 15% per year
 - Growth is however conditional on new applications and technologies being developed
- Sensor based sorting is still a technology to be accepted and growth in this niche has been limited in recent years

LARGE POTENTIAL IN HIGH VOLUME SEGMENTS SUCH AS COAL

Coal production per year

Million metric tons



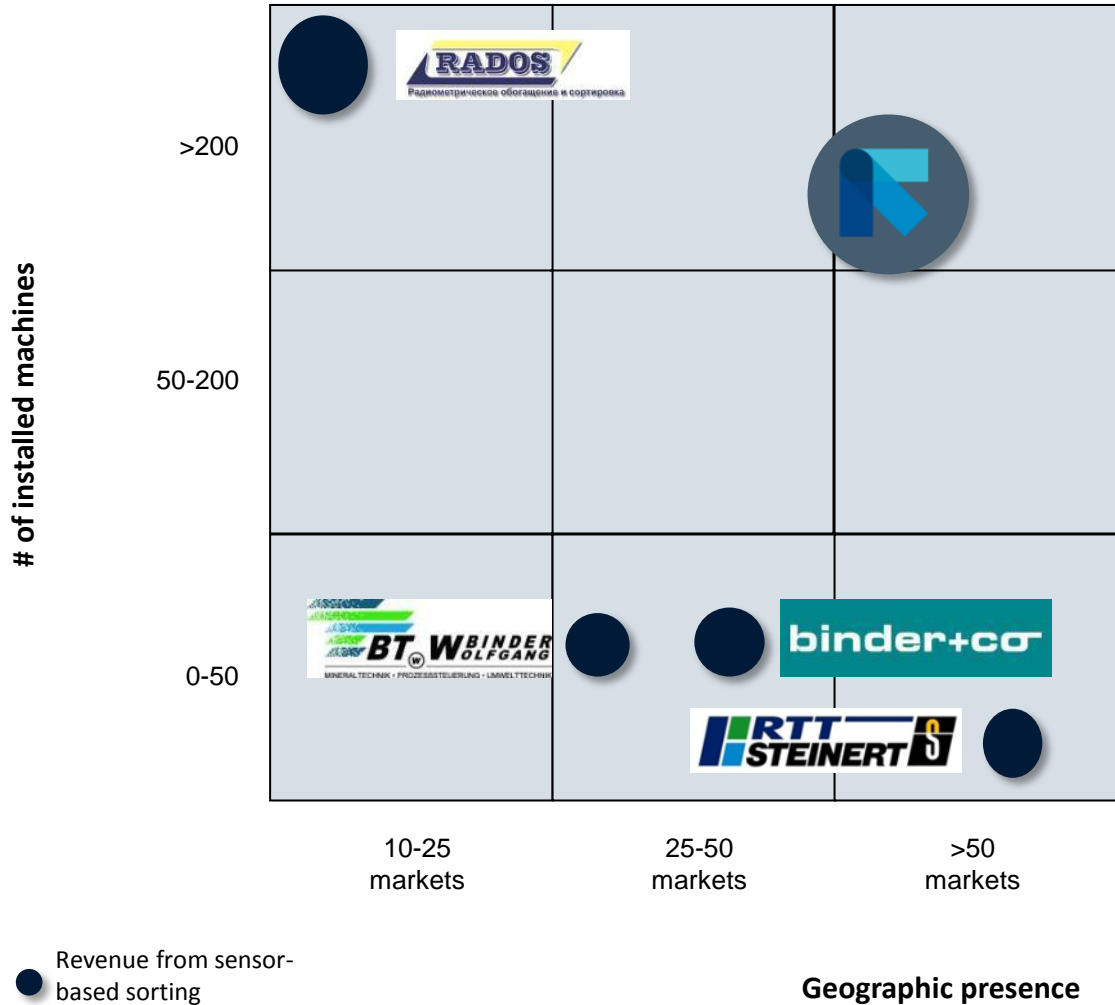
Some coal does not need to be upgraded before use

Sensor-based sorting competes with other, established, methods for upgrading, such as dense media separation (DMS)

Sensor-based sorting is particularly suitable in areas with water scarcity, but is not suitable for the smallest fractions (<10mm)

Sensor-based sorting is, however, not yet a proven technology in the coal industry

MINING COMPETITIVE LANDSCAPE



TOMRA competitive positioning

- Wide geographical coverage
- Broadest technology platform
- Leading brand
- Pioneering in developing high volume sorter in corporation with Rio Tinto
- **Market share: 40-50%**

Source: TOMRA estimates and analysis

MINING: APPLICATIONS AND SENSOR TECHNOLOGY

	INDUSTRIAL MINERALS	BASE & Fe METALS	FUEL/ ENERGY	PRECIOUS METALS	DIAMONDS & GEMS	METAL SLAG
COMMODITY	<ul style="list-style-type: none"> • Calcite • Quarts • Feldspar • Magnesite • Talcum • Dolomite • Salt 	<ul style="list-style-type: none"> • Copper • Zinc • Nickel • Tungsten • Iron • Manganese • Chromite 	<ul style="list-style-type: none"> • Coal • Uranium 	<ul style="list-style-type: none"> • Gold • Platinum 	<ul style="list-style-type: none"> • Diamonds • Tanzanite • Colored gemstones 	<ul style="list-style-type: none"> • Stainless steel • Copper • Chrome
SENSOR TECHNOLOGY	COLOR XRT NIR XRF	XRT COLOR EM NIR	XRT RM	XRT COLOR XRF NIR	COLOR XRT XRF NIR	XRT XRF EM



Calcite

Copper

Coal

Gold

Diamonds

Ferro Silica Slag

PAYBACK CALCULATION MINING MACHINE

Background:

- Poly-metallic ore in Scandinavia
- Before installation the customer mines, transports and processes 700kt per year
- By installation of sorters, the amount ore to be treated can be reduced by 155kt per year
- As an additional benefit, 155kt capacity in the process plant is now available to treat high grade material

PRO Secondary/Tertiary XRT



(Numbers in EURk)	Year	
Customer return on investment (ROI)	1	2
Machine installation cost	-2 100	
Total expected benefits	3 650	3 650
Recurring cost of machine	-650	-650
Net effect	900	3 000
Accumulated ROI	43 %	186 %

NOTE: ROI and payback will vary greatly between customers, machines and applications

Calculations are only for illustrative purposes

Payback within the first year of usage

UPDATE ON THE RIO TINTO R&D PARTNERSHIP

Background

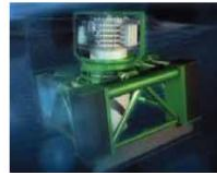
- TOMRA and Rio Tinto agreed in Q1 2012 to form a 5 year **strategic R&D partnership** with the aim to develop commercial scale sorting systems for upgrading bulk minerals
- This partnership is focused on scaling up Rio Tinto's **iron ore** and **copper** sorting technologies IronX™ and NuWave™

RioTinto

Implementation of technologies is key

Our Mine of the Future™ is shaped by four significant value levers

Find



- Find future tier one ore bodies
- VK1 in initial flight trials
- Complex testing programme in 2012

Develop



- Develop future block cave mines safer, faster, better
- Tunnel boring system trials to commence at Northparkes in 2012

Mine



- Optimise resource productivity
- Expansion of driverless truck fleet
- Operations Centre
- Smart drilling and blasting
- Autonomous trains (AutoHaul™)

Recover



- Recover more from mineral deposits
- IronX™ iron ore recovery pilot plant to be scaled up in 2012
- NuWave™ copper sorting pilot plant being commissioned at KUC

Progress

- Target to develop a machine capable of sorting 1,000 tons per hour
 - Best current solution sorts 100 tons per hour
- Both parties are honoring the 2012-contract
- Due to confidentiality, TOMRA is prevented from disclose more info around this project at this stage

Source: Rio Tinto corporate presentations and website

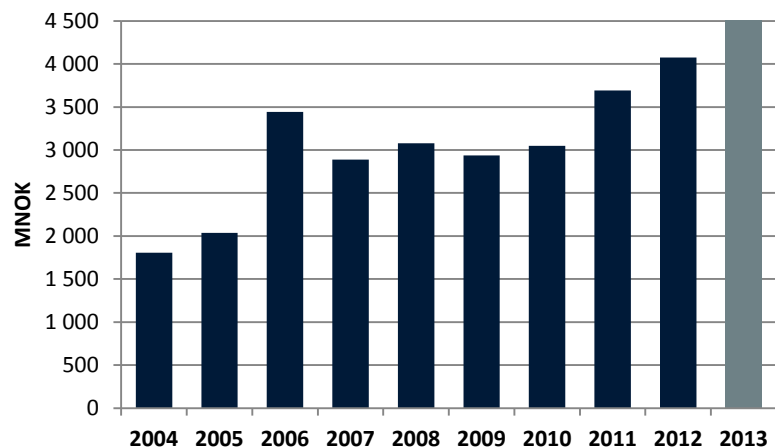
Financial development and targets

**TODAY
INTO 
TOMORROW**

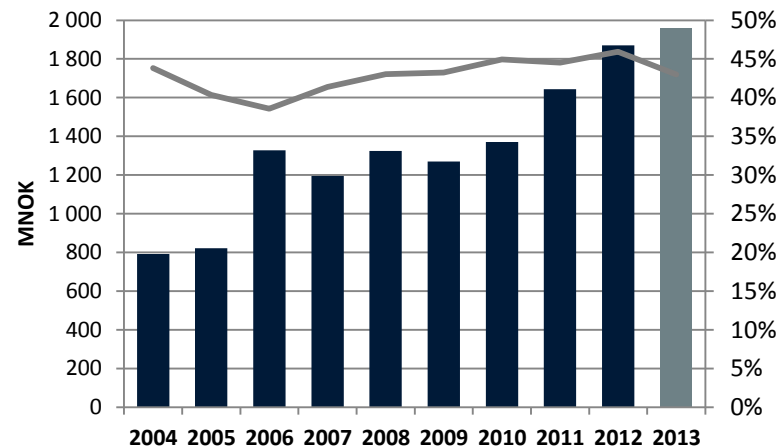


GROUP KEY FINANCIALS DEVELOPMENT

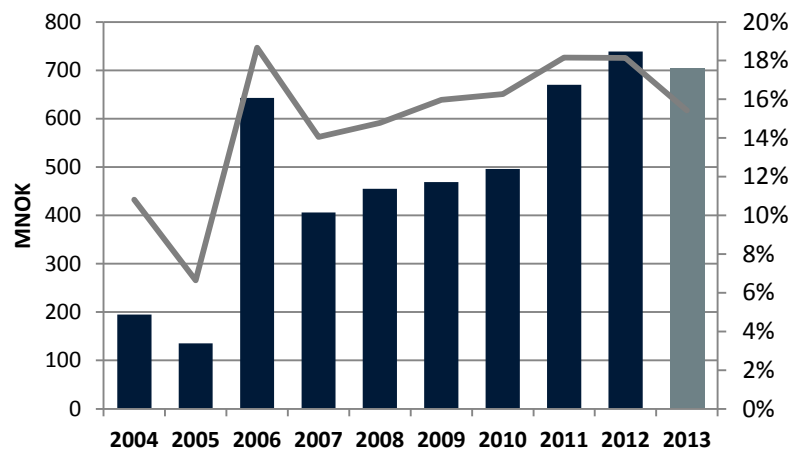
Revenues



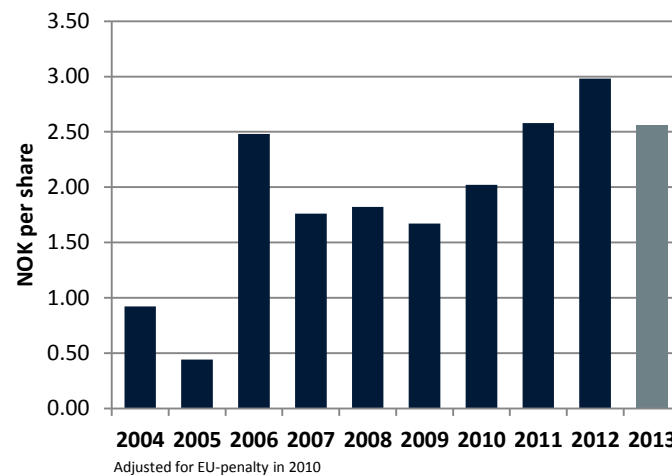
Gross Contribution and margin



EBITA and margin



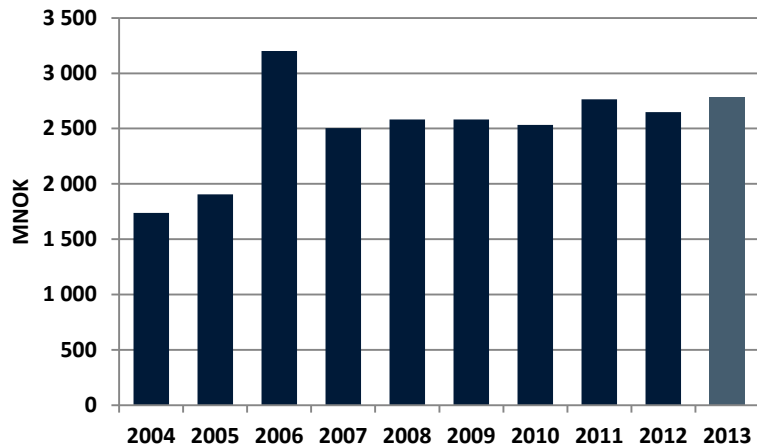
Earnings per share



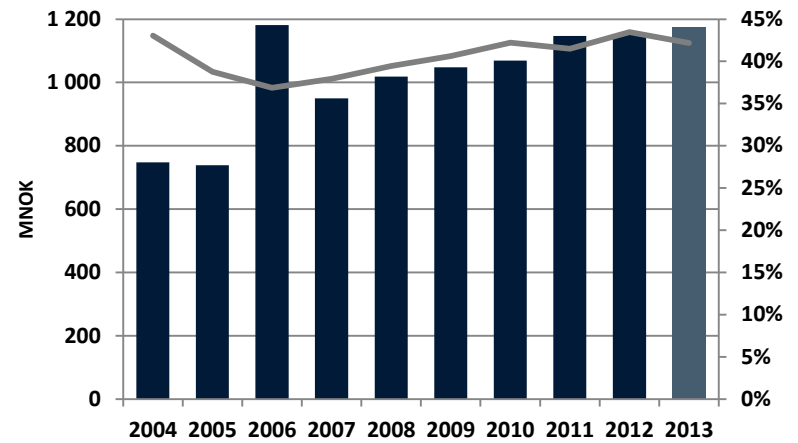
NOTE: 2013 figures comprise actual YTD September 13 + 4Q13 market consensus. **Should not be read as guidance.**

COLLECTION SOLUTIONS FINANCIALS 2004-2013

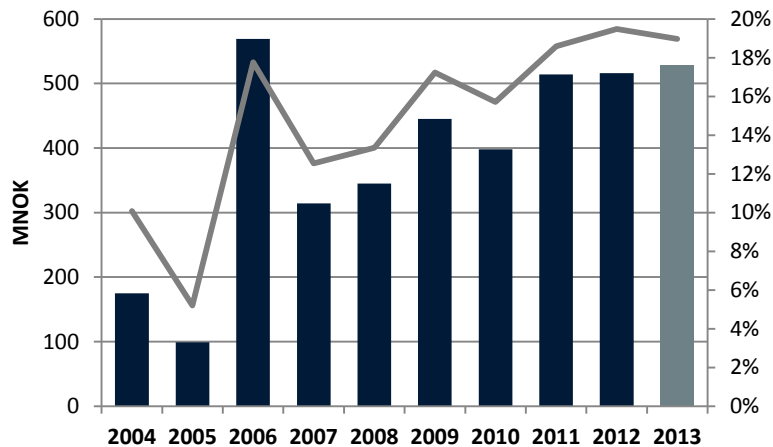
Revenues



Gross Contribution and margin



EBITA and margin

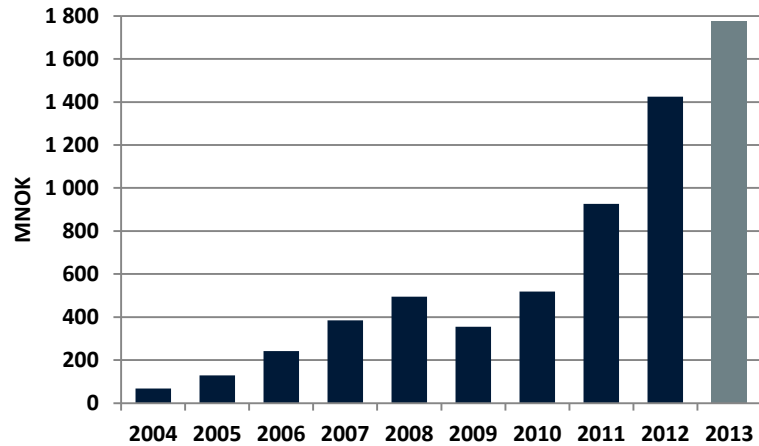


NOTE: 2013 figures comprise actual YTD September 13 + 4Q13 market consensus. Should not be read as guidance

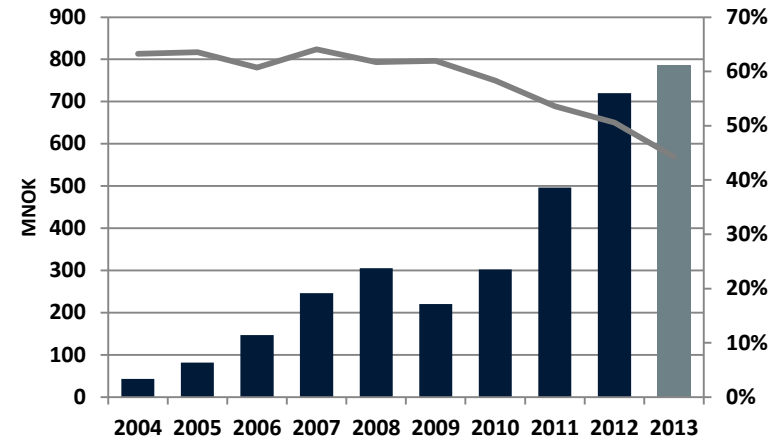
Collection includes Presona until divested in 2Q10
Included non-deposit

SORTING SOLUTIONS FINANCIALS 2004-2013

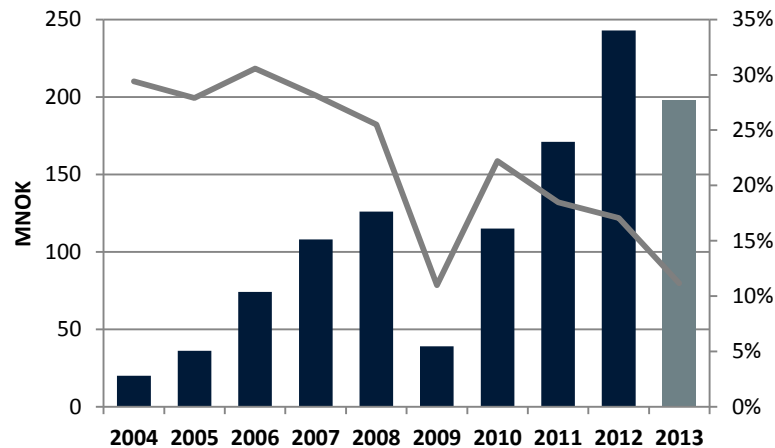
Revenues



Gross Contribution and margin



EBITA and margin



NOTE: 2013 figures comprise actual YTD September 13 + 4Q13 market consensus. Should not be read as guidance

2010-2015 TARGETS: FROM 2010 TO DATE

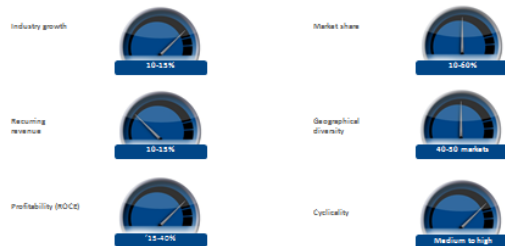
Collection Technology - Financial Dashboard



TARGETS 2010 -2015

- Yearly growth 5 – 10%
- 40% reduced COGS on machines from 2010 to 2013
- EBITA-margin 20-25%

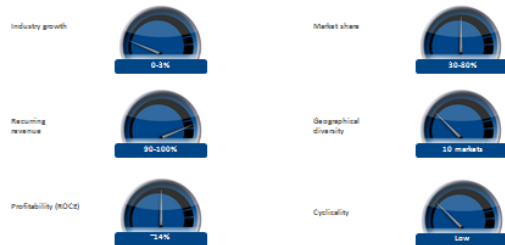
Financial Dashboard - Industrial Processing Technology



TARGETS 2010 -2015

- Yearly organic growth 15%
- Acquisitions on top
- EBITA-margin 20-25%

Financial Dashboard - Material Handling



TARGETS 2010 -2015

- Yearly organic growth 0-3%
- EBITA-margin >10%

3 segments merged into 2 from 2012 – targets adjusted accordingly

COLLECTION SOLUTIONS – FINANCIAL DASHBOARD

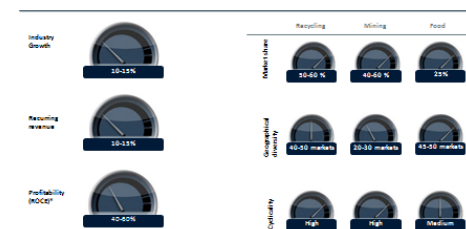


TARGETS 2010 -2015

- Yearly growth 4 – 8%
- 40% reduced COGS on new RVM machines from 2010 to 2013
- EBITA-margin 17%-22%

TARGETS 2010 -2015
 Yearly growth 4 – 8%
 40% reduced COGS on new RVM
 EBITA-margin 17%-22%

FINANCIAL DASHBOARD – SORTING SOLUTIONS



TARGETS 2010 -2015

- Yearly organic growth 10-15%
- Geographical expansion
- EBITA-margin 18-23%

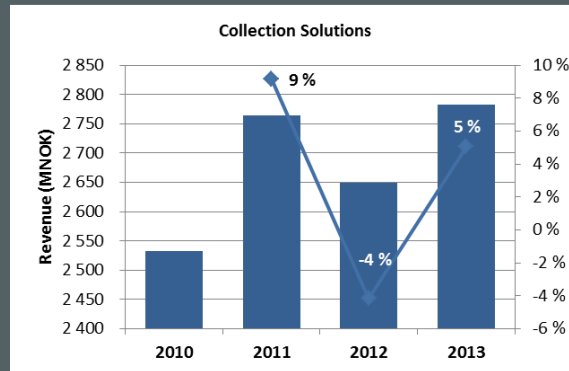
TARGETS 2010 -2015
 Yearly organic growth 10 – 15%
 Geographical Expansion
 EBITA-margin 18%-23%

HOW DID IT GO?

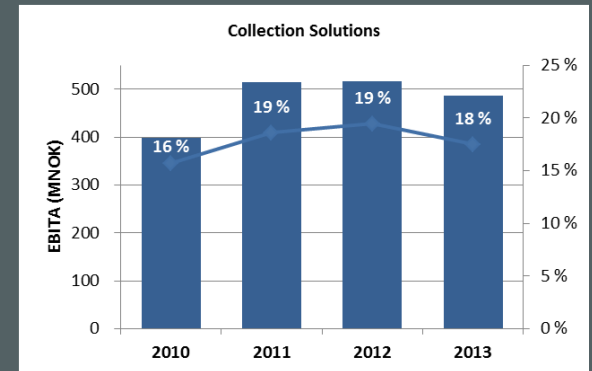
Tomra Collection Solutions



TARGETS 2010-2015
 Yearly growth 4 – 8%
 40% reduced COGS on new RVMs
 EBITA-margin 17%-22%



2010-2013: CAGR 3%

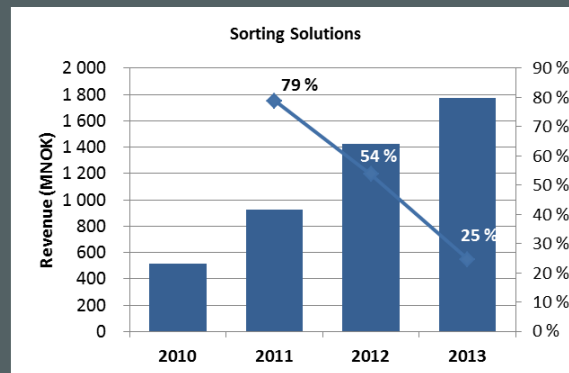


2010-2013: AVE. EBITA%18

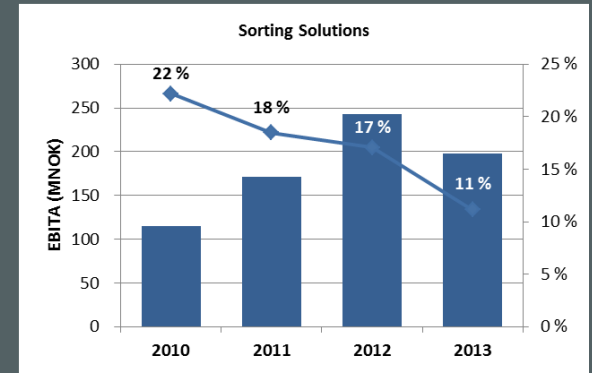
Tomra Sorting Solutions



TARGETS 2010-2015
 Yearly growth 10 – 15%
 Geographical Expansion
 EBITA-margin 18%-23%



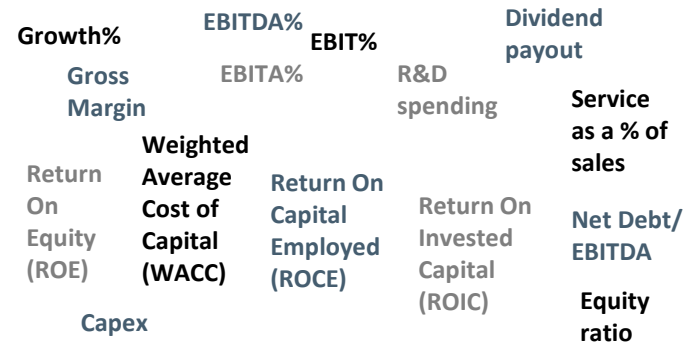
2010-2013: CAGR 51%
 2010-2013: Organic CAGR 9%



2010-2013: AVE. EBITA% 17%

CHOOSING TOMRA'S FINANCIAL TARGETS

A jungle of financial parameters in corporate communication...

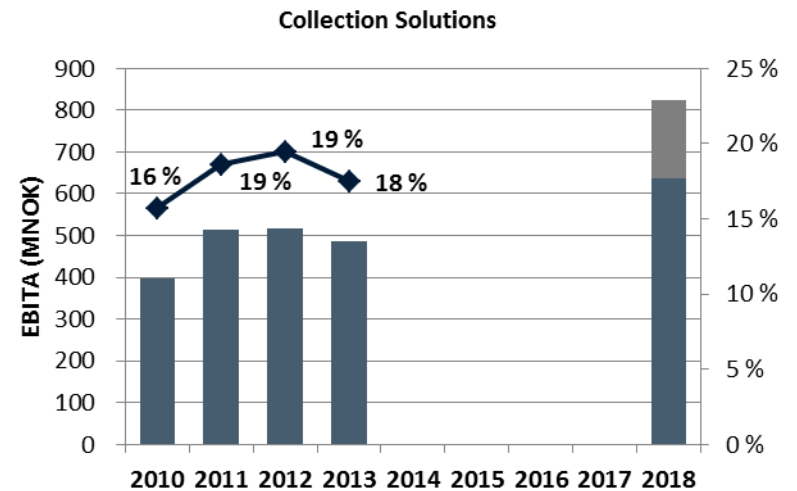
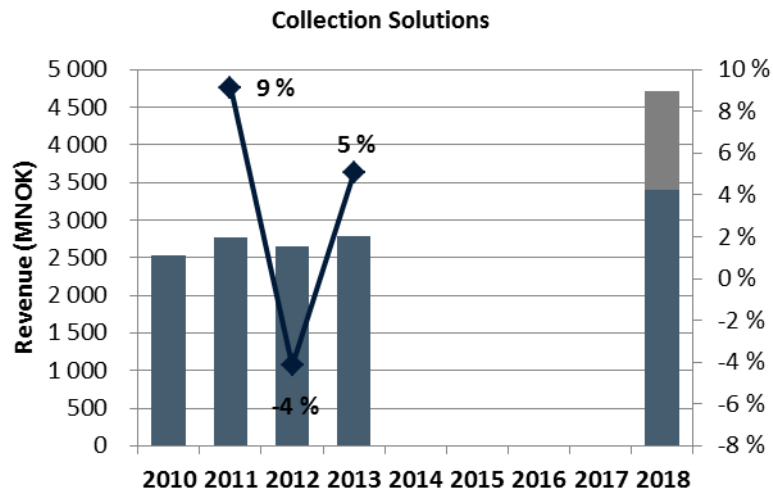


What is relevant for TOMRA?

Sticking to our 3 targets

1. Growth %
2. EBITA%
3. Dividend payout

TARGETS COLLECTION SOLUTIONS



Growth targets:

2010-2015 target: 4-8%

2013-2018 target: 4-8% (unchanged)

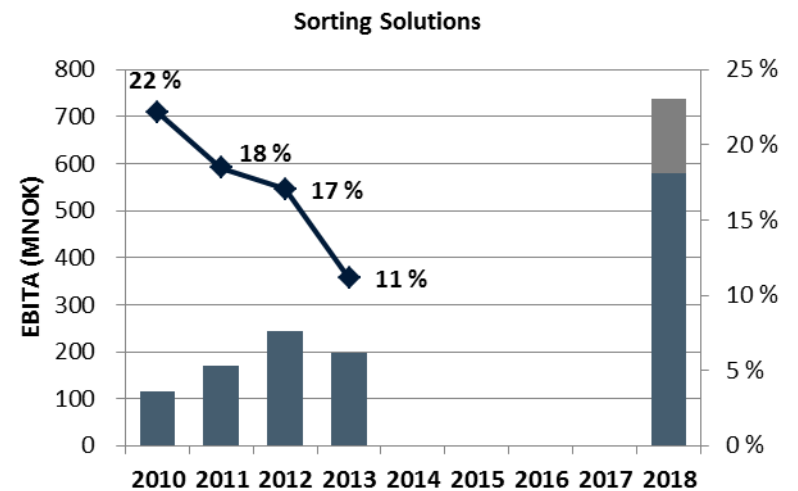
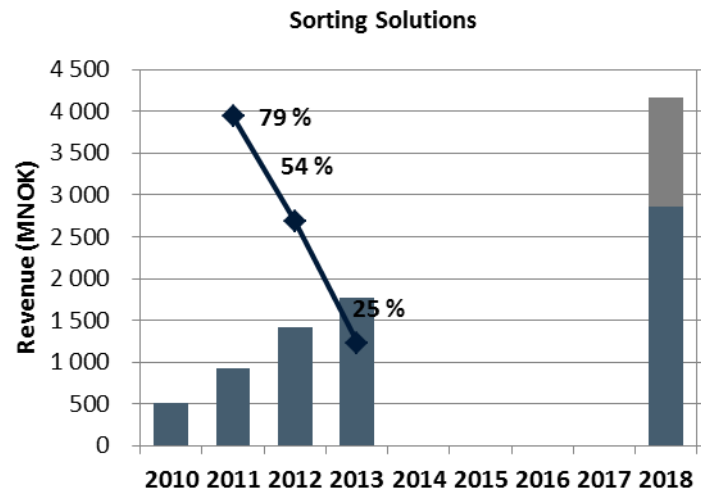
EBITA targets:

2010-2015 target: 17-22%

2013-2018 target: 17-22% (unchanged)

NOTE: 2013 figures comprise actual YTD September 13 + 4Q13 market consensus. Should not be read as guidance

TARGETS SORTING SOLUTIONS



Growth targets:

2010-2015 target: 10-15%

2013-2018 target: 10-15% (unchanged)

EBITA targets:

2010-2015 target: 18-23%

2013-2018 target: 18-23% (unchanged)

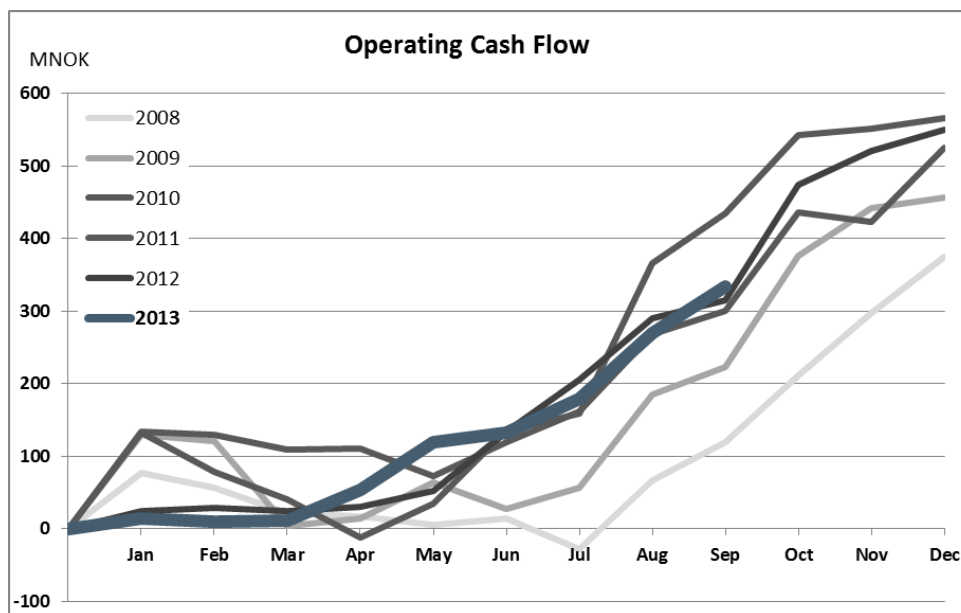
NOTE: 2013 figures comprise actual YTD September 13 + 4Q13 market consensus. Should not be read as guidance

FINANCIAL HIGHLIGHTS

BALANCE SHEET, CASH FLOW AND CAPITAL STRUCTURE

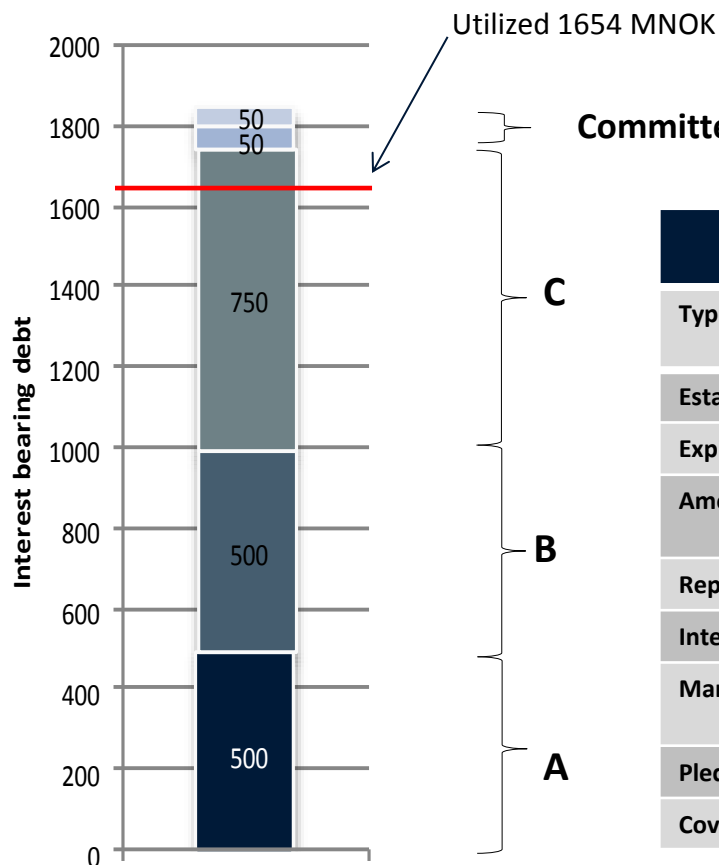
Cashflow (NOKm)	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	Total
From operations	540	550	566	525	457	375	526	346	243	381	4 509
From Investing	(201)	(209)	(150)	(229)	(163)	(182)	(143)	(140)	(65)	(136)	(1 617)
Free cashflow after tax (I)	339	341	416	297	294	193	383	207	177	245	2 892
Dividend	(185)	(155)	(89)	(81)	(75)	(70)	(65)	(61)	(321)	(54)	(1 155)
Share buy back	0	(5)	(4)	(4)	(50)	(202)	(408)	(422)	(211)	0	(1 306)
Dividend minorities	(25)	(34)	(28)	(30)	(15)	(21)	(13)	(17)	(12)	(13)	(208)
Paid back to owners (II)	(210)	(195)	(121)	(116)	(140)	(293)	(486)	(499)	(545)	(66)	(2 670)
From Acquisitions (III)	0	(829)	(407)	(79)	0	(144)	0	(113)	(111)	(260)	(1 943)
Net cashflow = (I) + (II) + (III)	129	(683)	(112)	102	154	(244)	(103)	(405)	(479)	(81)	(1 720)

Amounts in NOK million	31 Sept. 2013
ASSETS	5,724
• Intangible non-current assets	2,451
• Tangible non-current assets	591
• Financial non-current assets	262
• Inventory	902
• Receivables	1,371
• Cash and cash equivalents	147
LIABILITIES AND EQUITY	5,724
• Equity	2,573
• Minority interest	84
• Interest bearing liabilities	1,654
• Non-interest bearing liabilities	1,413



NOTE: 2013 figures comprise actual YTD September 13 + 4Q13 estimated to be equal to the average of the last four 4Qs. Should not be read as guidance

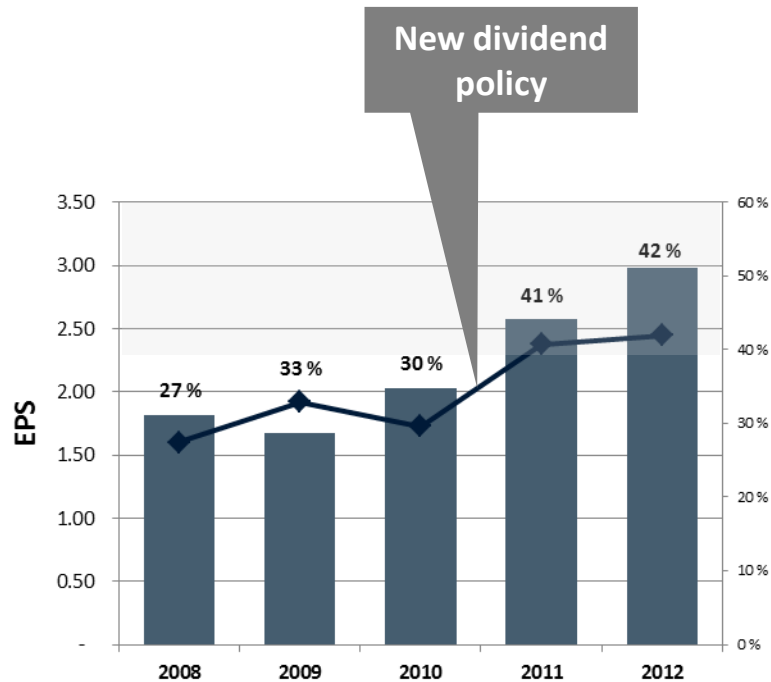
FINANCING



Committed and uncommitted credit lines

	Eksportfinans (A)	DNB (B)	DNB/SEB (C)
Type	3 year term loan	5 year revolving credit facility	3 year revolving credit facility
Established	July 2011	January 2011	July 2012
Expire	July 2014	January 2016	July 2015
Amount	NOK 500 million	NOK 500 million	EUR 100 million (~NOK 750 million)
Repayment	Bullet	Bullet	Bullet
Interest	Floating, 3m	Floating, 1-12 m	Floating, 1-9 m
Margin	52 bps above NIBOR	60 - 90 bps above NIBOR/EURIBOR	110 – 165 above EURIBOR
Pledge	Negative	Negative	Negative
Covenants	30% Equity	30% Equity	30% Equity

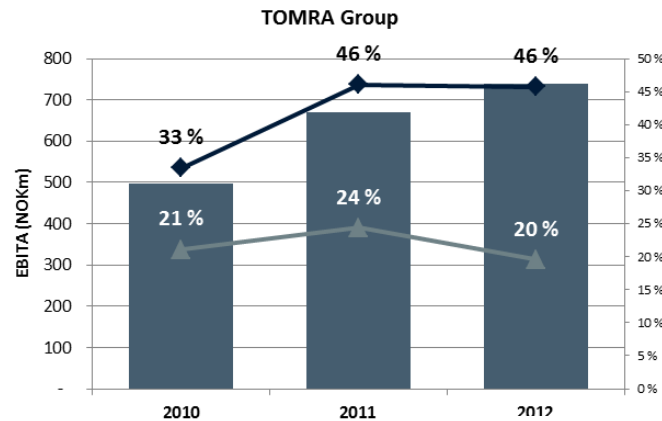
3. DIVIDEND PAYOUT (EU FINE ADJUSTED)



Dividend policy (Since AGM 2012):

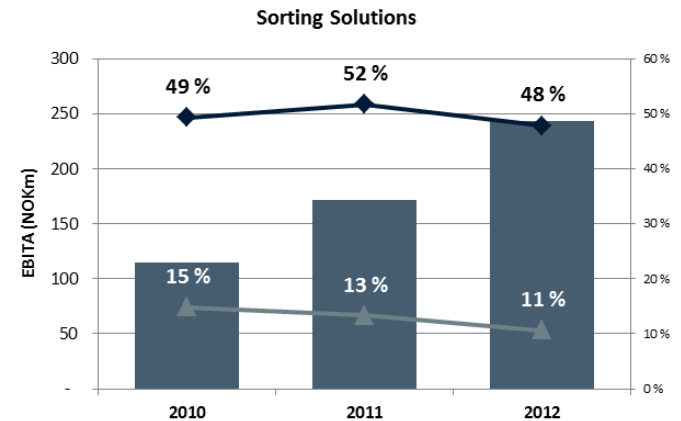
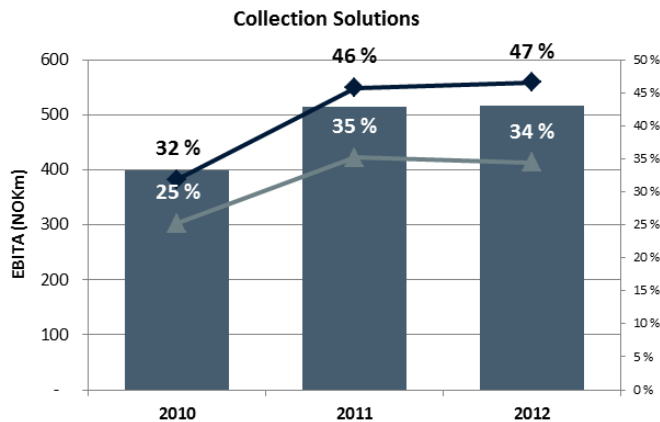
- Ambition is to distribute **40 - 60% of earnings per share.**
- When deciding the annual dividend level, the Board of Directors will take into consideration:
 - Expected cash flow
 - Capital expenditure plans
 - Acquisitions
 - Financing requirements and appropriate financial flexibility

A COMMENT ON RETURN ON CAPITAL EMPLOYED



ROCE ex. intangibles

ROCE incl. intangibles



Capital employed is calculated as EBITA/Net assets:

- (Net assets = Total Assets – Total debt, adjusted for cash, interest bearing debt, and tax items)
- 2010 ROCE for TCS is adjusted for EU fine

TOMRA has delivered ROCE in the range 30-50% for the last three years

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%	65 %	- 30 %	10 %	10 %	100 %

* EUR includes DKK

10% change in NOK towards other currencies will impact;

	Revenues	Expenses	EBITA
EUR*	4.5%	4.5%	4.5%
USD	3.0%	2.5%	6.5%
SEK	1.0%	1.0%	1.0%
OTHER	1.0%	1.0%	1.0%
ALL	9.5%	9.0%	13.0%

* EUR includes DKK

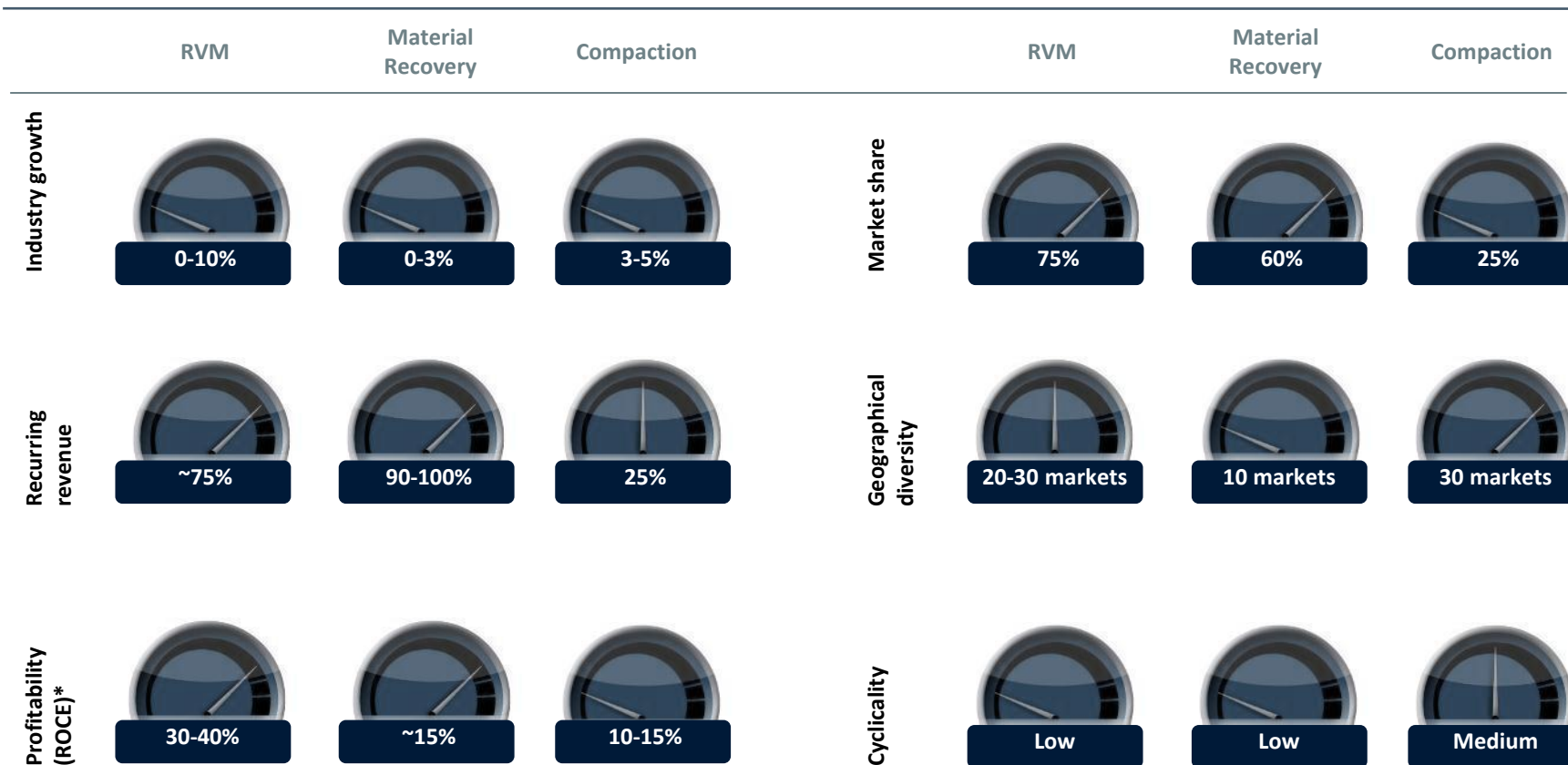
HEDGING POLICY

- TOMRA hedges B/S items that will have P/L impact on currency fluctuations
- TOMRA can hedge up to one year of future predicted cash flows. Gains and losses on these hedges are recorded in the finance line, not influencing EBITA



Q&A

COLLECTION SOLUTIONS – FINANCIAL DASHBOARD



TARGETS 2013 -2018

Yearly growth 4 – 8%

COGS cut program continues: 40% reduced COGS on new RVM machines from 2010 to 2015

EBITA-margin 17%-22%

FINANCIAL DASHBOARD – SORTING SOLUTIONS

Industry
Growth



Recurring
revenue



Profitability
(ROCE)*



Food

Recycling

Mining

Market share



Geographical
diversity



Cyclicality



TARGETS 2013 -2018

Yearly organic growth 10-15%

Geographical expansion

EBITA-margin 18-23%

(i) In markets served. Total food sorting (incl. rice and lane sorting*) 12-15%



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