

TOMRA *news*

NEWS FROM THE TOMRA NETWORK 1/98



Tomra launches its exciting new web-site!

After many months of eager anticipation, customers and investors can finally browse their way through the informative pages of Tomra's new web-site. The site provides in-depth information about Tomra's exciting history, its current business activities and plans for the future.



It gives an insight into the fascinating world of the reverse vending industry and provides readers with a good understanding of the important role which Tomra plays in helping the world recycle.

The site also features a special Job Opportunities section. With the rapid expansion which Tomra has experienced these past few years, many new employment opportunities have sprung up within the company all around the world. The Internet is a unique way for us to advertise Tomra's unique brand of business philosophy and thereby attract strong new candidates to key positions within the company.

Tomra has always had a policy of maintaining good investor relations and this is further strengthened by the compre-



hensive information provided on the Finance pages. Here, readers can get up-to-date details from official company financial reports, as these are made available.

Tomra's web-site is also linked to HUGIN's financial information service. This service allows persons with any interest in our company to subscribe, free of charge, to up-to-date financial and newsworthy information. By enrolling on Hugin's e-mail service, users can automatically be alerted when a new press-release or financial report is issued by Tomra.

This newsletter is also published on the Tomra Web-site. Check it out on www.tomra.no

The advantage of the Internet and e-mail service is that information is available electronically. No more waiting time for the postal system to deliver a copy of the Annual Report! It can now be read directly on your PC screen, in the same format as the original paper copy. What is more, readers can clip and



paste from these documents if necessary.

Tomra's popular news magazine, the "Tomra News" is also available electronically on our web-pages. This allows us to reach out to an even wider audience than traditional distribution channels allow.

Readers have the opportunity to learn more about our world-wide organisation and the various offices we have in each country. A contact page makes it easy for readers to contact each of the individual offices around the



world, or our head office in Norway.

You can check out our web-site on WWW.TOMRA.NO
Happy browsing!

(For more information, please contact the Marketing Department at Tomra Asker)

TOMRA 600 reaches the number 1,000 Jackpot!

In April 1997 Tomra launched its latest machine model, the Tomra 600. The machine was

introduced in 8 countries simultaneously and within months it had become a tremendous sales

success. Sales of the machine exceeded all expectations and this success was celebrated by happy employees on January 16th, 1998, when the factory sent out its 1,000th machine!



Employees eagerly tuck into the very special cake made in honour of the 1,000th Tomra 600 machine

To mark the occasion, a special cake was designed, which had the same dimensions and shape as a real-life Tomra 600 machine. The cake weighed more than 30 kg and took more than two days to create. After all Tomra employees in Asker had tucked into the delicious work of art, the remaining part of the cake was donated to a home for elderly people.

Tomra 600 Ultima wins Norwegian design award

Tomra received the Norwegian Design Council's 1997 Award for Good Design for the Tomra 600 Ultima. Out of more than 130 applicants in five different categories, a total of 49 products received the award.

The design contest is held once a year and is open for products manufactured in Norway, or by Norwegian owned companies abroad. Applications can be submitted for a product design and/or a company profile design. The jury, who evaluate both the product and the marketing communications material associated

with the product, look for innovation and functionality/user friendliness in the design. They also evaluate the use of components and materials, look at the esthetical shape and assess the marketing communications material, in order to get an overall total impression.

In awarding Tomra the Award for Good Design, the Jury stated:

"The Tomra 600 Ultima is a new generation of machines for the collection and sorting of bottles and cans, which facilitate the re-fund process for consumers. The

machine has a unique physical design and a dynamic look which is emphasised by the use of strong, clear colours and the physical properties of the plastic material."

The award comes in recognition of Tomra's forward-thinking product development, where design is an integral of the process. Tomra's resident Designer, Roy Tandberg, received two product awards this year, one for the Tomra 600 and one for the Tandberg 600 Video Telephone.



The prize-giving ceremony took place in Oslo on November 26th, 1997. Accepting the award on behalf of Tomra were Roy Tandberg (Designer), Caroline Quinn (Marketing Manager) and Tom Steidel (Project Manager)

HALTON NEWS

The last 10 months, since becoming a member of the Tomra Group in May 1997, have been one of the most exciting and challenging periods in the history of Halton System Oy. The integration process in the European sales and service organisations has demanded much time and focus from the management. During that process we have had an opportunity to get to understand the Tomra Mission, Vision, Strategies and Values and even more importantly get to know people who have now become our partners in the future development of our company. It has been motivating to realise that the Core Values and Strategies do not significantly differ from those which we at

Halton System were living up to in the past.

The top management of the Tomra Group made an important statement concerning the implementation strategy in the early phases of the Tomra-Halton integration process;

- *Maintain and strengthen the production and logistics operations in Halton System, Heinola.*
- *Maintain and strengthen the R & D activities in Heinola.*
- *Operate product and market support activities for Halton products from Heinola.*

With this encouragement, it was easy to motivate ourselves to improve our activities. We are determined to do our share in order to reach the ambitious long term growth targets of the Tomra Group.

Due to continuous work on the improvement of our Order Delivery Process we have been able to secure reliable and high quality deliveries to our customers. We will start the implementation of the "Got a Date; Never Late" spare parts delivery guarantee program as well. The Design For Manufacture (DFM) method is used to constantly improve the efficiency and decrease the cost of production. Statistics from 1997 show that this work has already resulted in improved reliability and profitability for deliveries.

We will implement a new Information System IBS to further support this positive development of activities. As an important part of our Total Quality Management program (TQM) we have the ISO 9001 Quality Certificate for our operations.

The markets for our products are changing even faster than we anticipated. Our organisation has to be prepared to meet new



Tomra and Halton's newly combined sales team in Sweden informed their customers of their new joint offices via a friendly postcard mailshot



challenges presented by our customers or resulting from competition. We will therefore focus more strongly on sustaining and further strengthening our strategic in-house core competencies in order to secure faster product development cycles, cost effective product design and technological excellence of our products and systems. We want to involve our customers in the product development projects in order to better understand the market needs. We believe in building up long term partnerships with our customers to support their business as well. We call for help and co-operation from the Tomra sales network to make this happen.

The current range of products bearing the Halton brand name includes the H-2020 Bottle and Crate machine and the new improved BUTLER H-2021 Bottle and Crate machine, including backroom equipment. These two products are excellent

solutions for the refillable market. The Halton Minican has been developed for automatic and user friendly return of cans in small and medium sized shops. The BUTLER H-2021 was launched in the autumn of 1997 in most European markets. Sales have started well and we can expect this product to become one of the Stars in the Tomra-Halton product family.

Good customer service is the key in any successful operations. We understand the importance of providing fast, top quality service to all customers, whether it is of a technical or commercial nature, or for older or more current Halton machines. In order to improve even more, we have allocated more resources for this task. We are prepared to assist and advise our sales and service organisations and are eager to help turn any customer complaints into opportunities for the future. Our Marketing Department provides the sales network not only with assistance

in planning and executing marketing activities in each country but also with product and system-related information and product training.

1997 was a very successful year for Tomra's newest business unit in Heinola, as far as results were concerned. We made a record profit and our turnover was at the budgeted level.

We thank all our customers and sales organisations for this and we look forward to another challenging year, working together in Helping The World Recycle!

Halton Heinola Team
Asko Pesonen
Managing Director



Tomra Denmark captures readers' attention with a special issue publication

At the end of 1997, Tomra System A/S in Denmark published a 12-page colour profile brochure about Tomra's activities in Denmark. The brochure was distributed as a special supplement to Dansk Handelsblad (DH), which is a weekly trade magazine sent to about 11,500 people in the grocery industry.

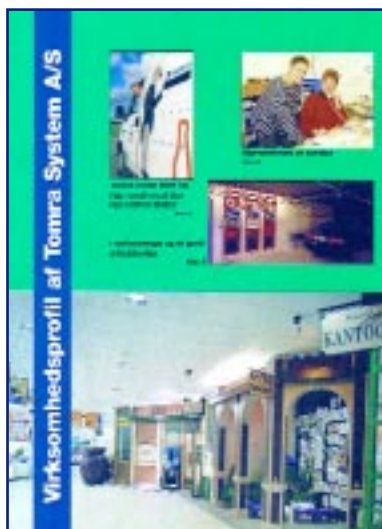
Dansk Handelsblad not only took care of the distribution of this colour supplement, they also did much of the reporting and writing of stories, as well as being responsible for the layout, repro and printing. Managing Director of Tomra System A/S, Henrik Friis, instigated the idea and was responsible for coordinating the project for Tomra System A/S.

The objective of the project was to profile Tomra and Halton as an unified company, and to inform the readers about Tomra's products and services. Even

though, currently, there are no serious competitors to Tomra in Denmark, Henrik Friis believes it is important to actively promote Tomra with direct marketing activities such as this.

The total cost of the project was approximately DK 87,000, of which about 75% was funded by advertisements from Tomra Denmark's suppliers.

Henrik Friis points out the importance of establishing a good relationship with the trade magazine in advance, when working on a project like this. In order to sell the concept to Dansk Handelsblad, it was important to let the editorial staff become curious and interested in Tomra as a company.



The 12-page colour brochure gives an interesting insight into the many activities which Tomra Denmark is involved in

Tomra Denmark "On the road again"

Tomra Denmark enjoys more success with its mobile demonstration unit



Tomra Denmark has been travelling all around the country to promote the new Halton Butler reverse vending machine.

For three weeks, Sales Consultant Michael Milo's car was substituted by an "exhibition bus". The bus was fitted with a complete reverse vending machine installation which only

Fred the Dragon invades Norwegian shores!

With the opening of the Ultra Store in Oslo, Tomra Butikksystemer has started the development of the Retourette concept in Norway.

The Centra Group in Norway wanted a Mini-Retourette for the brand new Ultra Store. "Fred the Dragon" is placed around two T-600 machines and welcomes all the customers entering the store. A wall monitor presents Ultra news and a computer game offers fun-questions for the children.

Christian S.Eriksen, President of the Centra Group, stated, "The Mini-Retourette supplied by Tomra Butikksystemer fits well



The Mini-Retourette provides a welcome experience for customers visiting the new Ultra Store in Oslo

into our store design concept. It also offers our customers a new

and positive experience when returning their bottles."

needed a little electricity in order to work. The interior and exterior of the bus were decorated with photos and posters showing a variety of different product and installation solutions.

Michael Milo visited shop consultants and stores, and was met with enthusiasm from everyone who saw the "Butler"

in action. The promotion tour was a resounding success. The "Butler" received a warm reception, which resulted in sales of almost 30 machines in next to no time.

The Road show is a popular way of promoting new products, as both customers and consultants can usually spare 10 minutes to

see the new machine demonstrated.

Earlier this year we had a similar road show with the T-600, which resulted in a big boost in sales.

Model T history houses a modern Tomra



Tomra machines have found a new home at a site where history is bridged with modern convenience. Tomra machines are now located in Farmer Jack's

newest store located directly on one of Michigan's most historic sites.

On November 11, Michigan state and local dignitaries were on hand to witness the opening of this new store. The new Farmer Jack is located on the very spot where Henry Ford perfected the car assembly line almost 90 years ago. Formally known as the Highland Park Plant, the new store will be located in the Model T Plaza, named after Ford's mass-produced car.

The \$7 million, 60,000 square foot store is an impressive supermarket. It includes state of the art supermarket conveniences along with historical items on display. The store will be home to nine Tomra machines located directly below an original 1912 Model T Ford built on this site. Other historical items will be placed in the store allowing customers to revisit the past while shopping with futuristic conveniences. Tomra is proud to be a part of this extraordinary location, which is a tribute to the auto maker's success.

Submitted by: Pamela Meagher

Les Systemes Tomra Embraces Core Values

In early January, Canada fell victim to one of the most damaging ice storms in the Northeast. The storm immobilized most of Southeastern Canada, wreaked havoc on power and phone lines, as 4.5 million people lost power over night. Power crews from all over Canada, New York and Connecticut rallied to assist the Canadians. Tomra employees joined together to work effectively under stressful conditions.

Tomra launched its "Core Values" campaign in the USA in November. The campaign was designed to strengthen employees' belief in a set of values and guidelines which could help

them in their daily work; integrity, innovation, personal initiative, fighting spirit and enthusiasm.

The spirit of these values was truly embraced during the chaos experienced this Winter, as employees dealt with the challenge of keeping things running smoothly during such a chaotic event. Fighting spirit and teamwork kept Tomra Canada organized, and insured that business progressed as normal as possible.

Employees relied heavily on their own initiative, such as organizing cell phone power and personal visits to customer

locations. Most staff members had no relief from the pressure, since power and phone lines were cut off at home as well at the office. Throughout the week, the Canadian staff truly demonstrated the meaning of Tomra's Core Values.

This kind of group performance is a chance for all employees to celebrate in their success. We thank them for expressing "Core Values" in a... JOB WELL DONE!

Submitted by: Pamela Meagher



Tomra North America receives prestigious award

TOMRA Metro LLC., a business unit of TOMRA of North America Inc., is the recipient of a 1997 Presidential Quality Award given by ALCOA the largest aluminum producer in the world. Dennis Crooker, President of ALCOA Recycling Company, presented the award to TOMRA management and employees at the TOMRA processing facility in Stratford Connecticut.

The Presidential Quality Award, given to 5 of the 1500 aluminum suppliers for ALCOA, is based on 1997 grade quality of aluminum supplied to ALCOA.

TOMRA Metro of Stratford Connecticut, supplied ALCOA with bailed aluminum cans free of contaminants such as plastic, other metals, excess moisture and dirt.

The quality of aluminum received from TOMRA, is a direct result of the employees and efficiency of the processing facility. TOMRA Metro, which occupies a new 42,000 sq. foot facility, currently processes over 6 million pounds of aluminum a year. ALCOA Recycling purchased approximately 2.5 million pounds in 1997.

Plant manager Britt Liotta and bailer operator Audley Wellington accepted the award on behalf of all the TOMRA employees. TOMRA Chief Operating Officer David Eggelston was also on hand to congratulate the TOMRA staff.

For Additional information contact: Cyndi Cobb or Pamela Meagher
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Butler environmental wall units

Tomra Denmark has developed a new line of hand wash and waste disposal units with the same elegant design as the Butler.

The hand wash unit consists of a sink, a mixer tap and an air dryer which starts automatically when someone is using the sink.

The waste disposal unit is provided with a hatch through which garbage can be thrown and accumulated in the store's own container system.

A separate triangular shaped opening for collection of batteries is also available for the waste disposal unit. It has a flexible



chute which can be connected to a separate accumulation container.

Backlit symbols for waste disposal and hand wash are located above the top display.

The units are easy to install and placed on a rack with adjustable height. The measurements are the same as for a Butler machine.

With these new units it is now possible to install a complete environmental-wall, giving the store an elegant, classy look.

Tomra's Fund Raising System Gets Off to a Good Start in Finland

After careful preparation work with consumer authorities, Oy Tomra Ab signed its first co-operation agreement with the Sponsors of the Finnish Children's Clinics Association and the retail chain Ässä Partners Oy.

Oy Tomra Ab installed the Fund Raising system in November 1997 on its Tomra 410 Combi and Tomra 62 reverse vending machines in twenty-six S-Market stores, which are members of the Ässä Partners chain. Coin dispensers on six of the Tomra machines were also connected to the system.

At the beginning of December the Sponsors of the Finnish Children's Clinics Association and the S-Market retail chain launched a publicity campaign to draw attention to this new system for raising funds for sick children. Promotion activities included using well-known personalities as sponsors. During the first three weeks of operation, approximately FIM 27,000 in donations were collected through Tomra machines, which represents about 4.7 % of the total refund amounts handled by the system.

The Tomra Fund Raising system has functioned flawlessly during the six month test period. Consumers are very satisfied with the easy accessibility and convenience of the system, while store personnel are eager and motivated to promote this reliable and effective way of contributing to a good cause.

In order to donate the refund value of their returned containers to the Beneficiary, consumers merely press a yellow donation button on the machine. Data reports about the donated sums are transmitted to Oy Tomra Ab through an on-line modem con-

nection, and after being inspected by the authorities, these are then sent on to the Sponsors. Using these reports, the Sponsors can invoice the S-Market chain, who pay out the full amount without any deductions. For the Beneficiary, Tomra's Fund Raising technique has created a new, easily accessible, reliable and cost-effective form of collection, whose profits have lived up to expectations

The retail chain is positively surprised at the favourable publicity which has been received and the increased customer traffic in their stores. Kuisma Niemelä,



The special machines through which customers can donate their refund to charity are installed in more than 26 stores throughout the Helsinki area

Manager of the S-Market chain, states, "Our chain wants to contribute to a fine cause and promote the good care of sick children. We want to make use of the data transmission already now at our disposal, and naturally we also want to improve the company image of our chain. This fund raising technique is planned to be used in all S- Markets round the metropolitan area."



Managing Director Ari Matikainen of Oy Tomra Ab comments, "We are happy to participate in developing a fund-raising system that directs money reliably without deductions to the desired target. In addition, our technique provides an extremely easy and simple way for everyone to contribute to the Sponsors' work while doing their shopping."

The goal is to collect FIM 500,000 by the end of 1998.

Tomra's Fund Raising System well underway in Norway

The co-operation between the Norgesgruppen chain and three charities (the Norwegian Refugee Council, the Salvation Army and the Norwegian Peoples Aid) to upgrade Tomra machines with special donation buttons is now well underway. In the space of four months, more than 120 machines have been upgraded and more than NOK 200,000 has been collected on behalf of the Beneficiaries, even before any advertising support has started!

All the shops that have so far been upgraded are situated in

the Greater Oslo area, and the program will now expand to other parts of Norway. The charities hope to have more than 500 machines upgraded by the middle of 1998.

The feedback from both shops and customers has been extremely positive, with comments such as: "What a great idea!", "This is the most cost effective collection system to date!", "The best thing about it is that there is no pressure to donate - you can choose yourself!", or "It's nice to do something for a good cause."

An advertising campaign to support the programme will be launched in March. The system will be a major player in one of Norway's biggest Charity events this Autumn, the so-called "TV-aksjonen", which is a special nation-wide televised broadcast to help raise money for charity. This year the event will be held in support of the Norwegian Refugee Council.

Tomra's Customer Satisfaction Index 1997

For the sixth year in a row Tomra has been running its Customer Satisfaction Survey. This year more than 4,000 customers from 9 countries were asked to give their feedback about our performance.

The survey, officially known as the Tomra Customer Satisfaction Index (CSI), measures several factors within the areas of sales, delivery/ installation, guidance/ training, service and product quality. Customers are also asked to give their opinion about two additional factors, namely whether there has been any improvement in our products and services (The Trend Index) and whether they would choose

a Tomra machine again in the future (Rebuy Index).

For the last 4 years the results of the CSI have shown an encouraging trend. This year's results showed a slight fall in some areas, compared with the results of 1996. This slight setback could be due to the hectic activities to integrate the European sales and service operators of Tomra and Halton, which produced an unaccustomed situation for many of our customers over a short period of time.

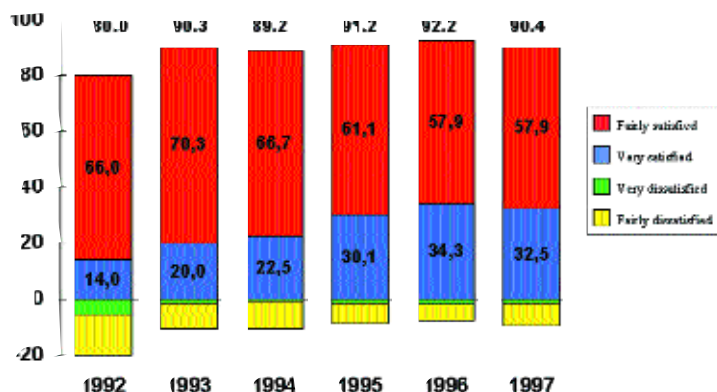
Nevertheless both the Trend Index, as well as the Rebuy Index show a slight improve

ment that some of the inconveniences experienced were of a transitory nature.

For Tomra, the CSI has been a very useful tool for helping us focus on the right kind of improvement activities each year. Our aim is to give our customers maximum service and performance. After the acquisition of Halton, Tomra gained a new and important customer base that we needed to get to know better. We had to find out how we, in the best possible way, could continue to take good care of these customers. This was one of the reasons why Tomra, in co-operation with Halton System Oy, decided to carry out a separate CSI survey for Halton customers. Not only would such a survey allow us to get a feel of the satisfaction level of Halton's customers, but it would also allow us to learn where to put our focus on in the year ahead, with regard to marketing and service activities. In other words, we want our customers to tell us what is important for them!

The Halton CSI was sent to customers in 6 different European countries. Although Halton customers had never participated in a survey like this before, the results were very encouraging.

TOMRA CSI'97 - TOTAL Overall evaluation



Comparing results from year to year provides a useful indication of the progress that is made

Tomra's objective for 1998 is to have one CSI survey for all our customers, regardless of whether they have a Tomra or a Halton machine. Our plan is not

only to incorporate Halton's customer base into Tomra's CSI, but also to revise the survey. A growing organisation with changing customer needs and

technological challenges creates new demands, so the time is ripe for us to adjust our CSI survey accordingly.

Coupon Test Produces Outstanding Results

The results are in for the coupon pilot program conducted in Michigan in August/September of 1997. The Kroger Company was our retail partner in testing the ability to distribute coupons with customer receipts from TOMRA machines. Participants included Coca Cola, Dr. Pepper, Hershey's Candy, Cool Whip and Post/Nabisco Cereals.

Audits & Surveys Worldwide conducted the research providing both scanner data of actual sales volume, as well as intercept interviews with consumers exiting the store.

Consumers told us they use TOMRA machines approximately twice per month and 10% of the

consumers interviewed said they don't normally use coupons. This information alone is evidence of a unique opportunity to intercept consumers before they begin their shopping trip.

The control store tests demonstrated that consumers actually used significant numbers of the coupons to buy the featured items. Redemption averaged 10% across all participating brands. Sales volume increases ranged from 7% to 32% on products ranging from carbonated soft drinks (Coke/Dr. Pepper), candy (Hershey), ready to eat cereals (Post Nabisco Cereals) and whipped topping (Cool Whip). These are exceptional volume lifts in com-

parison to other sales promotion vehicles.

Each coupon in the test required the customer purchase 2 of the item in order to receive the savings. Consumers who used a TOMRA coupon also told us that they had not planned to buy two units of the couponed product. This clearly showed the program's ability to effectively influence consumer purchase behavior to purchase products in multiples.

Current plans are being developed for further roll out in Michigan retailers later this year. A pilot test program will also be conducted in Metro New York during the summer of 1998.

Stores install two bottle retrieval facilities

Several large stores in Denmark have installed two bottle retrieval facilities, e.g. one complete installation at the entrance of the store and one in the parking area, thereby extending their service offering to customers.

Føtex in Helsingør has installed

an environmental “bottle retrieval wall” in the service area near the entrance of the store.

The parking area is located under the store. In the middle of the parking area there is a drive-in bottle retrieval facility including another “environmental-wall”



complete with reverse vending machines, waste disposal unit and a hand wash unit.

The store customers are very pleased with this convenient solution; they can return their empty bottles and cans before they enter the store to do their shopping.

Surveys from Denmark show that many consumers prefer a store that has a comfortable, effective and clean bottle retrieval facility to one that does not.

Because of this, several new projects in Denmark are planning bottle retrieval facilities with the “Environmental-wall”.



Attractive wall frames for the T-600

Tomra 600 is now available with wall frames in the same colour as the machine. The wall frames were developed to cover over the gap between the machine and the wall and they help give the installation a better all-around appearance.

The wall frames are made of injection-moulded ABS and they have the same matt finish and slightly textured surface as the



front of the T-600 machine. The wall frame comes complete with adhesive tape for easy mounting. It consists of four pieces for the wall-mounted machine and two additional pieces for mounting around the crate unit of the machine.

The frames give the machine a smart-looking finish in the wall-setting

Tomra 600 with Bar-code section - a new technological breakthrough in beverage container handling

The Tomra 600 with bar-code section is a new member of the T-600 family of modular machines. It is an innovation in reverse vending machine technology, as it is the first machine for refillable bottles on the market which also handles one-way containers in an efficient way.

For the customer, an "all-container machine" means that he or she can deposit different types of containers into one machine, instead of queuing up in front of different machines.

For stores with a limited volume of cans and one-way plastic bottles, investing in a T-600 with bar code section instead of several machines for different types of containers may be a good alternative. Not only is one machine more rational in operation, but it also occupies less space both inside the shopping area and in the back-room.

The machine's combined Shape- and Bar-code recognition system, ensures fast and accurate recognition of all types of empty beverage containers, such as refillable glass and plastic

bottles, one-way plastic and glass bottles and cans. In addition, the machine can also handle crates. The Tomra 600 has advanced sorting capabilities and is able, for example, to sort cans and plastic bottles to the right and/or left side of the machine, while the glass bottles are put upright onto the accumulation table.

The T-600 with Bar-code reader can be equipped with optional compactors for cans and one-way plastic bottles to reduce volume and safeguard against double redemption. (available from 2nd quarter 1998).



The Tomra 600 now features an advanced device for scanning bar-codes and can therefore identify cans and other one-way containers

Tomra New York Breaks Ground on New Construction



Construction on a new facility for Tomra New York has begun in Farmington, New York. On October 28, 1997, Greg Garvey, President and CEO of TNA, David Eggleston, Executive Vice-President and COO of TNA and Bruce Anderson, Vice-President and General Manager of Tomra New York planted shovels in the ground for an official ground breaking ceremony.

The new 35,100 sq. foot facility will house offices, a machine service facility and a large area

for processing used beverage containers. Barry Unger Associates of Monroe, Connecticut designed the building and Allied Builders of Brockport, New York are constructing it. Projected completion date is April 1998.

Once finished, this central location will replace leased facilities in Rochester and Syracuse. The facility will be designed to process the 500 million cans and bottles picked up from supermarkets by Tomra NY Recycling, LLC. Aluminum cans will be pressed into bales for sale to the aluminum industry, which will convert the scrap aluminum into new beverage cans. PET plastic bottles will be baled and marketed to plastic companies for recycling. Glass bottles will

be crushed and shipped to glass mills for re-melting and the creation of new glass bottles.

Presently, Tomra New York supplies Tomra machines to the western portion of New York State, including the cities of Syracuse, Rochester and Buffalo. Tomra New York has over 740 machines placed at 200 stores, including Wegmans, Tops and P&C supermarkets.

Submitted by: Pamela Meagher



Tomra Metro Continues to Grow

Tomra Metro has successfully introduced a "full service" reverse vending program in Pike Slip, New York. Customers and retailers at Pathmark #5645 positively received a two-month test in November 1997. With such promising results, Pathmark stores L.I.C. and the Bronx are initiating the program in the first quarter of 1998.

The new year for Tomra Metro has been a busy one, with a total of five new store openings across the New York Metropolitan area. New stores consist of 2 Edwards Super Food Stores, 2 A & P Stores and 1 Big V Shoprite. These new accounts total approximately 650 stores in the Metro New York business unit.

In other news, Tomra would like to extend a warm welcome to Tomra Metro's new Account Executive, Stewart Leitner. Stewart has been with Tomra Metro since November of 1997. He joins Tomra with over 25 years of food broker experience in the retail industry. Welcome aboard Stewart!

Submitted by: Pamela Meagher

Tomra North America ‘Goes West’

TOMRA North America has acquired the former Reynolds Recycling operation from Wise Recycling LLC. The operations located in 5 states, puts TOMRA into the Pacific market with California and 4 non-deposit states: Colorado, Washington, New Mexico and Hawaii.

The new business unit, TOMRA Pacific, currently generates an annual revenue of USD 40 million (MNOK300). The operation consists of 147 collection centers and 7 processing facilities , with

approximately 250 employees. Presently, the company has an established structure of manual collection and recycling centers as opposed to reverse vending machines as in other deposit states.

The acquisition provides TOMRA with entry into the Pacific market, previously unoccupied by TOMRA. California is the largest US deposit state taking in over 10 billion tons of aluminum, PET and glass beverage containers. TOMRA sees significant

opportunity to build this market through aggressive promotions, introduction of RVM technology and improved materials handling solutions.

TOMRA Pacific president, Randy Gusikowski, will head the new operation and build its business base. This new acquisition is a shining example of how TOMRA plans to move one step closer to “Helping the World Recycle!”

Submitted by: Pamela Meagher

Tomra Michigan Opens New Facility

TOMRA Michigan moved into new 70,000 square foot facilities in Howell, Michigan in late September. Approximately 10,000 square feet of the space is devoted to office facilities with the balance being used for materials processing.

Employees were accustomed to 4,000 square foot facilities, which they soon outgrew in Troy, Michigan. Over 40 employees in sales, customer service, field service, in-house repair and administration reside in the new location.

In conjunction with the Michigan Soft Drink Association and Michigan retailers, TOMRA

along with Schupan Recycling, developed a third party pick up concept to provide a turn-key service to retailers and vendors.

TOMRA Michigan re-engineered the way empty containers are handled in the store. This new process makes the task of recycling containers much more attractive and efficient for retailers and beverage distributors alike.

As part of the innovation, the TOMRA Michigan team along with Jem Velke of TOMRA North America, developed a high volume (gaylord) collection container to facilitate the process. The gaylords are picked up at the retail location, brought

to the Howell plant where the materials are baled and made ready for resale of the scrap.

A 10 store test began in late October in Grand Rapids, Michigan. Based on volume, TOMRA will roll out the third-party pick up program to approximately 360 stores in 1998.

Submitted by: Pamela Meagher



Dutch exhibition

The Netherlands' largest exhibition for the supermarket industry, Roka '98, took place on the 8th - 11th March. The exhibition, which happens every other year, covered a total area of 31,000 m2 and had more than 500 companies exhibiting their products to more than 45,000 visitors.

Tomra Systems B.V. participated at the exhibition with an eye-catching stand which featured an enormous globe surrounded by banners proclaiming Tomra's mission of "Helping the World Recycle". The theme of the stand also centred around Tomra's Core Values and this made a particularly enticing backdrop for the machines which were on display, namely the Tomra 600 with sorting



section, The Tomra 310 and the Halton Butler with PET stabiliser.

The Tomra 600 attracted a great deal of attention due to the positive response it has received from Dutch consumers. With more than 60% of returned

bottles being made of light plastic PET, consumers in the Netherlands love the fast and efficient way the Tomra 600 handles these types of containers and the way it eliminates the problem of falling bottles! More than eighty visitors to the Tomra stand were interested in receiving offers for the machine, which continues to be a number 1 sales success in the Dutch market.



Tomra spreads its global mission of "Helping the world recycle"

The exhibition also gave the new combined Tomra and Halton team a chance to meet many of their existing customers, who have responded positively to the take-over last year. The combined strength of the two organisations has helped provide a stronger foundation for better serving customers in the future.

Management perspectives

1997 was another record year for Tomra. With more than 900 employees working at more than 25 operating sites around the world, Tomra has now grown to be a much larger corporation. Together, we achieved NOK 1.2 billion in revenues, an increase of 53%. The operating profit was 212 MNOK, up 39% and profit before tax was 198 MNOK, up 34%. The sales increase in Europe is entirely generated from the acquisition of our Austrian distributor and our European competitor Halton.

Through this acquisition Tomra's market position has been further strengthened. With a market share in Europe of 95%, we are well prepared to meet new market demands in the years to come. Tomra is committed to maintain and further develop the two technology platforms, Tomra and Halton. Separate development and production activities are run out of Finland and Norway, with special emphasis on further utilising the core competencies of the two organisations. Out in the market, Tomra's and Halton's subsidiary operations have been fully inte-

grated. With one face to our customers we will be able to use the best practices from our combined resources to provide high quality service and sales follow up.

The strong sales increase of 99% in the USA has mainly been achieved through organic growth. The number of new machine installations was, as expected, lower than in 1996. Nonetheless this still represented a market share of new machine installations in excess of 90% in 1997. The launch of T-600 last year was very successful. This machine represents a new generation of reverse vending

technology for collection and sorting of bottles and cans in one machine. The T-600 Ultima was awarded with the Norwegian Design Council's 1997 Award for Good Design.

In keeping with our slogan, "Helping the World recycle," TOMRA still sees great opportunities for expansion of the company's business areas. Expansion of our material handling and administrative services, along with the initiation of new concepts in which reverse vending machines are used in marketing and corporate identity work, are potential areas for future growth.



*Erik Thorsen, President & CEO
of the Tomra Group*

Tomra signs new distributor agreement in Switzerland

Since 1981 Tomra has been represented in Switzerland by Ondoco SA, located in Lutry near Lausanne. In connection with Tomra's take-over of Halton System OY last Summer and the successive integration of the European sales networks, the merge of the Tomra and Halton activities in Switzerland became a topic for evaluation.

Following close analysis of market needs and discussions with some key customers, it was concluded that co-ordinated efforts finally would benefit the

customers the most. As a result, Supralog AG, Halton's Swiss distributor, took over Ondoco SA as of February 1998. Within a short time, the activities of these two companies will be merged, with sales & service offices in Volketswil near Zürich and Lutry.

The 15 employees of the joint company will undergo extensive training during the next few months to gain more know-how and skills in order to further improve customer service.

The new set-up in Switzerland will allow Tomra to improve the commitment to the Swiss retailers and address their needs even better than in the past.

For further information, please contact Managing Director, Mr. Sven-Erik Carlson at:

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Touring Europe with a Mission!

Travellers touring the highways of Europe may soon be reminded of the Tomra mission statement. The message "Tomra - Helping the world recycle" was recently painted on to a white 18 metre MAN semi-trailer truck. The semi-trailer, normally transporting fresh food and retail goods all over Europe, also features the

well-known Tomra logo and pictograms.

The brand new vehicle serves as a mobile promotional display for Tomra as it passes through key locations across Europe. It may well pass by your office location in the near future!



Tomra's mission takes to the highways of Europe!

Impressum

Tomra News is published twice a year to keep Tomra's employees, subsidiaries, distributors and their customers informed about news in the reverse vending machine industry.

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