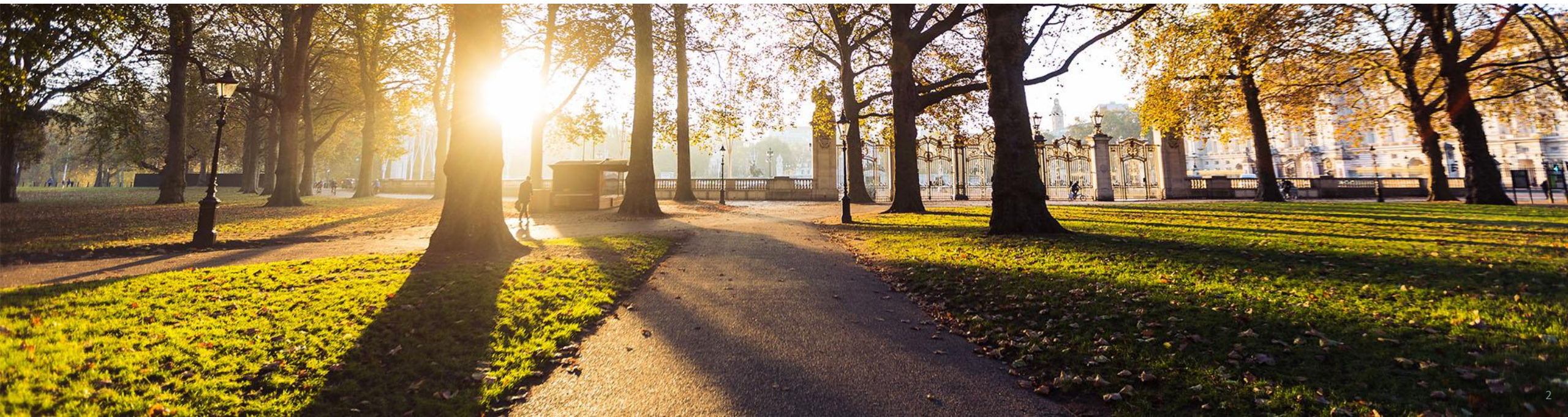


4th quarter 2019 results announcement



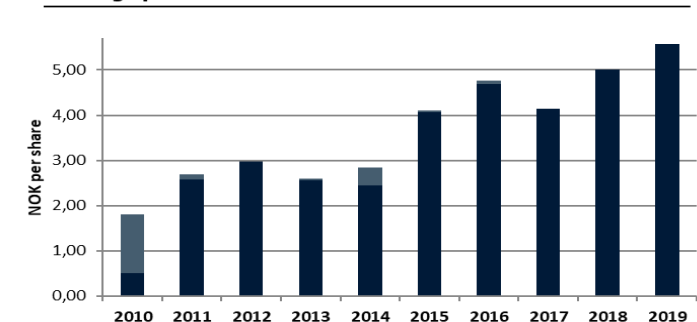
HIGHLIGHTS FROM THE YEAR & 4th QUARTER



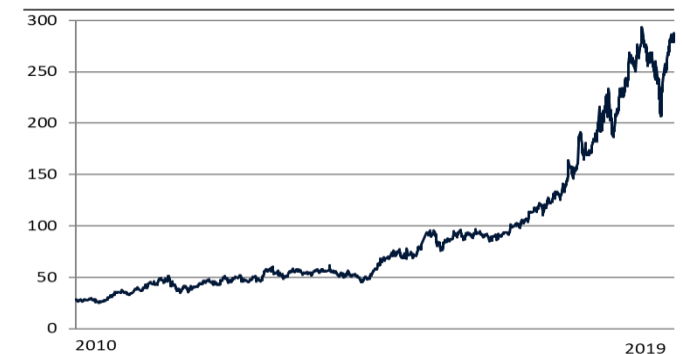
Highlights from the year

Revenues	<ul style="list-style-type: none"> • Revenues of 9,346 MNOK (8,596 MNOK in 2018) – up 9% Adjusted for currency and acquisitions, revenues were: <ul style="list-style-type: none"> - Up 5% for TOMRA Group - Up 5% in TOMRA Collection Solutions - Up 5% in TOMRA Sorting Solutions
Gross margin	<ul style="list-style-type: none"> • Gross margin 44%, up from 43% in 2018 <ul style="list-style-type: none"> - Improved margins in both business areas
Operating expenses	<ul style="list-style-type: none"> • Operating expenses of 2,704 MNOK (2,429 MNOK in 2018) <ul style="list-style-type: none"> - Higher activity in both business areas - Ramp-up for new markets
EBITA	<ul style="list-style-type: none"> • EBITA of 1,381 MNOK – up 10% from 2018
Cashflow	<ul style="list-style-type: none"> • Cash flow from operations of 1,313 MNOK (1,025 MNOK in 2018)
Dividend	<ul style="list-style-type: none"> • Ordinary dividend of NOK 2.75, up from NOK 2.50 last year

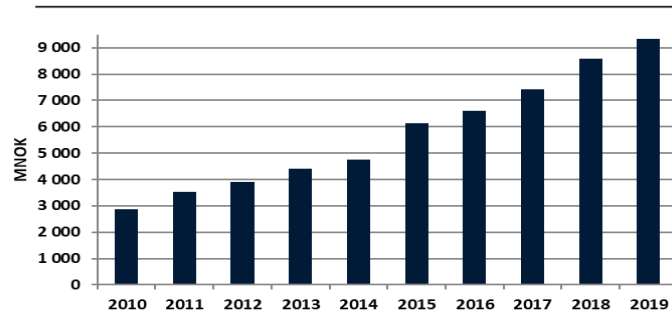
Earnings per share



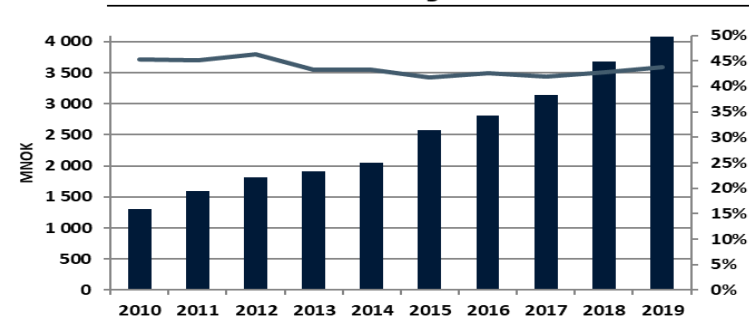
Share price



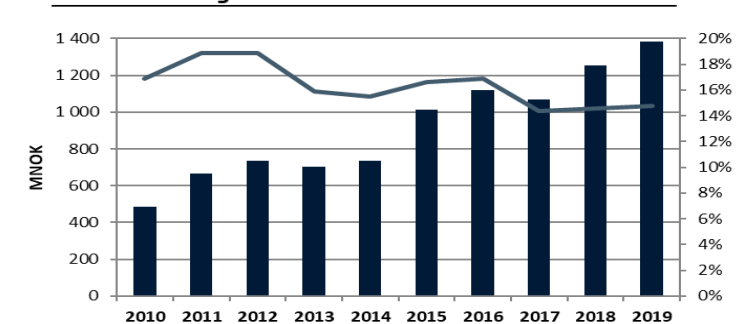
Revenues



Gross contribution and margin



EBITA and margin

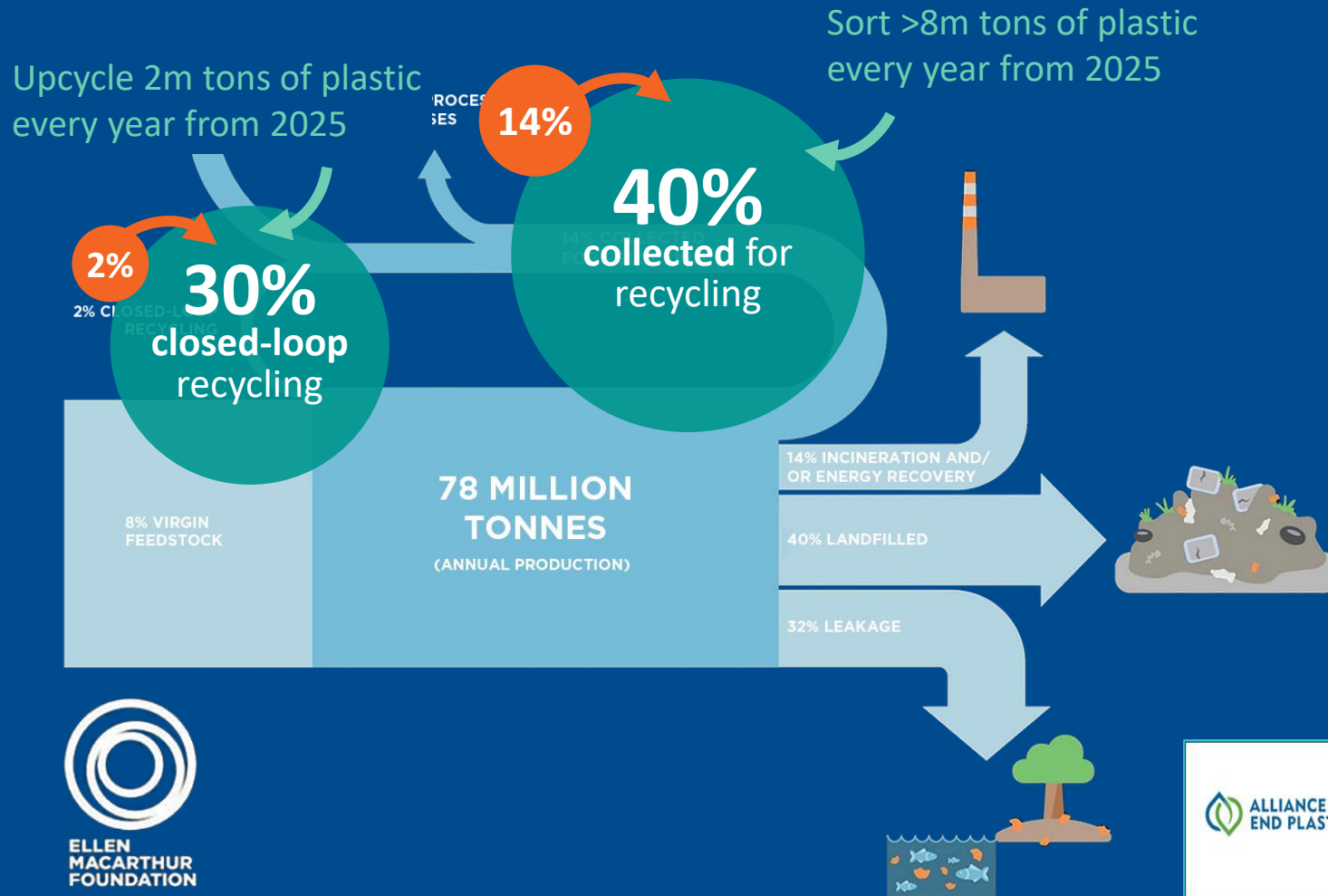


Highlights from the quarter

Revenues	<ul style="list-style-type: none">• Revenues of 2,569 MNOK (2,467 MNOK in fourth quarter 2018) – up 4% Adjusted for currency, revenues were:<ul style="list-style-type: none">- Down 1% for TOMRA Group- Up 6% in TOMRA Collection Solutions- Down 6% in TOMRA Sorting Solutions
Gross margin	<ul style="list-style-type: none">• Gross margin 43.1% (up from 42.5% in fourth quarter 2018)<ul style="list-style-type: none">- Improved margins in both business areas
Operating expenses	<ul style="list-style-type: none">• Operating expenses of 700 MNOK (653 MNOK in fourth quarter 2018)<ul style="list-style-type: none">- Ramp-up in TOMRA Collection Solutions- Currency effects
EBITA	<ul style="list-style-type: none">• EBITA of 408 MNOK – up from 396 MNOK in fourth quarter 2018<ul style="list-style-type: none">- Positive impact from IFRS 16 of 8 MNOK
Cash flow	<ul style="list-style-type: none">• All time high cash flow from operations of 600 MNOK – up from 346 MNOK in fourth quarter 2018<ul style="list-style-type: none">- Positive effect from IFRS 16 of 72 MNOK
Order intake Tomra Sorting	<ul style="list-style-type: none">• All time high order intake of 1,332 MNOK in TOMRA Sorting, up from 1,146 MNOK in fourth quarter 2018<ul style="list-style-type: none">- Increased order intake in all business streams



TOMRA's solutions to close the loop



20-people dedicated team: From waste to value

- Create the market for recyclates
- Collaboration across value chain
- Develop impact leadership
- Minimize littering
- Build more recycling capacity








Highlights Collection Solutions

Business drivers	Public pressure to reduce waste, littering and treatment of single-use plastics, where deposit legislation is the solution	
P/L	<ul style="list-style-type: none"> • Revenues of 1,265 MNOK, up from 1,141 MNOK in fourth quarter 2018 <ul style="list-style-type: none"> - Revenues up 6% in local currencies due to higher activity in Australia • Gross margin was 40% in the period <ul style="list-style-type: none"> - Slightly up from fourth quarter 2018 • Operating expenses of 290 MNOK, up from 273 MNOK in fourth quarter 2018 <ul style="list-style-type: none"> - Ramp-up in new markets - Currency effects • EBITA increased from 179 MNOK to 216 MNOK 	
Europe	North America	Australia
<ul style="list-style-type: none"> • Currency adjusted, revenues were up 2% in Europe <ul style="list-style-type: none"> - Improved activity in Central Europe - Preparations for implementation of the Single Use Plastic directive in EU 	<ul style="list-style-type: none"> • Currency adjusted, revenues were down 1% in North America <ul style="list-style-type: none"> - Overall stable machine sales and throughput volumes 	<ul style="list-style-type: none"> • New South Wales <ul style="list-style-type: none"> - Good volume development continues • Queensland <ul style="list-style-type: none"> - Operational with 10 Collection Refund Points since 1Q19 • Western Australia <ul style="list-style-type: none"> - Commencement date 2 June 2020 - TOMRA to operate 4 automated depots, each with ~10 RVMs



Latest update on selected new container deposit markets

Western Australia	Scotland	Portugal	England	France
<ul style="list-style-type: none">September 2016, the government announced plans for a deposit return scheme60+ entities have been selected by the scheme coordinator, WARRRL, to deliver 170+ refund point locationsMajority of refund points being manual sites operated by social enterprises	<ul style="list-style-type: none">September 2017, First Minister Nicola Sturgeon announced a deposit return schemeMinister of Environment presented a draft proposal and system design in May 2019Draft regulation submitted to Parliament in September 2019 pending final approval	<ul style="list-style-type: none">December 2018, the Government published a law establishing a system for return and deposit of beverage containersDecree for system design to be worked out during 2019 - 2020Pilot projects implemented during 2020	<ul style="list-style-type: none">March 2018, UK Environment Secretary announced plans for a deposit return schemeGovernment responses to the first public consultation published August 2019Environment Bill presented in October 2019 lays basis for introduction of deposit return scheme	<ul style="list-style-type: none">June 2019, State Secretary of Environment opened for discussions on a deposit return schemeJanuary 2020, the Circular Economy law was passed, with trajectory to assess the performance of existing collection systemPossibility for DRS introduction if collection targets not met as assessed in 2023
				
Indicated startup: 2 June 2020	Indicated startup: 2021	Indicated startup: Early 2022	Indicated startup: 2023	Indicated startup: to be decided

Highlights Sorting Solutions

P/L

- **Revenues** equaled **1,304 MNOK** in fourth quarter 2019, down 2% year-over-year
 - Adjusted for currency, revenues were down 6%
- **Gross margin 46%**
 - Up from 45% in fourth quarter 2018
- **Operating expenses** up from 360 MNOK to **386 MNOK**
 - Up 2% adjusted for currencies
- **EBITA of 216 MNOK** (237 MNOK in fourth quarter 2018)

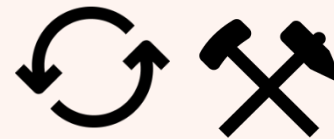
Food

- **Business drivers:** growing population and more demanding consumers, need to increase yield, productivity and food safety/quality with industry automation
- **Revenues slightly down** following a strong 4Q18
- **Improved gross margin** compared to same period last year
- **Improved order intake** compared to same quarter last year
- **Order backlog up**, both compared to end of 3Q19 and end of 4Q18



Recycling & Mining

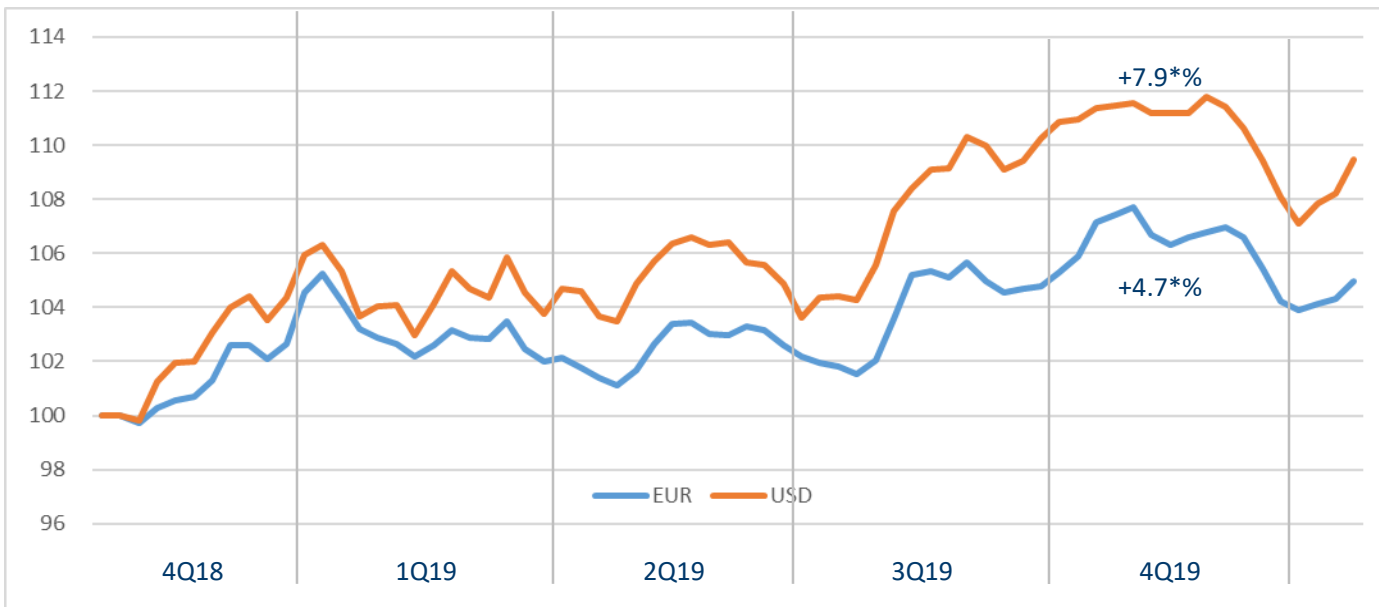
- **Business drivers:** Growth in waste volume combined with stronger consumer awareness, legislative push and market pull for better recycling
- **Stable revenues** and gross margin compared to same period last year
- **Improved intake** compared to same quarter last year
- Order backlog slightly down compared to order backlog at the end of 4Q19



A close-up photograph of a complex, perforated metal structure, possibly a heat exchanger or a filter. The structure is composed of numerous interconnected, angular metal pieces, creating a dense, lattice-like pattern. The color palette is dominated by shades of blue and grey, with some highlights in white and yellow. The lighting is dramatic, casting deep shadows and bright highlights, emphasizing the three-dimensional nature of the structure. The background is blurred, focusing attention on the intricate details of the metalwork.

FINANCIALS AND OUTLOOK

Currency risk and hedging policy



Positive impact from stronger USD vs EUR

10% change in NOK towards other currencies will impact:

	Revenues	Expenses	EBITA
EUR*	4.5%	4.0%	7.0%
USD	3.5%	2.5%	8.0%
OTHER**	2.0%	3.0%	-4.0%
ALL	10.0%	9.5%	11.0%

Revenues and expenses per currency:

*Average rate 4Q19 vs 4Q18

	EUR*	USD	NOK	OTHER**	TOTAL
Revenues	45 %	35 %	0 %	20 %	100 %
Expenses	40 %	25 %	5 %	30 %	100 %

Assets and liabilities per currency:

	EUR*	USD	NOK	OTHER**	TOTAL
Assets	50 %	15 %	15 %	20 %	100 %
Liabilities	60 %	10 %	20 %	10 %	100 %

* EUR includes DKK

** Most important: AUD, NZD, RMB, CAD, SEK, GBP and JPY

NOTE: Estimated and rounded figures

HEDGING POLICY

CASHFLOW AND P/L

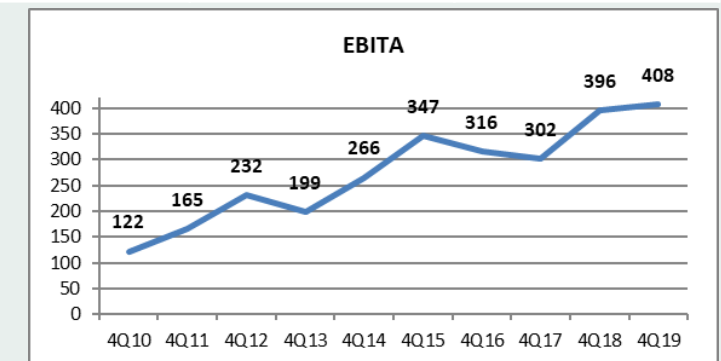
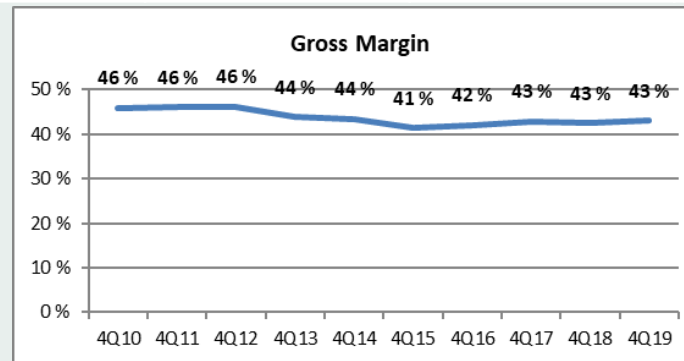
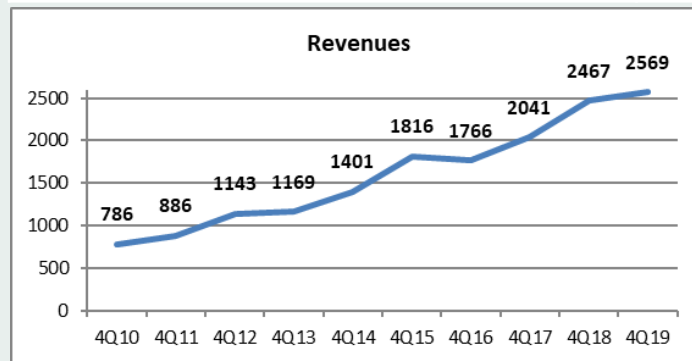
- TOMRA can hedge up to one year of future predicted cash flows. Gains and losses on these hedges are recorded at the finance line, not influencing EBITA

B/S

- TOMRA only hedges B/S items where exchange rate fluctuations could have P/L impact. Gains and losses on B/S hedging are recorded in accordance with IAS 21 and will normally not have P/L impact

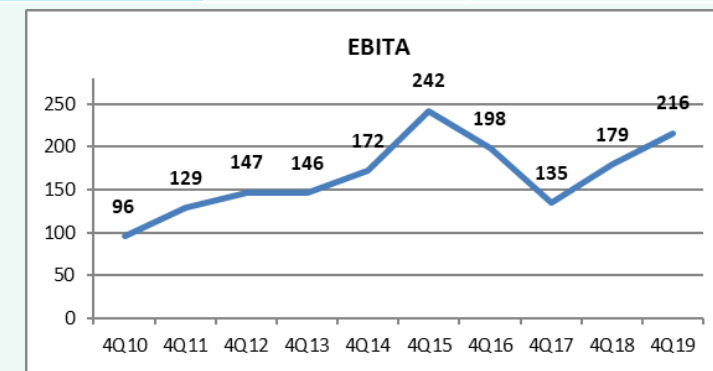
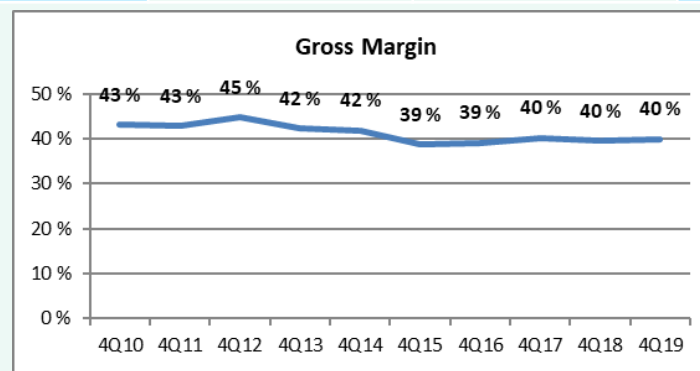
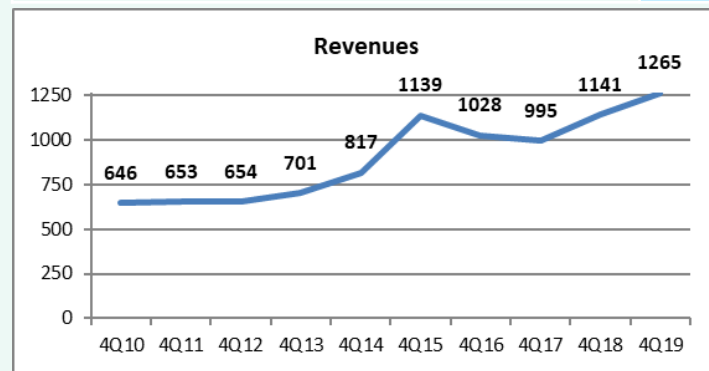
Financial highlights | P&L statement

	4 th quarter			Full year		
<i>Amounts in NOK million</i>	2019	2018	2018 Adj*	2019	2018	2018 Adj*
Revenues	2,569	2,467	2,583	9,346	8,596	8,928
Collection Solutions	1,265	1,141	1,196	4,633	4,265	4,424
Sorting Solutions	1,304	1,326	1,387	4,713	4,331	4,504
Gross contribution	1,108	1,049	1,100	4,085	3,682	3,833
<i>in %</i>	43%	43%	43%	44%	43%	43%
Operating expenses	700	653	685	2,704	2,429	2,516
EBITA	408	396	415	1,381	1,253	1,317
<i>in %</i>	16%	16%	16%	15%	15%	15%



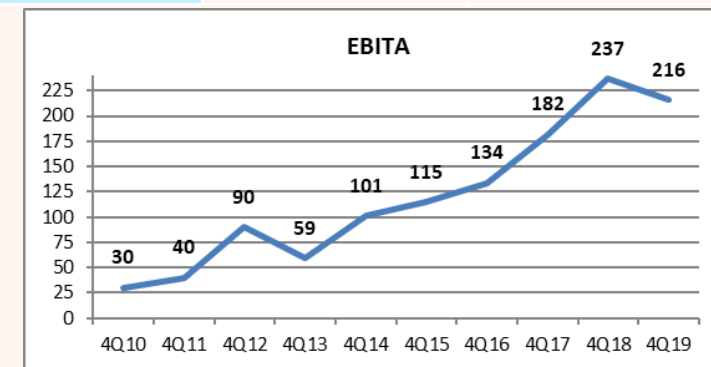
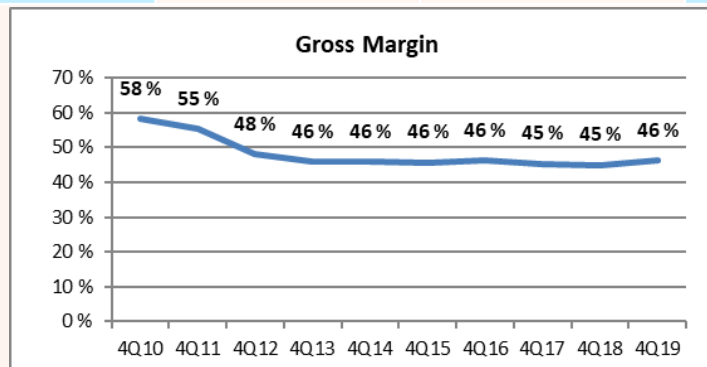
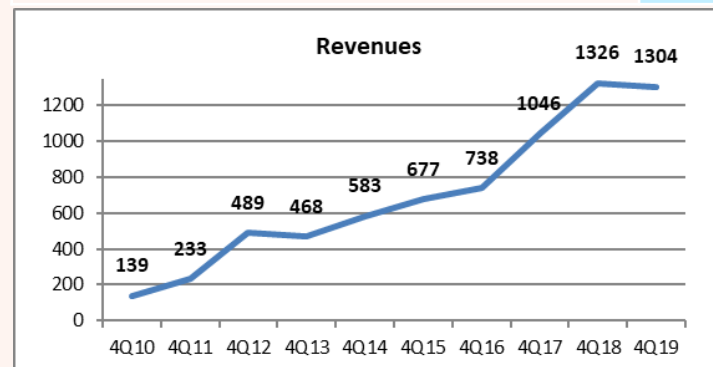
Collection Solutions financials

	4 th quarter			Full year		
<i>Amounts in NOK million</i>	2019	2018	2018 Adj*	2019	2018	2018 Adj*
Revenues	1,265	1,141	1,196	4,633	4,265	4,424
Northern Europe	160	154		618	611	
Europe (ex Northern)	498	465		1,708	1,710	
North America	428	403		1,718	1,605	
Rest of the world	179	119		589	339	
Gross contribution	506	452	473	1,928	1,751	1,808
<i>in %</i>	<i>40%</i>	<i>40%</i>	<i>40%</i>	<i>42%</i>	<i>41%</i>	<i>41%</i>
Operating expenses	290	273	286	1,120	1,025	1,063
EBITA	216	179	187	808	726	745
<i>in %</i>	<i>17%</i>	<i>16%</i>	<i>16%</i>	<i>17%</i>	<i>17%</i>	<i>17%</i>



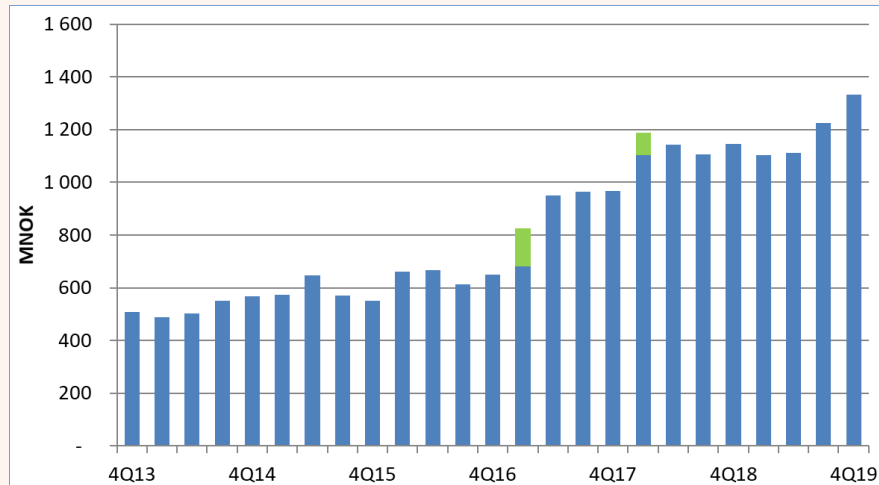
Sorting Solutions financials

	4th quarter			Full year		
<i>Amounts in NOK million</i>	2019	2018	2018 Adj*	2019	2018	2018 Adj*
Revenues	1,304	1,326	1,387	4,713	4,331	4,504
Europe	423	401		1,767	1,508	
America	466	553		1,651	1,719	
Asia	185	152		596	491	
Rest of the world	230	220		699	613	
Gross contribution	602	597	627	2,157	1,931	2,025
<i>in %</i>	<i>46%</i>	<i>45%</i>	<i>45%</i>	<i>46%</i>	<i>45%</i>	<i>45%</i>
Operating expenses	386	360	379	1,488	1,324	1,373
EBITA	216	237	248	669	607	652
<i>in %</i>	<i>17%</i>	<i>18%</i>	<i>18%</i>	<i>14%</i>	<i>14%</i>	<i>14%</i>

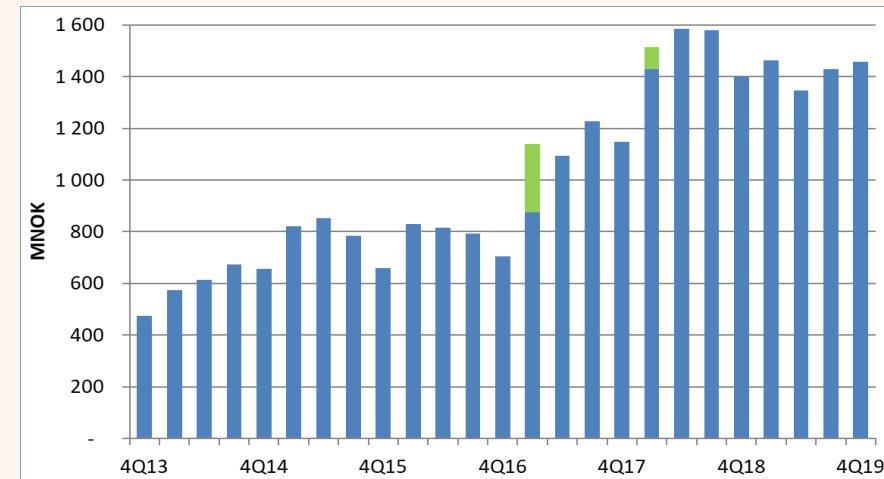


Development in order intake and order backlog

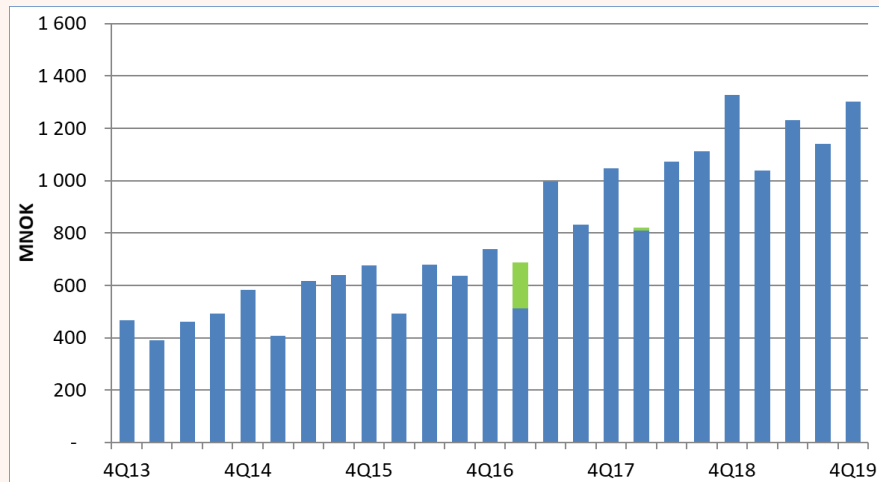
Order intake



Order backlog



Revenues



- **TOMRA Sorting Solutions (TSS):**

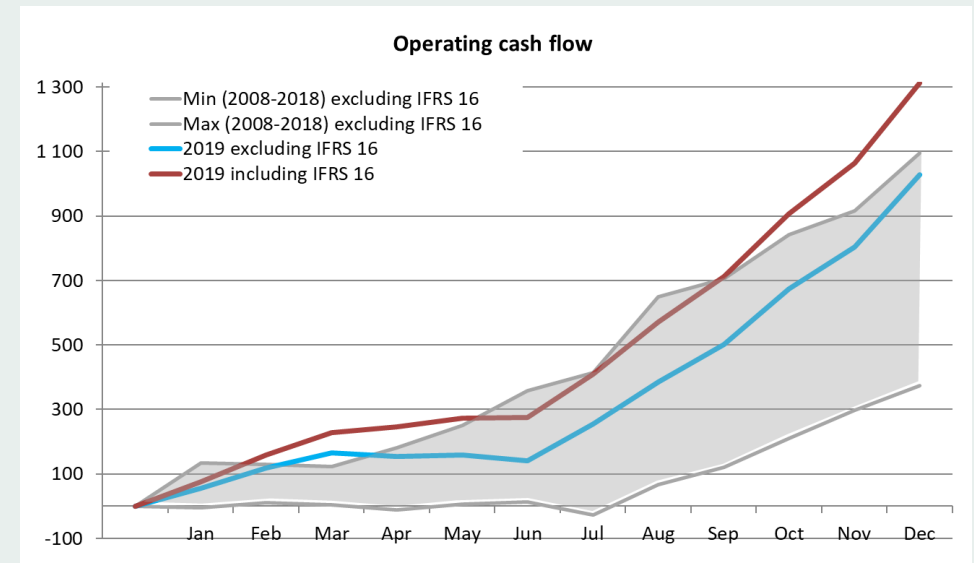
- Revenues of 1,304 MNOK, down from 1,326 MNOK last year
- All time high order intake of 1,332 MNOK in the quarter, compared to 1,146 MNOK last year
- Order backlog of 1,458 MNOK at the end of 4Q19, up from 1,399 MNOK at the end of 4Q18

- **Estimated backlog conversion ratio in 1Q20: 75-80%**

■ Organic ■ Inorganic

Financial highlights | Balance sheet and cash flow

	With IFRS 16	Without IFRS 16	
	31 Dec 2019	31 Dec 2019	31 Dec 2018
<i>Amounts in NOK million</i>			
ASSETS	10,868	9,815	9,595
Intangible non-current assets	3,788	3,788	3,821
Tangible non-current assets	2,330	1,293	1,276
Financial non-current assets	406	406	340
Inventory	1,596	1,596	1,447
Receivables	2,288	2,288	2,314
Cash and cash equivalents	460	460	397
LIABILITIES AND EQUITY	10,868	9,815	9,595
Equity	5,076	5,125	5,077
Minority interest	170	170	159
Interest-bearing liabilities	2,982	1,880	1,524
Non interest-bearing liabilities	2,640	2,640	2,835



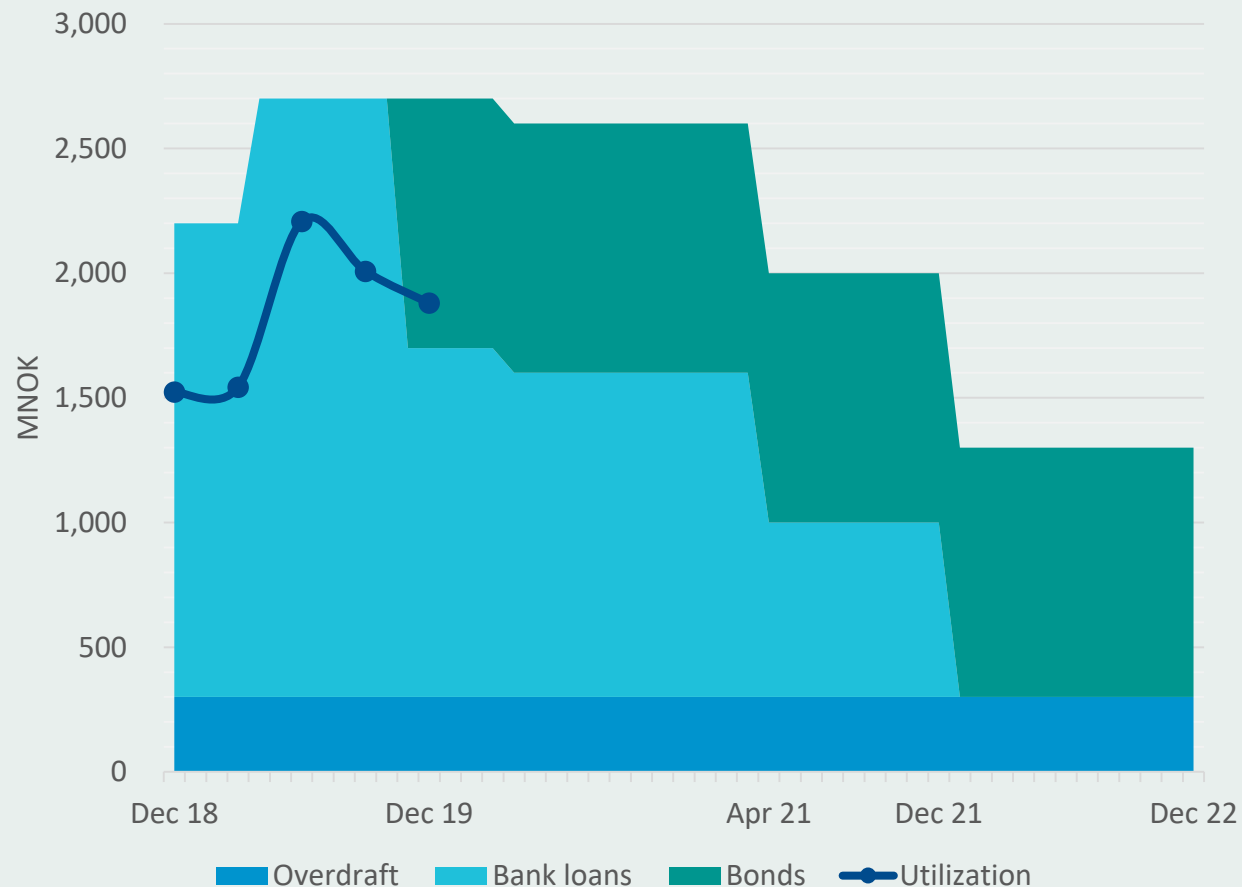
Ordinary cashflow from operations

- 600 MNOK in fourth quarter (346 MNOK in fourth quarter 2018)
 - Positive effect from IFRS 16 of 72 MNOK
- 1,313 MNOK full year 2019 (1,025 MNOK full year 2018)
 - Positive effect from IFRS 16 of 272 MNOK

Solidity

- 48% equity (54% ex. IFRS 16)
- NIBD/EBITDA = 0.8x (Rolling 12 months), ex IFRS 16 effects

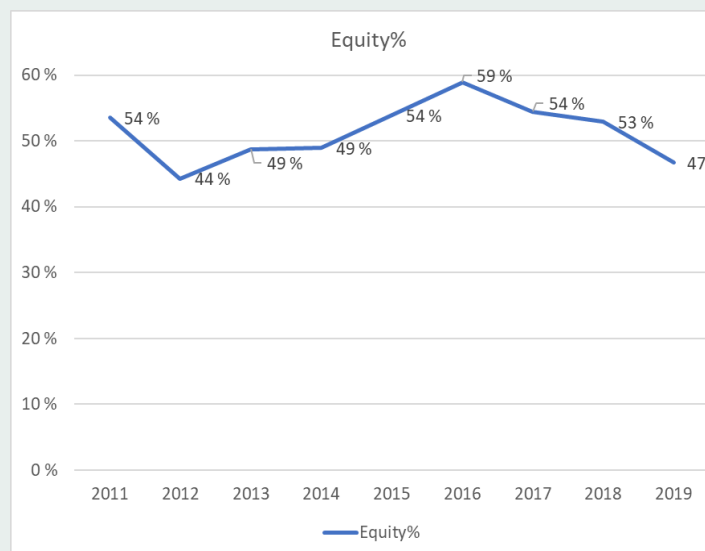
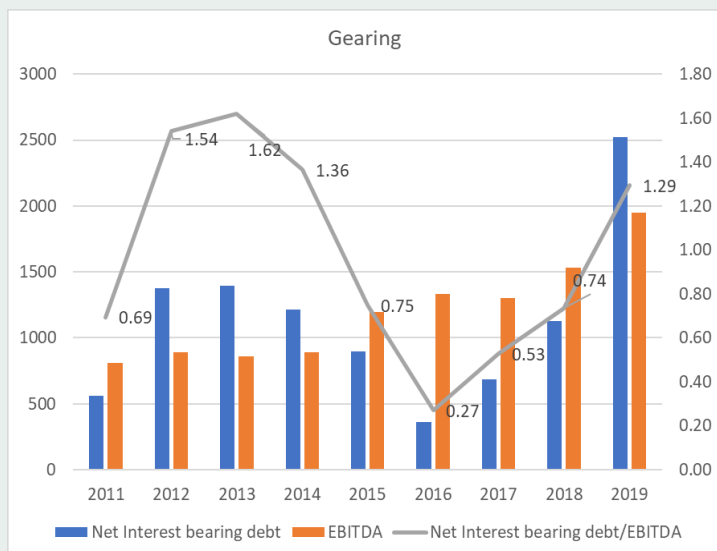
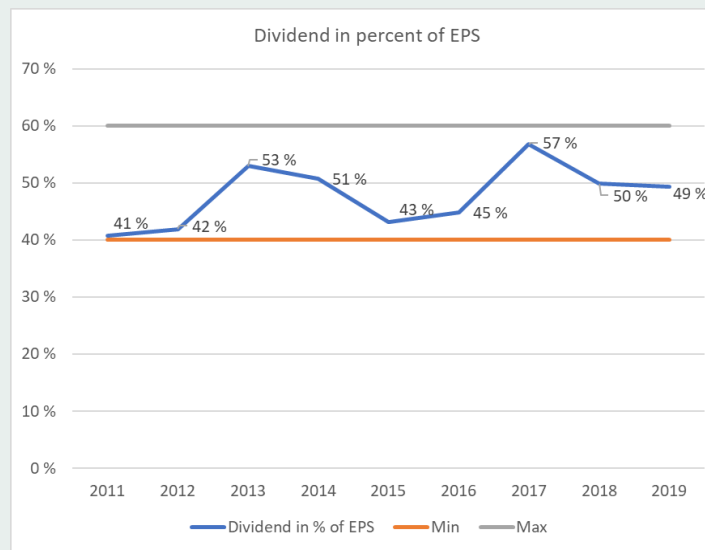
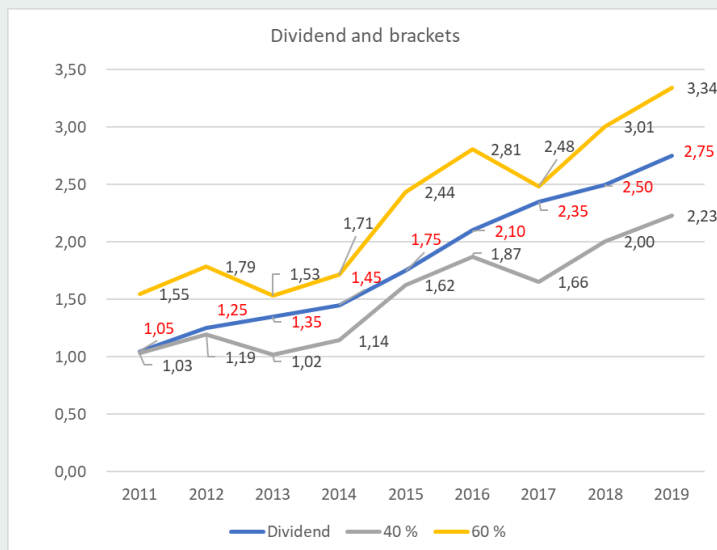
Successful issuance of unsecured bonds



- 6 November 2019, TOMRA issued a total amount of 1,000 MNOK in senior unsecured bonds.
- The transaction is split in two tranches, both were significantly oversubscribed:
 - 400 MNOK on 3-years with a coupon of 3m Nibor + 0.50% p.a.
 - 600 MNOK on 5-years with a coupon of 3m Nibor + 0.75% p.a.
- The net proceeds have mainly been used to refinance existing bank debt.
- The bonds will be applied for listing on the Oslo Stock Exchange.
- Existing bank credit facilities and limits:

Counterparty	Facility type	Credit Limit	Maturity Date
DNB & SEB	RCF	10 MEUR	April 2020
DNB & SEB	RCF	60 MEUR	April 2021
DNB	RCF	70 MEUR	December 2021
DNB	Overdraft	300 MNOK	Annual renewal

Dividend Information



- Target to distribute 40%-60% of EPS as dividend
- Strong cashflow generation from recurring business
- Solid balance sheet
- Easy access to financing



- **Board proposal to the Annual General Meeting:**
 - Ordinary dividend of NOK 2.75
 - Up from an ordinary dividend of NOK 2.50 last year (in addition to an extraordinary dividend of NOK 2.00)

Outlook

Collection Solutions

- Overall stable business
- Increased operating expenses due to ramp-up in new markets

Sorting Solutions

- Good momentum within Recycling
- Improved momentum in Food, but with regional differences

Currency

- Reporting in NOK and with some NOK cost base, TOMRA will in general benefit from a weak NOK, particularly measured against EUR
- With significant revenues in USD and costs in EUR, TOMRA Sorting Solutions is exposed to USD/EUR



Q&A



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