

**2nd Quarter &
1st Half
2020**



17.07.2020

HIGHLIGHTS

2Q 2020

- Revenues of 2,319 MNOK (2,318 MNOK in second quarter 2019), stable. Adjusted for currency, revenues were:
 - Down 11% for TOMRA Group
 - Down 13% in TOMRA Collection
 - Down 8% in TOMRA Sorting
- Gross margin 43%, down from 45% in second quarter 2019
 - Lower margins in TOMRA Collection
 - Stable margins in TOMRA Sorting
- Operating expenses of 707 MNOK, down 8 percent adjusted for currencies due to cost measures.
- EBITA of 288 MNOK (down from 352 MNOK in second quarter 2019)
- Order intake of 1,095 MNOK in TOMRA Sorting, down from 1,111 MNOK same period last year
- Order backlog of 1,746 MNOK in TOMRA Sorting, down from 1,915 MNOK at the end of first quarter 2020.
- COVID-19
 - Impacts primarily second quarter container volumes in North America and order intake in TOMRA Sorting

1H 2020

- Revenues of 4,621 MNOK (4,399 MNOK in first half 2019), up 5%. Adjusted for currency, revenues were:
 - Down 5% for TOMRA Group
 - Down 5% in TOMRA Collection
 - Down 4% in TOMRA Sorting
- Gross margin 43%, down from 44% in first half 2019
 - Lower margins in TOMRA Collection
 - Improved margins in TOMRA Sorting
- Operating expenses of 1,452 MNOK, down 2% currency adjusted. Investment in Circular Economy offset by cost measures.
- EBITA of 516 MNOK (down 8% from first half 2019). EPS 1.17 NOK (down 45%)
- Cash flow from operations of 388 MNOK (274 MNOK in first half 2019)
- Order intake of 2,316 MNOK in TOMRA Sorting, up from 2,215 MNOK same period last year

**LEADING
THE RESOURCE
REVOLUTION**



CONSOLIDATED FINANCIALS

Second quarter

Revenues in the second quarter 2020 amounted to 2,319 MNOK compared to 2,318 MNOK in second quarter last year. Currency adjusted revenues were down 13% in TOMRA Collection Solutions and 8% in TOMRA Sorting Solutions.

Gross margin was 43% in the quarter, down from 45% in second quarter 2019, due to volume shortfall in TOMRA Collection Solutions.

Operating expenses was 707 MNOK in second quarter 2020, compared to 689 MNOK in second quarter last year - down 8% currency adjusted. The decrease is primarily the result of cost reduction measures in both business areas.

EBITA was 288 MNOK in second quarter 2020 – down from 352 MNOK in the same period last year.

Net finance was 31 MNOK positive, influenced by currency gains of 45 MNOK.

Cash flow from operations in second quarter 2020 equaled 123 MNOK, up from 45 MNOK in second quarter 2019.

First half 2020

Revenues in first half 2020 amounted to 4,621 MNOK compared to 4,399 MNOK in first half last year, up 5%. Currency adjusted revenues were down 5% in TOMRA Collection Solutions and 4% in TOMRA Sorting Solutions.

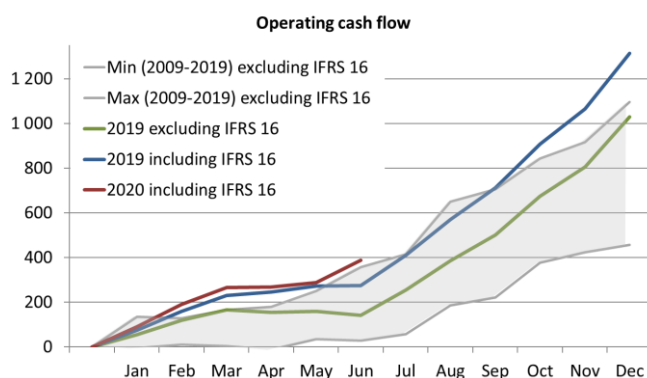
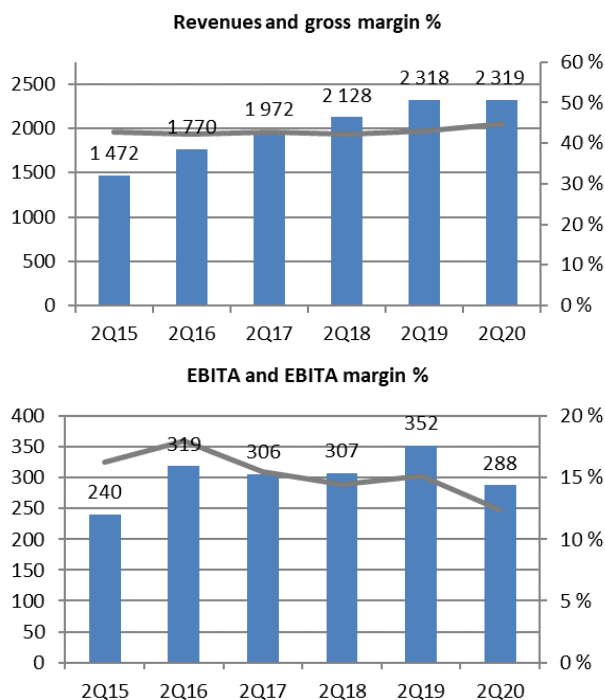
Gross margin was 43% in the period, down from 45% in same period last year, due to lower margins in TOMRA Collection Solutions.

EBITA was 516 MNOK in first half 2020 – down 8% from same period last year, positively influenced by currencies.

The EPS decreased by 45% to NOK 1.17 compared the first half year of 2019.

TOMRA Group				
(MNOK)	2Q20	2Q19	YTD20	YTD19
Revenues	2 319	2 318	4 621	4 399
Gross contribution	995	1 041	1 968	1 915
- in %	43 %	45 %	43 %	44 %
Operating expenses	707	689	1 452	1 356
EBITA	288	352	516	559
- in %	12 %	15 %	11 %	13 %

Cash flow from operations in first half 2020 equaled 388 MNOK, compared to 274 MNOK in first half 2019.



Currency

The NOK depreciated against all major currencies during the first half 2020. Measured against the 31 December 2019 rates, EUR and USD strengthened 11% against NOK during first half 2020.

This influenced assets and liabilities, which both increased 9% in value due to the currency changes. Equity improved 424 MNOK during the first half as a consequence.

TOMRA hedges up to 12 months of predicted cashflow, selling USD and EUR against NOK up-front. These contracts are recorded at market value at the end of each quarter. Net financial items in first half 2020 included consequently a net currency loss of 145 MNOK.

TOMRA's long term loans are mainly EUR nominated (using NOK/EUR currency swaps where applicable). The NOK book value of the loans has therefore increased. As a consequence, Net interest-bearing Debt/EBITDA (rolling 12 months' basis) increased from 1.3x at the end of 2019 to 1.4x at the end of second quarter 2020 (1.0x ex. IFRS 16 effects).

The weakening of the NOK has also had a material positive impact on order intake and backlog in TOMRA Sorting Solutions (see page 5 and 6 in this report)

Liquidity

The liquidity was satisfactory at the end of first quarter 2020, with 815 MNOK in unused committed credit lines. Weighted average debt maturity is 2.0 years, with first installment in April 2021.

COVID-19 BUSINESS UPDATE

Countries have gradually lifted lockdowns and a recovery has started. The impact of the pandemic on economies and people's behavior has varied across countries and sectors. As a result, we expect the recovery to be lopsided. TOMRA's diverse geographical footprint and business structure have been balancing factors when navigating the turmoil. Another strength has been the company's culture, as TOMRA has been able to mobilize, adapt and stay close to our customers. The priorities going forward are to ensure people's safety and wellbeing and continue to be a close partner to our customers.

BUSINESS AREA REPORTING

TOMRA Collection Solutions

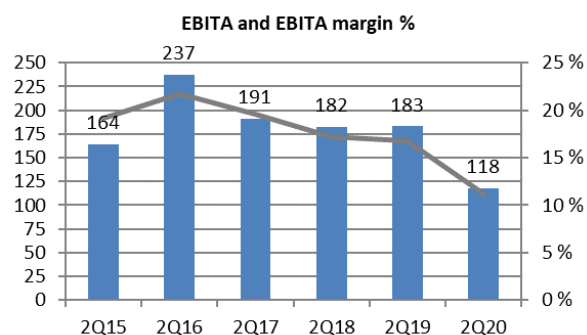
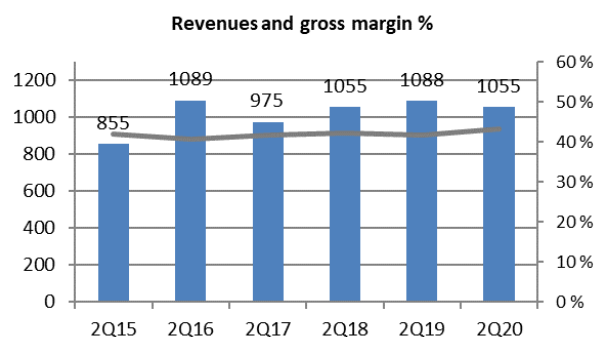
Revenues in the business area equaled 1,055 MNOK

in the second quarter, down from 1,088 MNOK in second quarter last year. After adjustment for currency changes, revenues were down 5%, negatively impacted by volume shortfall in North America and positively by activity in Europe and Australia.

TOMRA Collection Solutions

(MNOK)	2Q20	2Q19	YTD20	YTD19
Revenues				
- Northern Europe	187	153	379	305
- Europe (ex Northern)	411	370	834	761
- North America	312	435	698	788
- Rest of World	145	130	312	276
Total revenues	1 055	1 088	2 223	2 130
Gross contribution	408	471	870	888
- in %	39 %	43 %	39 %	42 %
Operating expenses	290	288	601	566
EBITA	118	183	269	322
- in %	11 %	17 %	12 %	15 %

Gross margin decreased to 39% as a result of lower through-put volume in the second quarter. Operating expenses were 290 MNOK, compared to 288 MNOK last year, due to currencies offsetting the effect of cost measures.



The impact of the COVID 19 pandemic during the second quarter has been uneven. European markets have shown strong resilience and the operations were close to normal. The severe lockdowns in North America and temporary suspension of bottle bill enforcement have had a material negative effect. EBITA was 118 MNOK, down from 183 MNOK last year.

Europe

Despite a few delays in installations and cancellation of orders, the European markets have shown strong resilience through second quarter and currency adjusted revenues in Europe were up 5% in second quarter 2020, compared to last year.

The government in the Netherlands has announced an expansion of their current deposit on large plastic bottles to also include small bottles, starting July 1st 2021.

North America

Lockdown measures and the closing of bottle rooms and redemption centers have significantly impacted North America in second quarter, a market where TOMRA's revenues are strongly linked to the volumes handled by our infrastructure. Currency adjusted revenues were down 38% compared to second quarter 2019. During June, activities have resumed as redemption is now viewed as essential business and the lockdowns have been lifted in the most important deposit states (NY, MI, CT and MA).

Australia (Rest of the World)

Australia has had a good development despite a volume dip during the lockdown. Our operations in New South Wales and Queensland are back to normal and on a volume growth trajectory.

The launch date for Containers for Change in Western Australia has been set to October 1st, 2020, one month earlier than previously indicated. TOMRA will operate five refund points, where modern automated depots will be established, each equipped with ~10 RVM.

TOMRA Sorting Solutions

Revenues equaled 1,264 MNOK in second quarter 2020, down 8% in local currencies compared to last year. Gross margin was 46%, at the same level as second quarter 2019.

Operating expenses in the second quarter was 381 MNOK versus 377 MNOK last year, down 10% adjusted for currency.

EBITA increased from 193 MNOK in second quarter 2019 to 206 MNOK in second quarter 2020, though down 5% currency adjusted.

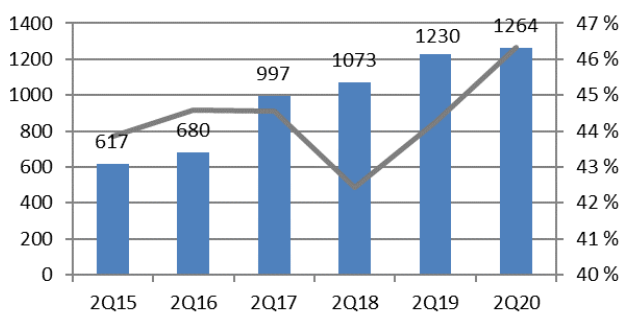
Order intake of 1,095 MNOK in the quarter, compared to 1,111 MNOK same quarter last year, down 5% currency adjusted.

The order backlog was 1,746 MNOK at the end of second quarter 2020, down from 1,915 MNOK at the end of first quarter 2020. Currency adjusted the order backlog was down by 2%.

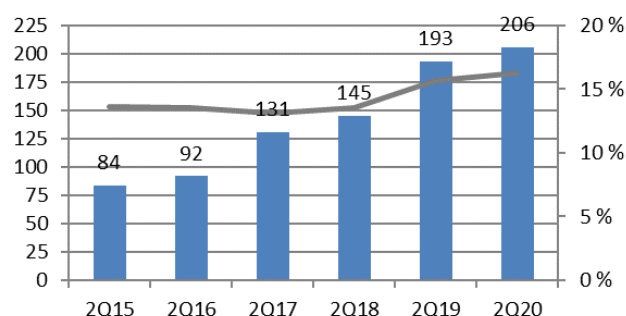
TOMRA Sorting Solutions

(MNOK)	2Q20	2Q19	YTD20	YTD19
Revenues				
- Europe	498	482	971	885
- North America	423	370	758	696
- South America	29	58	52	91
- Asia	127	144	279	293
- Oceania	126	129	237	217
- Africa	61	47	101	87
Total revenues	1 264	1 230	2 398	2 269
Gross contribution	587	570	1 098	1 027
- in %	46 %	46 %	46 %	45 %
Operating expenses	381	377	778	742
EBITA	206	193	320	285
- in %	16 %	16 %	13 %	13 %

Revenues and gross margin %



EBITA and EBITA margin %



TOMRA Sorting Solutions - Food

Revenues were at a similar level to last year, improved performance in fresh food outweighed the low activity level in processed food. Gross margin was stable compared to the same period.

The order intake for the quarter was slightly below second quarter last year and the order backlog went also slightly down during the last three months as a result.

The global food supply chains are showing resilience in the face of the pandemic. While there is lower activity in processed food, fresh food is having a better momentum. Despite travel restrictions and increased complexity, TOMRA has had good delivery performance and close customer dialogue. The challenges have however impacted order intake negatively.

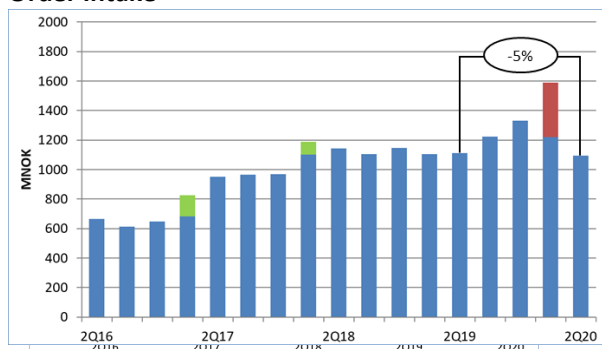
TOMRA Sorting Solutions – Recycling/Mining

Revenues were down and gross margin slightly improved in second quarter 2020 compared to last year.

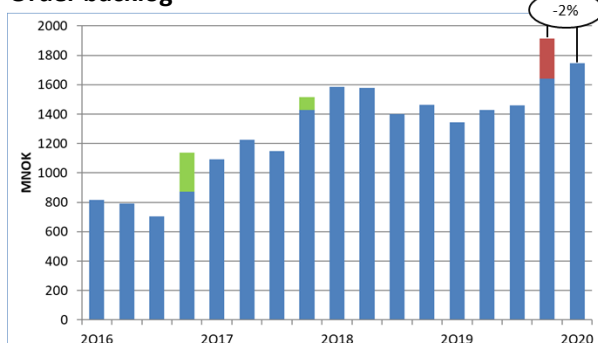
Order intake in the quarter ended at a lower level compared to same period last year. The order backlog was up compared to both end of first quarter 2020 and second quarter 2019.

The waste sorting and plastic recycling business is showing good resilience. Sustainability efforts and the essential nature of the industry mitigate the economics of low oil prices. Metal sorting and Mining are negatively impacted by slower industrial demand and commodity prices below pre-COVID levels.

Order Intake



Order backlog



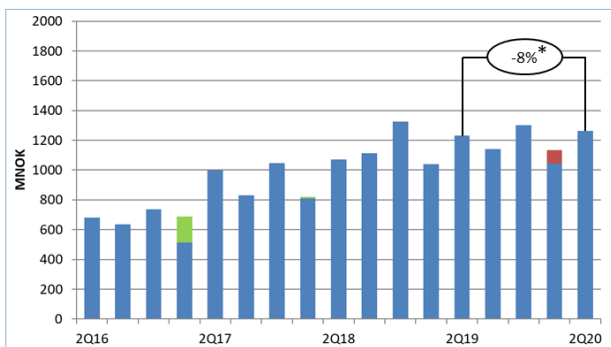
MARKET OUTLOOK

The long-term demand for better resource productivity is a result of megatrends such as population increase, a growing middle-class consumer base, the emergence of e-commerce and greater urbanization. TOMRA, as a leader in sensor-based solutions, is favorably positioned to capitalize on these trends.

Although the current COVID-19 pandemic is not materially stalling business, it creates uncertainties, delays and potential disruptions for our customers. As a result, some customers could temporarily delay their investments.

While most of TOMRA's service operations still operate as usual, travel restrictions will sometimes limit the ability to perform on-site service and installations. The supply chain is currently intact, but temporary interruptions due to local virus outbreaks cannot be excluded.

Revenues



■ Organic ■ Inorganic ■ Currency effect 1Q20

* Currency adjusted change

Most of TOMRA's main customers, being Food Retail, Food Producers, and the Waste Management industry, are all defined as critical services that to a large extent continue to operate at levels similar to before the crisis with a sound financial position.

Due to a combination of TOMRA's customer centricity, its relatively robust service network and production operations as well as a sound financial position, TOMRA will continue to weather the storm by handling upcoming challenges and aiming to capitalize on emerging opportunities.

TOMRA's core strategy is unchanged and will continue ringfencing several strategic initiatives to support future growth.

TOMRA Collection Solutions

Overall stable business in TOMRA Collection, although potential new outbreaks of COVID-19 could have negative regional impact.

TOMRA Sorting Solutions - Food

There are significant regional differences, dependent upon the severity of the COVID-19 outbreak and the corresponding preventive measures implemented.

In general the fresh segment is assumed to continue better than the processed food segment. The outlook remains positive for long-term opportunities, but the pandemic continues to create short-term uncertainty.

TOMRA Sorting Solutions – Recycling/Mining

The underlying good momentum in Recycling is expected to continue, but with material deviations between business streams. Lower commodity prices and industrial demand are expected to continue to have a negative influence on Metals Recycling and Mining.

Currency

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

THE TOMRA SHARE



The total number of issued shares at the end of second quarter 2020 was 148,020,078 shares, including 400,179 treasury shares. The total number of shareholders increased from 8,516 at the end of first quarter 2020 to 9,522 at the end of second quarter 2020.

TOMRA's share price increased from NOK 291.40 to NOK 353.10 during second quarter 2020. The number of shares traded on the Oslo Stock Exchange in the period was 32 million, up from 16 million in second quarter 2019. Average daily turnover increased during the same period from 73 MNOK to 110 MNOK.

Asker, 16 July 2020
The Board of Directors
TOMRA SYSTEMS ASA

Jan Svensson
Chairman of the Board

Stefan Ranstrand
President & CEO

Condensed Consolidated interim financial statements

STATEMENT OF PROFIT AND LOSS (MNOK)	Note	2nd Quarter		YTD		Full year
		2020	2019	2020	2019	2019
Operating revenues	(5)	2 319,2	2 318,7	4 621,2	4 399,2	9 346,3
Cost of goods sold		1 324,3	1 277,3	2 653,1	2 484,3	5 261,1
Gross contribution		994,9	1 041,4	1 968,1	1 914,9	4 085,2
Operating expenses		707,2	689,3	1 452,1	1 356,2	2 703,8
EBITA	(5)	287,7	352,1	516,0	558,7	1 381,4
Amortizations		59,7	50,1	115,5	102,1	204,1
EBIT	(5)	228,0	302,0	400,5	456,6	1 177,3
Net financial income		30,8	(17,0)	(175,6)	(24,4)	(46,9)
Profit before tax		258,8	285,0	224,9	432,2	1 130,4
Taxes		64,7	68,4	56,2	103,7	272,1
Net profit		194,1	216,6	168,7	328,5	858,3
Non-Controlling interest (Minority interest)		7,8	(10,2)	4,2	(14,2)	(35,9)
Earnings per share (EPS)		1,37	1,40	1,17	2,13	5,57

EBITDA (without IFRS 16)	371,3	427,7	680,3	708,6	1 675,5
EBITDA (with IFRS 16)	450,2	496,3	835,9	841,2	1 949,1

STATEMENT OF OTHER COMPREHENSIVE INCOME (MNOK)	2nd Quarter		YTD		Full year
	2020	2019	2020	2019	2019
Net profit for the period	194,1	216,6	168,7	328,5	858,3
Other compreh. income that may be recl. to profit or loss					
Translation differences	(259,8)	(31,1)	443,2	(119,1)	6,8
Remeasurements of defined benefit liability (assets)					(25,8)
Other remeasurements		(20,0)		(58,6)	(36,9)
Total comprehensive income	(65,7)	165,5	611,9	150,8	802,4
Attributable to:					
Non-controlling interest	(21,7)	8,8	15,0	11,2	37,0
Shareholders of the parent company	(44,0)	156,7	596,9	139,6	765,4
Total comprehensive income	(65,7)	165,5	611,9	150,8	802,4

STATEMENTS OF FINANCIAL POSITION (MNOK)	30 June		31 Dec
	2020	2019	2019
ASSETS			
Deferred tax assets	348,7	327,7	307,3
Intangible non-current assets	3 738,6	3 424,9	3 480,9
Tangible non-current assets	1 370,6	1 268,1	1 293,2
Right of use assets	1 065,6	1 052,5	1 036,4
Financial non-current assets	432,3	329,6	406,1
Inventory	1 941,0	1 618,6	1 596,1
Receivables	2 680,0	2 422,7	2 287,7
Cash and cash equivalents	459,2	316,2	459,7
TOTAL ASSETS	12 036,0	10 760,3	10 867,4
EQUITY & LIABILITIES			
Majority equity	5 694,4	4 581,0	5 076,4
Non-controlling interest	185,3	178,5	170,3
Deferred taxes	167,3	254,4	145,0
Lease liability	1 128,4	1 110,0	1 101,7
Long-term interest bearing liabilities	1 430,0	1 017,8	1 588,3
Short-term interest bearing liabilities	618,1	1 190,1	291,7
Accounts payables	554,4	540,9	502,4
Contract liabilities	609,8	562,1	491,8
Other liabilities	1 648,3	1 325,5	1 499,8
TOTAL EQUITY & LIABILITIES	12 036,0	10 760,3	10 867,4

Condensed Consolidated interim financial statements (continued)

STATEMENT OF CASHFLOWS (MNOK)	Note	2nd Quarter		Year to date		Full year
		2020	2019	2020	2019	2019
Profit before tax		258,8	285,0	224,9	432,2	1 130,4
Depreciations/amortizations		219,3	194,2	432,6	384,5	771,8
Taxes paid		(85,2)	(32,7)	(147,8)	(87,3)	(250,1)
Change inventory		(94,3)	(58,8)	(181,3)	(205,5)	(65,3)
Change receivables		(254,7)	(218,8)	(188,4)	(214,1)	(44,1)
Change accounts payables		(57,3)	(89,3)	11,0	(76,1)	(128,5)
Change contract liabilities		25,4	32,0	63,9	(27,1)	(100,6)
Other operating changes		111,1	(66,4)	172,8	67,6	(1,0)
Total cash flow from operations		123,1	45,2	387,7	274,2	1 312,6
Cashflow from (purchase)/sales of subsidiaries		0,0	0,0	0,0	0,0	0,0
Other cashflow from investments		(100,0)	(112,9)	(206,7)	(249,4)	(594,7)
Total cash flow from investments		(100,0)	(112,9)	(206,7)	(249,4)	(594,7)
Sales/repurchase of treasury shares	(3)	36,8	41,3	36,8	41,3	(49,8)
Dividend paid out	(2)	0,0	(664,8)	0,0	(664,8)	(664,8)
Other cashflow from financing		(44,7)	537,8	(218,3)	542,7	59,4
Total cash flow from financing		(7,9)	(85,7)	(181,5)	(80,8)	(655,2)
Total cash flow for period		15,2	(153,4)	(0,5)	(56,0)	62,7
Exchange rate effect on cash		0,0	(6,1)	0,0	(24,8)	0,0
Opening cash balance		444,0	475,7	459,7	397,0	397,0
Closing cash balance		459,2	316,2	459,2	316,2	459,7

EQUITY (MNOK)	Paid in capital	Transl. reserve	Actuarial Gain / (Loss)	Retained earnings	Total majority equity	Non-controlling interest	Total equity
Balance per 31 December 2019	1 065,8	719,0	(109,7)	3 401,3	5 076,4	170,3	5 246,7
Net profit				172,9	172,9	(4,2)	168,7
Changes in translation difference		424,0			424,0	19,2	443,2
Remeasurement defined benefit liability					0,0		0,0
Dividend non-controlling interest				(15,7)	(15,7)		(15,7)
Remeasurements					0,0		0,0
Treasury shares sold to employees	0,1			36,7	36,8		36,8
Treasury shares purchased					0,0		0,0
Dividend to shareholders					0,0		0,0
Balance per 31 June 2020	1 065,9	1 143,0	(109,7)	3 595,2	5 694,4	185,3	5 879,7

MAJORITY EQUITY (MNOK)	2nd Quarter		1st Half		Full year
	2020	2019	2020	2019	2019
Opening balance	5 717,3	5 059,8	5 076,4	5 076,9	5 076,9
Change in accounting principle	0,0	0,0	0,0	(38,6)	(38,4)
Opening balance	5 717,3	5 059,8	5 076,4	5 038,3	5 038,5
Net profit	201,9	206,4	172,9	314,3	822,4
Translation difference	(245,9)	(29,7)	424,0	(116,1)	5,7
Remeasurement defined benefit liability			0,0	0,0	(25,8)
Dividend non-controlling interest	(15,7)	(12,0)	(15,7)	(12,0)	(12,9)
Remeasurements put/call options		(20,0)	0,0	(20,0)	(36,9)
Dividend paid		(664,8)	0,0	(664,8)	(664,8)
Net purchase of treasury shares	36,8	41,3	36,8	41,3	(49,8)
Closing balance	5 694,4	4 581,0	5 694,4	4 581,0	5 076,4

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1 Disclosure

This interim report has been prepared in accordance with IAS34, and in accordance with the principles used in the annual accounts for 2019). The quarterly reports do not however include all information required for a full annual financial statement of the Group and should be read in conjunction with the annual financial statement for 2019. The quarterly reports have not been audited. The quarterly reports require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in preparing these condensed consolidated interim financial statements in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ending 31 December 2019.

A number of new standards, amendments to standards and interpretations are not effective for the period ended 30 June 2020 and have not been applied in preparing these consolidated financial statements. Those that may be relevant to the Group are set out below. The Group does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated:

IFRS 17 Insurance Contracts

Amendments to IAS 1 Presentation of Financial Statements

Amendments to IFRS 3, IFRS 16 and IFRS 37

TOMRA is considering the effects of the future adoption of these standards. The current assessment is that TOMRA does not expect any material effects in the financial statements from the new standards.

Revenue recognition: Revenues from sales and sales-type leases of the company's products are generally recognized at the time of installation. Revenues from service contracts and operating leases of the company's products are recognized over the duration of the related agreements. Other service revenues are recognized when services are provided.

Seasonality: The Material Recovery operations, to some extent the US Reverse Vending operations as well as the TCS Australian operations are influenced by seasonality. The seasonality mirrors the beverage consumption pattern, which normally is higher during the summer than during the winter.

Financial exposures: TOMRA is exposed to currency risk, as only ~2% of its income is nominated in NOK. A strengthening/ weakening of NOK toward other currencies of 10% would normally decrease/increase operating profit by 10-15%. An increase in NIBOR and EURIBOR of 1 percentage point, would increase financial expenses by ~NOK 20 million per year.

Segment reporting: TOMRA has divided its primary reporting format into two business areas: Collection Solutions and Sorting Solutions. In addition, the corporate overhead costs are reported in a separate column. The split is based upon the risk- and return profile of the Group's different activities; also taking into consideration TOMRA's internal reporting structure.

- Collection Solutions consists of the business streams Reverse Vending (development, production, sales and service and lease of Reverse Vending Machines and related data management systems) + Material Recovery (pick-up, transportation and processing of empty beverage containers on behalf of beverage producers/fillers on the US East Coast and in Canada)
- Sorting Solutions consists of the business streams Food, Recycling and Mining, all providing advanced optical sorting systems.
- Group Functions consists of costs related to corporate functions at TOMRA's headquarters

Assets and liabilities are distributed to the different reporting segments. Cash, tax positions, and interest-bearing debt (not including IFRS 16 lease liabilities) are allocated to Group Functions. There are no material revenues from transactions with other business areas. There were no material related party transactions in 2019.

Alternative performance measures

Alternative performance measures used in this report are defined in the following way:

- **EBITDA** is the calculated profit (loss) for the period before (i) income tax expenses, (ii) finance income and expenses, (iii) amortizations and (iv) depreciations.
- **EBITA** is the calculated profit (loss) for the period before (i) income tax expenses, (ii) finance income and expenses and (iii) amortizations.
- **EBIT** is the calculated profit (loss) for the period before (i) income tax expenses and (ii) finance income and expenses.
- **Depreciations** is the allocated cost of tangible assets over its useful life + write downs related to the same assets
- **Amortizations** is the allocated cost of intangible assets over its useful life + impairment losses related to the same assets
- **Net interest-bearing debt** is calculated as the difference between interest-bearing debt and cash. Interest-bearing debt includes loans from financial institutions (current and non-current loans). Cash includes cash equivalents as short-term deposits, cash funds and bank accounts.
- **Currency adjusted revenues/gross contribution/operating expenses/EBITA** is the revised revenues/gross contribution/operating expenses/EBITA after adjusting for estimated currency effect.
- **Order backlog** is defined as the value of firm orders received within Tomra Sorting that has not yet been delivered (and consequently not yet taken to P/L).
- **Order intake** is defined as Order backlog at the end of a period minus Order backlog at the beginning of a period plus revenues for the relevant period
- **Cost of goods sold** refers to the direct costs attributable to the production of the goods sold.
- **Gross contribution** is defined as Revenues minus Cost of goods sold
- **Gross margin** is defined as Gross contribution divided by Revenues in percent.
- **Operating expenses** is defined as Revenues minus Gross contribution minus EBITA
- **EBITA margin** is defined as EBITA divided by Revenues in percent.
- **Gearing ratio** is Net interest-bearing debt / EBITDA

COVID-19

Tomra has been influenced by the ongoing COVID 19 pandemic, but in general more limited than other industries, as most of Tomra's customers has been classified as "essential businesses" that has continued to operate during the crises. Food retail, Food producers and Waste management represents the most important customer segments, which all has been operating with only limited interference the last months.

Tomra's revenues and profit has therefore only been moderately impacted by the crises. There has not been identified any new impairment triggers. There are no material B/S items that are viewed as further exposed due to the crises. There are significant headroom towards the loan covenants. The liquidity reserves are good, and access the eventual additional funding is satisfactory. Tomra has only received limited government grants and support during the crises. There have not been identified any going concern topics.

NOTE 2 Dividend paid

Paid out May 2019: (2.50 NOK + 2.00 NOK) x 147.8 million shares = NOK 664.8 million

NOTE 3 Purchase of treasury shares

Net purchase of own shares	# shares	Average price		Total (MNOK)
2019				
Sold to employees	155 295	NOK	265,60	41,2
Bought at Oslo Stock Exchange	370 667	NOK	245,67	91,1
Net 2019	(215 372)			(49,8)
2020				
Sold to employees	99 821	NOK	368,66	36,8

NOTE 4 Interim results

(MNOK)	2Q20	1Q20	4Q19	3Q19	2Q19
Operating revenues (MNOK)	2 319	2 302	2 569	2 378	2 318
EBITA (MNOK)	288	228	408	414	352
EBIT (MNOK)	229	172	356	364	302
Sales growth (year-on-year) (%)	0 %	11 %	4 %	6 %	9 %
Gross margin (%)	43 %	42 %	43 %	45 %	45 %
EBITA margin (%)	10 %	10 %	16 %	17 %	13 %
EPS (NOK)	1,37	-0,20	1,80	1,64	1,40
EPS (NOK) fully diluted	1,37	-0,20	1,80	1,64	1,40

NOTE 5 Operating segments

SEGMENT (MNOK)	Collection Solutions		Sorting Solutions		Group Functions		Group Total	
	2Q20	2Q19	2Q20	2Q19	2Q20	2Q19	2Q20	2Q19
Revenues	1 055	1 088	1 264	1 230			2 319	2 318
Gross contribution	408	471	587	570			995	1 041
- in %	39 %	43 %	46 %	46 %			43 %	45 %
Operating expenses	290	288	381	377	36	24	707	689
EBITA	118	183	206	193	(36)	(24)	288	352
- in %	11 %	17 %	16 %	16 %			12 %	15 %
Amortization	35	23	24	27			60	50
EBIT	83	160	182	166	(36)	(24)	229	302
- in %	8 %	15 %	14 %	13 %			10 %	13 %

SEGMENT (MNOK)	Collection Solutions		Sorting Solutions		Group Functions		Group Total	
	YTD 2020	YTD 2019	YTD 2020	YTD 2019	YTD 2020	YTD 2019	YTD 2020	YTD 2019
Revenues	2 223	2 130	2 398	2 269			4 621	4 399
Gross contribution	870	888	1 098	1 027			1 968	1 915
- in %	39 %	42 %	46 %	45 %			43 %	44 %
Operating expenses	601	566	778	742	73	48	1 452	1 356
EBITA	269	322	320	285	(73)	(48)	516	559
- in %	12 %	15 %	13 %	13 %			11 %	13 %
Amortization	64	46	51	56			116	102
EBIT	205	276	269	229	(73)	(48)	401	457
- in %	9 %	13 %	11 %	10 %			9 %	10 %
Assets	4 839	4 199	6 389	5 917	808	644	12 036	10 760
Liabilities	1 942	1 631	1 805	1 765	2 409	2 605	6 156	6 001

STATEMENT BY THE BOARD OF DIRECTORS AND THE CEO

We hereby confirm that the half-yearly financial statements for the Group for the period 1 January through 30 June 2020 to the best of our knowledge have been prepared in accordance with IAS 34 Interim Financial Reporting and additional disclosure requirements as stated in the Norwegian Security Trading Act (Verdipapirhandelloven), and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group.

To the best of our knowledge, the half-yearly report gives a true and fair:

- Overview of important events that occurred during the accounting period and their impact on the half-yearly financial statements
- Description of the principal risks and uncertainties facing the Group over the next accounting period
- Description of major transactions with related parties.

Asker, 16 July 2020

Jan Svensson
Chairman

Bodil Sonesson
Board member

Pierre Couderc
Board member

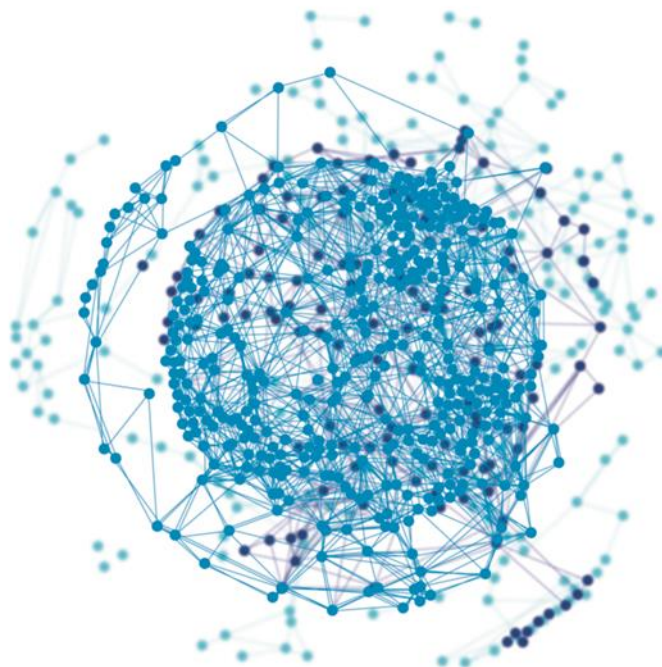
Hege Skryseth
Board member

Bjørn Matre
Board member

David Williamson
Board member
Employee
elected

Bente Traa
Board member
Employee
elected

Stefan Ranstrand
President and CEO



About TOMRA

TOMRA was founded on an innovation in 1972 that began with design, manufacturing and sale of reverse vending machines (RVMs) for automated collection of used beverage containers. Today TOMRA provides technology-led solutions that enable the circular economy with advanced collection and sorting systems that optimize resource recovery and minimize waste in the food, recycling and mining industries.

TOMRA has more than 100,000 installations in over 80 markets worldwide and had total revenues of ~9.3 billion NOK in 2019. The Group employs ~4,500 globally and is publicly listed on the Oslo Stock Exchange. (OSE: TOM).

For further information about TOMRA, please see www.TOMRA.com

From purpose into profits and profits into progress, TOMRA is transforming what it means to be resourceful



The results announcement will be broadcasted 17th of July 2020 08:00 CET via live webcast. Link to webcast for this and previous releases are available at <https://TOMRA.com/en/investor-relations/webcasts/>

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