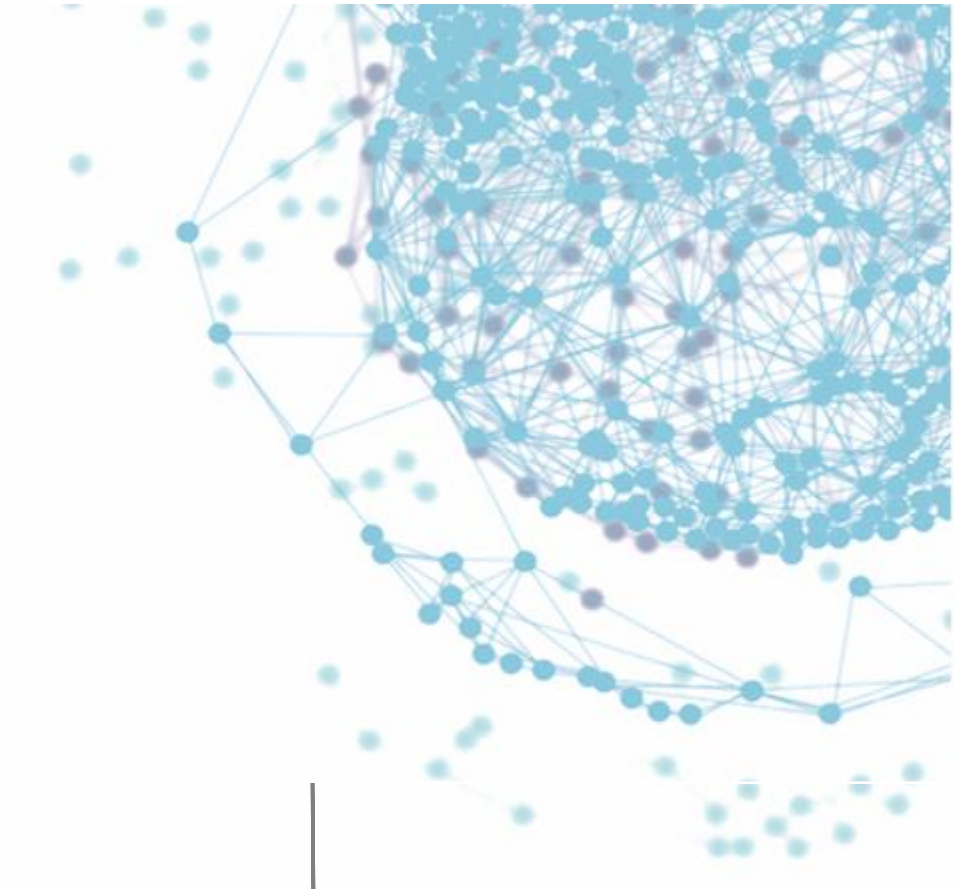


4th Quarter 2018

21.02.2019

HIGHLIGHTS

4Q 2018

- Revenues of 2,467 MNOK (2,041 MNOK in fourth quarter 2017), up 21%. Adjusted for currency and acquisitions, revenues were:
  - Up 15% for TOMRA Group
  - Up 14% in TOMRA Collection Solutions
  - Up 17% in TOMRA Sorting Solutions
- Gross margin 43%, unchanged from fourth quarter 2017
  - Stable margins in both business areas
- Operating expenses of 653 MNOK (574 MNOK in fourth quarter 2017)
  - Higher activity in both business areas
  - BBC (acquired 1st March 2018)
- EBITA of 396 MNOK – up 32% from fourth quarter 2017
- Cash flow from operations of 346 MNOK (356 MNOK in fourth quarter 2017)
- Ordinary dividend of NOK 2.50 per share plus an extra ordinary dividend of NOK 2.00, in total NOK 4.50 per share.
- TOMRA Collection Solutions
  - Higher activity in all geographies
  - Queensland live from 1st November 2018
- TOMRA Sorting Solutions
  - Order intake of 1,146 MNOK, compared to 967 MNOK same period last year (up 14% organic)
  - Order backlog of 1,399 MNOK, up from 1,147 MNOK at the end fourth quarter 2017

LEADING THE RESOURCE REVOLUTION

CONSOLIDATED FINANCIALS

Fourth quarter

Revenues in the fourth quarter 2018 amounted to 2,467 MNOK compared to 2,041 MNOK in fourth quarter last year, up 21%. Organic, currency adjusted revenues were up 14% in TOMRA Collection Solutions and up 17% in TOMRA Sorting Solutions.

Gross margin was 43% in the quarter, unchanged from fourth quarter 2017. Stable margins in both business areas.

Operating expenses of 653 MNOK in fourth quarter, up from 574 MNOK in fourth quarter last year. The increase relates to higher activity in both business areas and the acquisition of BBC (acquired 1st March 2018).

EBITA was 396 MNOK in fourth quarter 2018 – up 32% from same period last year. The EPS increased by 48% to NOK 1.57 in the same period.

Cash flow from operations in fourth quarter 2018 equaled 346 MNOK, compared to 356 MNOK in fourth quarter 2017.

Total assets were 9,595 MNOK as of 31 December 2018, up from 8,437 MNOK last year. The increase is explained by the acquisition of BBC, investments in New South Wales, higher activity and currencies. For the same reasons, equity decreased from 54% to 53% during the same period.

Full year

Revenues in 2018 were 8,596 MNOK, compared to 7,432 MNOK in 2017. Adjusted for currencies and acquisitions, revenues in TOMRA Collection Solutions increased 9%, while revenues in TOMRA Sorting Solutions were up 14%.

The gross margin was 43% in 2018, up from 42% last year. The margin improved in TOMRA Sorting Solutions and was stable in TOMRA Collection Solutions.

Operating expenses increased from 2,073 MNOK in 2017 to 2,429 MNOK in 2018 due to higher activity in both business areas and the acquisition of BBC.

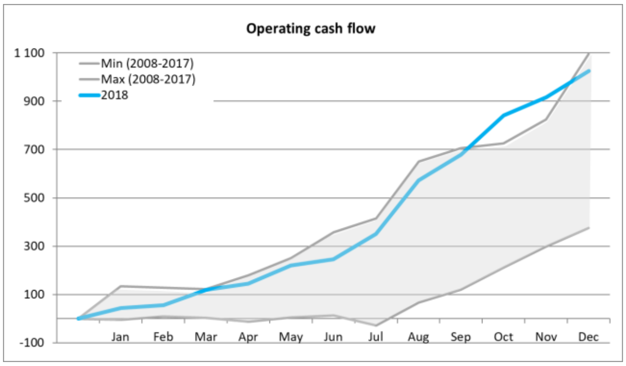
EBITA was 1,253 MNOK, up 20% from 2017 adjusted for currencies. Cashflow from operations was 1,025 MNOK in 2018, compared to 1,023 MNOK in 2017.

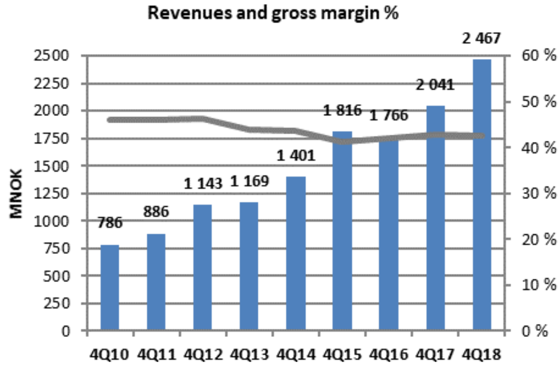
TOMRA Group

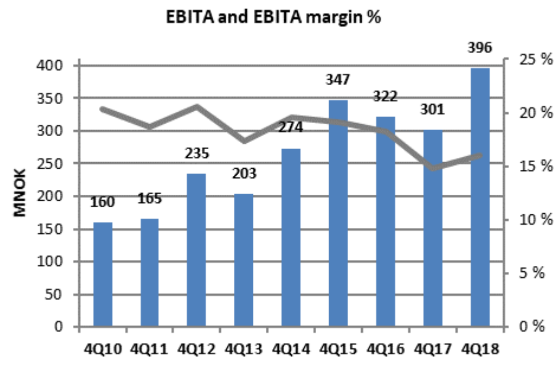
(MNOK)	4Q18	4Q17	2018	2017
Revenues	**2 467**	**2 041**	**8 596**	**7 432**
Gross contribution	1 049	875	3 682	3 141
- in %	43 %	43 %	43 %	42 %
Operating expenses	653	574	2 429	2 073
EBITA	**396**	**301**	**1 253**	**1 068**
- in %	16 %	15 %	15 %	14 %

Net Interest Bearing Debt / EBITDA (rolling 12 months' basis) increased from 0.5x at the end of 2017 to 0.7x at the end of 2018.

The EPS increased from NOK 4.14 in 2017 to NOK 5.01 in 2018. The Board propose an ordinary dividend of NOK 2.50 plus an extraordinary dividend of NOK 2.00 in total NOK 4.50 per share, up from NOK 2.35 in 2017.







BUSINESS AREA REPORTING

TOMRA Collection Solutions

Revenues in the business area equaled 1,141 MNOK in the fourth quarter, up from 995 MNOK in fourth quarter last year. After adjustment for currency changes, revenues were up 14%, driven by higher activity in all geographies.

Gross margin was 40%, unchanged from last year. Operating expenses were 273 MNOK, up from 266 MNOK last year.

EBITA was 179 MNOK, up from 135 MNOK last year.

Europe
Currency adjusted revenues in Europe were up 5% in fourth quarter 2018, compared to fourth quarter 2017, due to somewhat higher activity in most of the countries within the region.

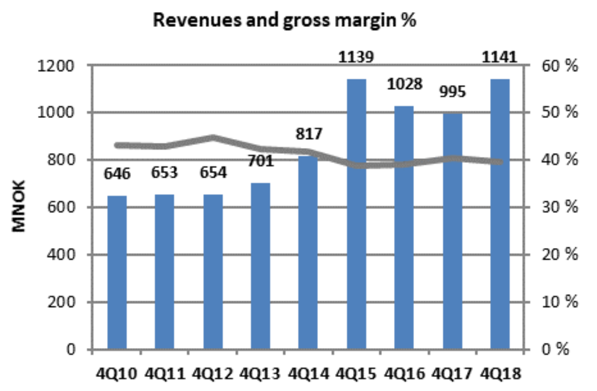
North America
Currency adjusted revenues in North America were up 4% in fourth quarter 2018, compared to fourth quarter 2017. Both machine sales and throughput-volumes improved.

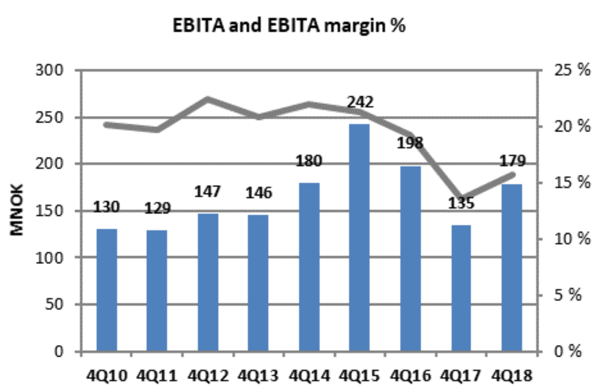
Australia (Rest of the World)
The ramp-up in New South Wales concluded in third quarter 2018, and in fourth quarter 2018 TOMRA operated with a complete fleet of slightly over 1,200 RVMs installed in the state.

TOMRA Collection Solutions

(MNOK)	4Q18	4Q17	2018	2017
Revenues				
- Northern Europe	154	180	611	614
- Europe (ex Northern)	465	407	1 710	1 671
- North America	403	377	1 605	1 520
- Rest of World	119	31	339	66
Total revenues	**1 141**	**995**	**4 265**	**3 871**
Gross contribution	452	401	1 751	1 601
- in %	40 %	40 %	41 %	41 %
Operating expenses	273	266	1 025	895
EBITA	**179**	**135**	**726**	**706**
- in %	16 %	14 %	17 %	18 %

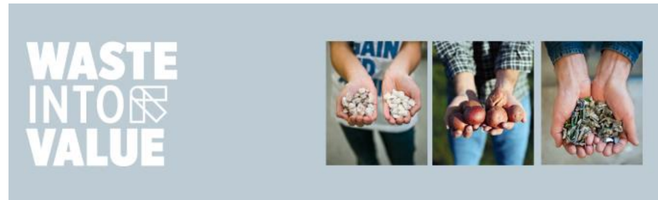
In August 2018 TOMRA entered into an agreement with the Queensland scheme operator, Container Exchange (CoEx), for the operation of 10 modern automated depots. At the scheme commencement date, 1st November 2018, all of the 10 depots were operational, equipped with ~10 RVMs per site, located in the greater Brisbane, Gold Coast, Sunshine Coast and Toowoomba areas. The contract length is 5 years.





BUSINESS AREA REPORTING

TOMRA Sorting Solutions



Revenues equaled 1,326 MNOK in fourth quarter 2018, up 17% in local currencies, adjusted for acquisitions (BBC). Gross margin was 45%, unchanged from same period last year.

Operating expenses were up from 292 MNOK to 360 MNOK, due to higher activity, the BBC acquisition and currency.

EBITA increased from 182 MNOK in fourth quarter 2017 to 237 MNOK in fourth quarter 2018, positively influenced by higher revenues.

The overall momentum in TOMRA Sorting has been positive, with strong increases in revenues, order intake and order backlog.

Despite all time high revenues in the quarter, a strong order intake led to a healthy backlog of 1,399 MNOK at the end of fourth quarter, up from 1,147 one year ago, of which 53 MNOK was provided by BBC.

TOMRA Sorting Solutions

(MNOK)	4Q18	4Q17	2018	2017
Revenues				
- Europe	401	302	1 508	1 182
- North America	442	354	1 466	1 282
- South America	111	51	253	140
- Asia	152	128	491	419
- Oceania	129	117	383	329
- Africa	91	94	230	209
Total revenues	**1 326**	**1 046**	**4 331**	**3 561**
Gross contribution	597	474	1 931	1 540
- in %	45 %	45 %	45 %	43 %
Operating expenses	360	292	1 324	1 114
EBITA	**237**	**182**	**607**	**426**
- in %	18 %	17 %	14 %	12 %

Business streams

Food

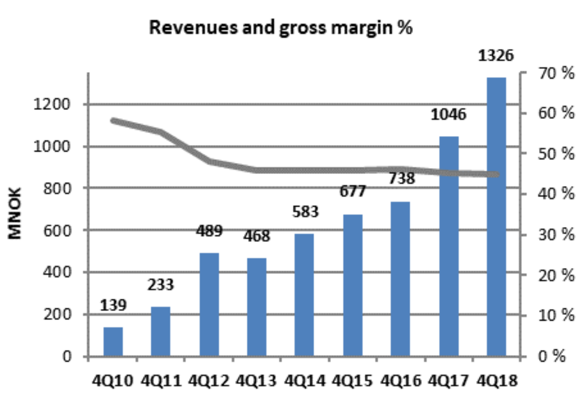
Revenues in the Food business stream improved significantly fourth quarter 2018 compared to fourth quarter 2017. The market remains robust, and order intake improved also quarter over quarter.

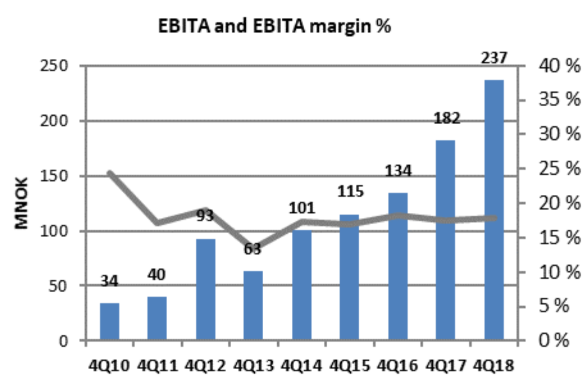
Recycling

Revenues in fourth quarter 2018 were stable compared to fourth quarter 2017. Order intake was also stable, and Recycling ended the year with a backlog significantly up compared to end 2017. China's ban on import of waste is continuing to generate business opportunities both inside and outside China.

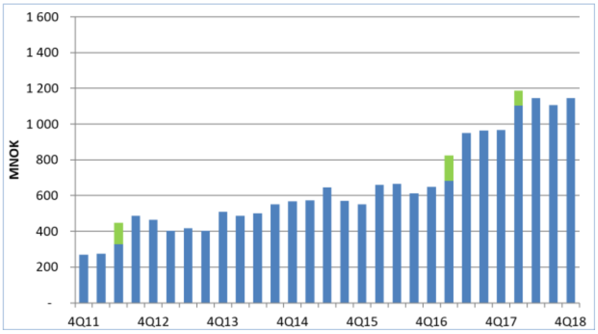
Mining

Revenues, order intake and backlog have improved from fourth quarter last year.

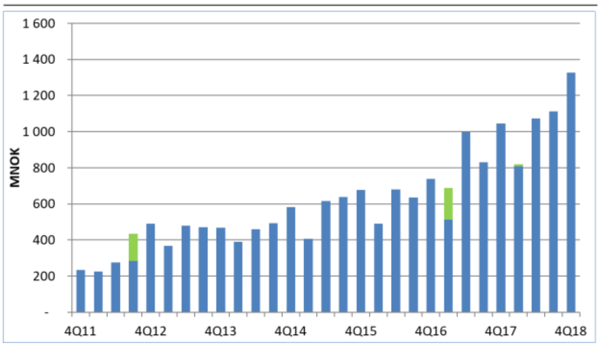




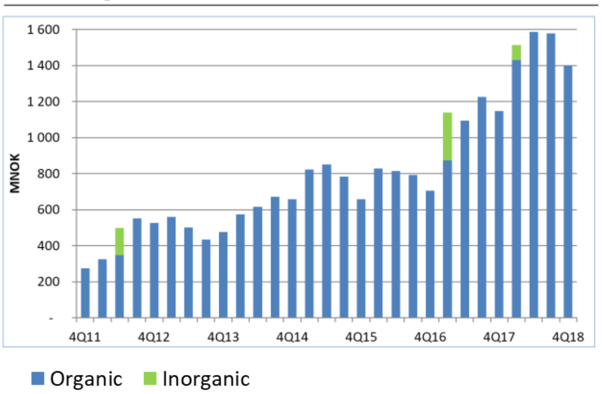
Order Intake



Revenues



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.

TOMRA Collection Solutions

Overall, the business is stable in TOMRA Collection. Operating expenses will increase going forward, in preparation for new markets.

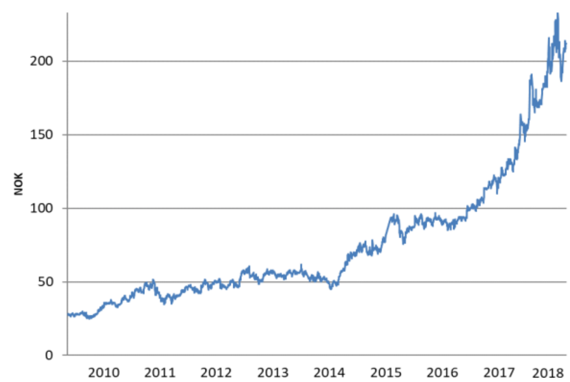
TOMRA Sorting Solutions

Currently positive momentum in all business streams.

Currency

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

THE TOMRA SHARE



The total number of issued shares at the end of third quarter 2018 was 148,020,078 shares, including 284,628 treasury shares. The total number of shareholders increased from 6,981 at the end of third quarter 2018 to 7,975 at the end of fourth quarter 2018. Norwegian residents held 23% of the shares at the end of fourth quarter 2018.

TOMRA's share price decreased from NOK 203.00 to NOK 194.80 during fourth quarter 2018. The number of shares traded on the Oslo Stock Exchange in the period was 24 million, up from 9 million in fourth quarter 2017.

Asker, 20 February 2019

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	4th Quarter 2018	4th Quarter 2017	Full year 2018	Full year 2017
Operating revenues	**(5)**	**2 467,2**	**2 041,0**	**8 595,8**	**7 432,1**
Cost of goods sold		1 377,4	1 133,1	4 769,4	4 184,3
Depreciations/write-down		40,3	32,5	144,3	107,0
Gross contribution		**1 049,5**	**875,4**	**3 682,1**	**3 140,8**
Operating expenses		620,8	544,4	2 295,1	1 949,0
Depreciations/write-down		32,8	29,5	134,5	123,5
EBITA	**(5)**	**395,9**	**301,5**	**1 252,5**	**1 068,3**
Amortizations		48,7	42,6	174,1	152,8
EBIT	**(5)**	**347,2**	**258,9**	**1 078,4**	**915,5**
Net financial income		(32,5)	(38,7)	(45,7)	(28,4)
Profit before tax		**314,7**	**220,2**	**1 032,7**	**887,1**
Taxes		77,9	59,2	253,8	229,3
Net profit		**236,8**	**161,0**	**778,9**	**657,8**
Non-Controlling interest (Minority interest)		(5,1)	(4,9)	(38,6)	(47,1)
Earnings per share (EPS)		1,57	1,06	5,01	4,14
Earnings per share (EPS) continuing operations		1,57	1,06	5,01	4,14

STATEMENT OF OTHER COMPREHENSIVE INCOME (MNOK)	4th Quarter 2018	4th Quarter 2017	Full year 2018	Full year 2017
Net profit for the period	236,8	161,0	778,9	657,8
Other comprehensive income that may be recl. to profit or loss				
Translation differences	297,3	181,9	90,4	138,5
Other comprehensive income that will not be recl. to profit or loss				
Remeasurements of defined benefit liability (assets)	(11,4)	(35,7)	(7,8)	(35,7)
Remeasurements	(8,2)		(8,2)	-
Total comprehensive income	**514,5**	**307,2**	**853,3**	**760,6**
Attributable to:				
Non-controlling interest	13,8	12,2	46,8	39,2
Shareholders of the parent company	500,7	295,0	806,5	721,4
Total comprehensive income	**514,5**	**307,2**	**853,3**	**760,6**

STATEMENTS OF FINANCIAL POSITION (MNOK)	31 December 2018	31 December 2017
ASSETS		
Intangible non-current assets	3 820,8	3 412,0
Tangible non-current assets	1 276,3	997,9
Financial non-current assets	339,4	348,9
Inventory	1 447,5	1 197,2
Receivables	2 313,8	1 887,6
Cash and cash equivalents	397,0	593,5
TOTAL ASSETS	**9 594,8**	**8 437,1**
EQUITY & LIABILITIES		
Equity	5 076,9	4 594,1
Non-controlling interest	159,3	143,3
Deferred taxes	155,5	114,2
Long-term interest bearing liabilities	874,0	1 280,1
Short-term interest bearing liabilities	650,8	-
Other liabilities	2 678,3	2 305,4
TOTAL EQUITY & LIABILITIES	**9 594,8**	**8 437,1**

Condensed Consolidated interim financial statements (continued)

STATEMENT OF CASHFLOWS		4th Quarter		Full year	
(MNOK)	Note	2018	2017	2018	2017
Profit before income tax		314,7	220,2	1 032,7	887,1
Changes in working capital		36,1	163,6	(222,6)	60,8
Other operating changes		(4,7)	(28,0)	215,3	74,6
Total cash flow from operations		**346,1**	**355,8**	**1 025,4**	**1 022,5**
Cashflow from (purchase)/sales of subsidiaries		0,2	0,0	(362,6)	(423,6)
Other cashflow from investments		(235,7)	(155,1)	(714,4)	(505,9)
Total cash flow from investments		**(235,5)**	**(155,1)**	**(1 077,0)**	**(929,5)**
Sales/repurchase of treasury shares	(3)	0,0	(24,5)	32,1	(0,6)
Dividend paid out	(2)	0,0	0,0	(346,8)	(309,9)
Other cashflow from financing		(2,3)	(80,4)	167,1	398,6
Total cash flow from financing		**(2,3)**	**(104,9)**	**(147,6)**	**88,1**
Total cash flow for period		**108,3**	**95,8**	**(199,2)**	**181,1**
Exchange rate effect on cash		3,2	23,7	2,7	13,2
Opening cash balance		285,5	474,0	593,5	399,2
Closing cash balance		397,0	593,5	397,0	593,5

EQUITY (MNOK)	Paid in capital	Transl. reserve	Actuarial Gain / (Loss)	Retained earnings	Total majority equity	Minority interest
Balance per 31 December 2017	**1 065,8**	**631,0**	**(76,1)**	**2 973,4**	**4 594,1**	**143,3**
Net profit				740,2	740,2	38,6
Changes in translation difference		82,3			82,3	8,2
Remeasurement defined benefit liability			(7,8)		(7,8)	
Dividend non-controlling interest				(9,1)	(9,1)	(31,3)
Remeasurements				(8,2)	(8,2)	
Treasury shares sold to employees	0,2			31,9	32,1	
Minority new consolidated companies					0,0	0,5
Dividend to shareholders				(346,8)	(346,8)	
Balance per 31 December 2018	**1 066,0**	**713,3**	**(83,9)**	**3 381,4**	**5 076,8**	**159,3**

EQUITY	4th Quarter		Full year	
(MNOK)	2018	2017	2018	2017
Opening balance	**4 576,5**	**4 325,6**	**4 594,1**	**4 192,3**
Net profit	231,6	156,1	740,2	610,7
Translation difference	288,7	174,6	82,3	146,4
Remeasurement defined benefit liability	(11,4)	(35,7)	(7,8)	(35,7)
Dividend non-controlling interest	(0,4)	(1,9)	(9,1)	(9,0)
Remasurements	(8,2)	0,0	(8,2)	0,0
Dividend paid	0,0	0,0	(346,8)	(309,9)
Net purchase of own shares	0,0	(24,6)	32,1	(0,7)
Closing balance	**5 076,8**	**4 594,1**	**5 076,8**	**4 594,1**

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 2018, except for the implementation of IFRS 15 (see note 7 below). 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 2018. 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 2018.

A number of new standards, amendments to standards and interpretations are not effective for the period ended 31 December 2018 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 16 Leases
IFRS 17 Insurance Contracts
IFRIC 23 Uncertainty over Income Tax Treatments
Amendments to IAS 28: Long-term interests in Associates and Joint Ventures
Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
Amendments to IFRS 9: Prepayment Features with Negative Compensation
Annual improvements to IFRS Standards 2015-2017 Cycle – various standards
Amendments to References to Conceptual Framework in IFRS standards

TOMRA is considering the effects of the future adoption of these standards.

IFRS 16 leases was issued in January 2016 with effective date 1. January 2019. IFRS 16 specifies how to recognize, measure and disclose leases.

TOMRA has assessed the estimated impact that initial application of IFRS 16 will have on its consolidated financial statements, as described below. The actual impacts of adopting the standard on 1 January 2019 may change because:

TOMRA has not finalized the testing and assessment of controls over its new IT systems; and
the new accounting policies are subject to change until TOMRA presents its first financial statements that include the date of initial application.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance , including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Leases in which TOMRA is a lessee
Tomra Group will recognize new assets and liabilities for its operating leases of Buildings, Vehicles, Fixtures, Production equipment and Land.

The nature of expenses related to those leases will now change because the Tomra Group will recognize a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Tomra Group recognized operating lease expense on a straight-line basis over the term of the lease, and recognized assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expenses recognized.

In addition, the Tomra Group will no longer recognize provisions for operating leases that it assesses to be onerous. Instead, the Group will include the payments due under the lease in its lease liability.

No significant impact is expected for the Tomra Group's finance leases.

Based on the information currently available, the Tomra Group estimates that the implementation will increase the balance sheet with approximately 1,200 MNOK, as the right to use asset and the corresponding lease obligation must be reflected in the balance sheet. There would also be some minor reclassification effects between the different line items in the profit and loss statement, but the EPS is expected to be close to unchanged as a consequence of the implementation.

The Group does not expect the adoption of IFRS 16 to impact its ability to comply with the revised maximum leverage threshold loan covenant described in Note 6.

Leases in which TOMRA is a lessor
No significant impact is expected for other leases in which the Tomra Group is a lessor.

Transition
The Tomra Group plans to apply IFRS 16 initially on 1 January 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting IFRS 16 will be recognized as an adjustment to the opening balance of retained earnings at 1 January 2019, with no restatement of comparative information.

The Group plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply IFRS 16 to all contracts entered into before 1 January 2019, and identified as leases in accordance with IAS 17 and IFRIC 4.

Other Standards
The current assessment of other new and revised standards 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 ~4% of its income is nominated in NOK. A strengthening/ weakening of NOK toward other currencies of 10% would normally decrease/increase operating profit by 8-12%. An increase in NIBOR and EURIBOR of 1 percentage point, would increase financial expenses by ~NOK 15 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 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. BBC (acquired March 2018) is reported as part of Sorting Solutions (Food)
- Group Functions consists of costs related to corporate functions at TOMRA's headquarters

Assets and liabilities are distributed to the different business streams, except for cash, interest-bearing debt and tax-positions, which are allocated to Group Functions. There are no material revenues from transactions with other business areas. There were no material related party transactions in 2018.

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

- **EBITA** is the calculated profit (loss) for the period before (i) income tax expenses, (ii) finance income and expenses and (iii) amortization.
- **EBIT** is the calculated profit (loss) for the period before (i) income tax expenses and (ii) finance income and expenses.
- **Net interest-bearing debt** is calculated as the difference between interest-bearing debts and cash and cash equivalents. Interest-bearing debts include loans from financial institutions (current and non-current loans) and cash and cash equivalents include short-term deposits, cash funds and bank accounts.
- **Currency adjusted revenues** is the revised revenues after adjusting for estimated currency effect.
- **Order backlog** is defined as the value of 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.
- **EBITA margin** is defined as EBITA divided by Revenues in percent.
- **EPS** (Earnings per share) is defined as Profit for the period attributable to the shareholders of the parent divided weighted average of outstanding shares

NOTE 2 Dividend paid

Paid out May 2017:	2.10 NOK x 147.6 million shares = NOK 309.9 million
Paid out May 2018:	2.35 NOK x 147.8 million shares = NOK 346.8 million

NOTE 3 Purchase of treasury shares

Net purchase of own shares	# shares	Average price		Total (MNOK)
2017				
Sold to employees	242 606	NOK	98,67	23,9
Net purchased	200 000	NOK	122,80	24,5
2018				
Sold to employees	171 712	NOK	187,00	32,1

NOTE 4 Interim results

(MNOK)	4Q18	3Q18	2Q18	1Q18	4Q17
Operating revenues (MNOK)	2 467	2 247	2 128	1 754	2 041
EBITA (MNOK)	396	408	307	142	301
EBIT (MNOK)	348	365	265	101	259
Sales growth (year-on-year) (%)	21 %	21 %	8 %	12 %	16 %
Gross margin (%)	43 %	44 %	43 %	41 %	43 %
EBITA margin (%)	14 %	18 %	14 %	8 %	15 %
EPS (NOK)	1,57	1,71	1,22	0,51	1,06
EPS (NOK) fully diluted	1,57	1,71	1,22	0,51	1,06

NOTE 5 Operating segments

SEGMENT	Collection Solutions		Sorting Solutions		Group Functions		Group Total	
(MNOK)	4Q18	4Q17	4Q18	4Q17	4Q18	4Q17	4Q18	4Q17
Revenues	**1 141**	**995**	**1 326**	**1 046**			**2 467**	**2 041**
Gross contribution	452	401	597	474			1 049	875
- in %	40 %	40 %	45 %	45 %			43 %	43 %
Operating expenses	273	266	360	292	20	16	653	574
EBITA	**179**	**135**	**237**	**182**	**(20)**	**(16)**	**396**	**301**
- in %	16 %	14 %	18 %	17 %			16 %	15 %
Amortization	20	16	28	26			48	42
EBIT	**159**	**119**	**209**	**156**	**(20)**	**(16)**	**348**	**259**
- in %	14 %	12 %	16 %	15 %			14 %	13 %

SEGMENT	Collection Solutions		Sorting Solutions		Group Functions		Group Total	
(MNOK)	2018	2017	2018	2017	2018	2017	2018	2017
Revenues	**4 265**	**3 871**	**4 331**	**3 561**			**8 596**	**7 432**
Gross contribution	1 751	1 601	1 931	1 540			3 682	3 141
- in %	41 %	41 %	45 %	43 %			43 %	42 %
Operating expenses	1 025	895	1 324	1 114	80	64	2 429	2 073
EBITA	**726**	**706**	**607**	**426**	**(80)**	**(64)**	**1 253**	**1 068**
- in %	17 %	18 %	14 %	12 %			15 %	14 %
Amortization	69	57	105	95			174	152
EBIT	**657**	**649**	**502**	**331**	**(80)**	**(64)**	**1 079**	**916**
- in %	15 %	17 %	12 %	9 %			13 %	12 %
Assets	3 517	3 019	5 384	4 542	694	876	9 595	8 437
Liabilities	1 128	973	1 311	1 101	1 920	1 626	4 359	3 700

NOTE 6 BBC acquisition

On 26 February 2018, TOMRA Systems ASA, through its fully owned subsidiary TOMRA Sorting AS, signed an agreement with the owners of BBC Technologies Ltd (New Zealand) and BBC Technologies Limited (USA) (together "BBC") to acquire 100 per cent of the shares in BBC.
BBC is headquartered in Hamilton, New Zealand and is a leading provider of precision grading systems for blueberries and other small fruits. The company complements TOMRA's own fruit inspection and grading technology portfolio. The majority of BBC Technologies sales have been from the blueberry segment, but the company also offers solutions for cherries, cherry tomatoes and other small soft fruits.

BBC origins go back to 2000, currently employing around 145 people across locations in New Zealand, Chile, Europe and USA. About 2,350 BBC Technologies machines have been sold worldwide. With year-end in December the company generated a 2017 EBITDA of approximately 10 MNZD on total revenue of approximately 36 MNZD.

Closing of the transaction took place 1 March 2018, and TOMRA paid a consideration of 363 MNOK corresponding to a value of 63.8 MNZD, free of cash and interest-bearing debt. TOMRA acquisition was settled in cash, and the transaction was financed through existing drawing rights.

Accounting year ended December

Amounts in NZD million	**FY15**	**FY16**	**FY17**	**FY18***
Profit and loss				
Revenues	23	28	36	45
EBITDA	5	8	10	13
EBIT	**4**	**6**	**8**	**11**

Balance sheet	**FY15**	**FY16**	**FY17**	**FY18**
Intangible non-current assets	1	-	-	1
Tangible non-current assets	2	4	2	2
Inventory	6	7	7	6
Receivables	9	9	9	20
Cash	3	2	5	4
Total assets	**17**	**22**	**23**	**33**
Equity	5	8	14	20
Interest bearing debt	7	6	-	-
Other liabilities	5	8	9	13
Total debt and equity	**17**	**22**	**23**	**33**

Unaudited numbers. Not harmonized with TOMRA Group accounting principles

*10 months. If the acquisition had occurred on 1 January 2018, revenues in 2018 for the TOMRA Group would have increased with approximately 2 MNZD and EBIT would have decreased by approximately 1 MNZD.

The figures are extracted from management accounts and adjusted for one-off income and expenses, and are not harmonized with TOMRA accounting principles.

TOMRA has expensed NOK 5.7 million in acquisition related costs in the 2018 consolidated financial statements as other operating expenses.

Preliminary Purchase Price Allocation

NZD million	Carrying amount	Fair value adjustment	Fair value
Goodwill	-	48.0	48.0
Other intangible non-current assets	0.9	9.6	10.5
Tangible non-current assets	1.6	-	1.6
Inventories	7.1	-	7.1
Receivables	9.4	-	9.4
Non-interest-bearing liabilities	-10.8	-2.0	-12.8
Total consideration satisfied by cash	**8.2**	**55.6**	**63.8**
Net cash outflow:			
Cash consideration paid			66.9
Cash acquired			3.1
Net cash outflow			**63.8**

Total goodwill as of acquisition date equals 48.0 MNZD and is not tax deductible. The acquired goodwill is assumed to mainly relate to synergies to be realized over time, possibilities for efficiency improvements and a positive market development.

There is no liability for contingent consideration in the Purchase Price Allocation. No significant gain or loss has been recognized in BBC or in TOMRA Group, related to the acquisition of BBC in 2018. BBCs activities are reported as part of TOMRA Sorting Solutions (Food).

The gross contractual amounts receivable as of 1 March 2018 was estimated to be NZD 9.4 million, all assumed to be collectable.

NOTE 7 IFRS 15 implementation

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographic market and major product/service. The table also includes a reconciliation of the disaggregated revenue with the Groups Business areas.

Amounts in NOK million	Collection Solutions	Sorting Solutions	TOTAL
Northern Europe	611		611
Europe (ex Northern)	1 710		1 710
North America	1 605		1 605
Rest of the world	339		339
Europe 1)		1 508	1 508
North America 2)		1 466	1 466
South America		253	253
Asia		491	491
Oceania		383	383
Africa		230	230
Operating revenues	**4 265**	**4 331**	**8 596**

Sales of RVMs / Sorters	1 331	3 432	4 763
Lease of RVMs / Sorters	381	67	448
Service	1 532	832	2 364
Material handling	1 021	0	1 021
Operating revenues	**4 265**	**4 331**	**8 596**

For detailed information of the implementation of IFRS 15 see Tomras Q1 report.

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 has ~100,000 installations in over 80 markets worldwide and had total revenues of ~8.6 billion NOK in 2018.

The Group employs ~4,000 globally, and is publicly listed on the Oslo Stock Exchange. (OSE: TOM)

The TOMRA Group continues to innovate and provide cutting-edge solutions for optimal resource productivity within two main business areas: Collection Solutions (reverse vending and material recovery) and Sorting Solutions (recycling, mining and food sorting).

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

TOMRA COLLECTION SOLUTIONS

REVERSE VENDING	
Nordic	~15,100
Germany	~30,000
Other Europe	~14,600
North America	~16,000
Rest of the world	~7,400
TOTAL	~83,100

Not including machines sold on OEM agreements

TOMRA SORTING SOLUTIONS

RECYCLING		MINING		FOOD BULK		FOOD LANE	
EMEA	~4,250	Europe	~28	EMEA	~3,250	EMEA	~790
Americas	~865	US / Canada	~41	Americas	~2,950	Americas	~1,705
Asia	~820	Australia	~12	Asia	~675	APAC	~840
Other	~25	South Africa	~37				
		Other	~35				
TOTAL	~5,960	TOTAL	~153	TOTAL	~6,875	TOTAL	~3,335

Food Lane includes Compac and BBC

The results announcement will be broadcasted 21st of February 08:00CET via live webcast. Link to webcast for this and previous releases are available at https://TOMRA.com/en/investor-relations/webcasts/

<u>**For further information contact:**</u>

Espen Gundersen, Deputy CEO / CFO, Tel: +47 97 68 73 01
Bing Zhao, Director Investor Relations & Strategy, Tel: +47 40 21 08 19